

## **“THE MAP AND THE COMPASS”**

### **STRATEGIC DIRECTIONS FOR HIGHER EDUCATION IN THE TURKISH CYPRIOT COMMUNITY (TCC)**

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# Contents

Abbreviations .....	4
Acknowledgments.....	5
<b>Executive Summary</b> .....	7
<b>Introduction</b> .....	9
<b>Strategic Directions for Higher Education in the Turkish Cypriot Community (TCc)</b> .....	11
1. Higher education and its contribution to economic and social development .....	11
2. Governance and quality assurance.....	14
3. Financing of higher education .....	16
4. Teaching and learning.....	17
5. Research and development .....	19
<b>Annex 1: Expert Observations</b> .....	23
Annex 1-A: The economic and regional impact of universities—implications for the Turkish Cypriot Community (TCc).....	23
Annex 1-B: Governance and quality assurance in the TCc .....	29
Annex 1-C: Status quo and perspectives for higher education financing in the TCc .....	40
Annex 1-D: Teaching, learning, recognition—options for the TCc.....	46
Annex 1-E: Research and Development .....	53
<b>Annex 2: Background Information—Higher Education in the TCc</b> .....	61
Main features of the system.....	61
Teaching and learning.....	72
Research.....	78
Governance.....	80
Quality assurance.....	83
Financing.....	86
<b>References</b> .....	89
<b>Annex 3: Agenda Workshop on Strategic Directions for the TCc</b> .....	92
<b>Annex 4: Bios of Authors and Workshop Contributors</b> .....	94
<b>Annex 5: List of Workshop Participants</b> .....	98

## Boxes

Box A2.1 Characteristics of the TCc Labor Market.....	74
Box A2.2 The State of the TCc Economy.....	79
Box A2.3 Funding from the Higher Education Budget.....	87

## Figures

Figure A1-B.1 Governance at the system level: A power balance through well-distributed responsibilities.....	33
Figure A2.1 Total Enrolment in the TCc by Origin of Students, 1988/89–2014/15.....	68
Figure A2.2 Share of Students by Origin, 2014/15.....	69
Figure A2.3 Share of Students by Degree Level, 2014/15.....	70
Figure A2.4 Employment by Economic Sector, 2014.....	74
Figure A2.5 Labor Force Participation Rate by Education and Gender, 2014.....	75
Figure A2.6 Employment Rate by Education and Gender, 2014.....	75
Figure A2.7 Employment in the Public and the Private Sector by Level of Education, 2014 (in percent).....	76
Figure A2.8 Unemployment Rate by Education and Gender, 2014.....	77
Figure A2.9 Unemployed by Level of Education, 2014.....	78

## Tables

Table 1 Key recommendations for higher education in the TCc.....	22
Table A2.1 Universities in the Turkish Cypriot Community.....	64
Table A2.2 Higher Education Budget, 2014.....	87

## Abbreviations

ABET	Accreditation Board for Engineering and Technology
AQAIIW	Association of Quality Assurance Agencies of the Islamic World
CEENQA	Central and Eastern European Network of Quality Assurance Agencies in Higher Education
CHEA	U.S. Council on Higher Education Accreditation
CIU	Cyprus International University
ECTS	European Credit Transfer and Accumulation System
EMU	Eastern Mediterranean University
ENQA	European Association for Quality Assurance in Higher Education
ESG	Standards and Guidelines for Quality Assurance in the European Higher Education Area
EQA	external quality assurance
EQAR	European Quality Assurance Register
EU	European Union
EUA	European University Association
EUL	European University of Lefke
FIBA	Foundation for International Business Administration Accreditation
GAU	Girne American University
GCc	Greek Cypriot community
HEMIS	higher education management and information system
IEP	Institutional Evaluation Programme
INQAHE	International Network for Quality Assurance Agencies in Higher Education
IQA	internal quality assurance
ITU	Istanbul Technical University
IUC	Inter-University Council
LoHE	Law on Higher Education
METU	Middle East Technical University
MONE	“Ministry” of National Education
NCC	Northern Cyprus Campus
NEU	Near East University
OECD	Organisation for Economic Co-operation and Development
ÖSYM	Student Selection and Placement Center
PR	public relations
QA	quality assurance
R&D	research and development
SME	small and medium-sized enterprises
SWOT	strengths, weaknesses, opportunities, threats
TCc	Turkish Cypriot community
TÜBİTAK	Scientific and Technological Research Council of Turkey
UK	University of Kyrenia
UMK	University of Mediterranean Karpasia
VET	vocational education and training
YÖDAK	Higher Education Planning, Evaluation, Accreditation and Coordination Council
YÖK	Turkish Council of Higher Education

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The preparation of the report was coordinated by Nina Arnhold, Senior Education Specialist at the World Bank, who also prepared the main recommendations based on various input. Dr. Arnhold was supported by Mr. Vitus Puttmann, World Bank Consultant, who prepared the background section in Annex 2. A team of higher education specialists provided their expertise on selected topics following their participation in the workshop, "Strategic Directions for Higher Education in the Turkish Cypriot Community (TCc)," that was held in Nicosia (Annex 3 contains the workshop agenda and Annex 5 the list of participants). Observations from the experts are summarized in Annex 1. The experts include Professor Hans Vossensteyn, University of Twente, Netherlands; Dr. Andrée Sursock, Senior Adviser at the European University Association, Belgium and France; Professor Frank Ziegele, University of Osnabrück, Germany; Andy Gibbs, Glasgow Caledonian University, United Kingdom; and Professor Melita Kovačević, University of Zagreb, Croatia; all World Bank Consultants. The CVs of all team members can be found in Annex 4.

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## **Disclaimer**

The contents of this document are the sole responsibility of its authors and should in no way be taken to reflect the official views of the World Bank or the European Commission financing this report. The Republic of Cyprus covers the entire territory of the island of Cyprus. The term “Turkish Cypriot community” refers, solely for the purposes of this study, to the areas in which the Government of the Republic of Cyprus does not exercise effective control. If reference is made in the report to any “ministries”, “departments”, “services”, “bodies”, “organizations”, “institutions”, and “authorities” in the areas not under the effective control of the Government of the Republic of Cyprus, or respective acronyms or abbreviations are used, this is done to allow a clear factual understanding of the administrative structures in the Turkish Cypriot community without intention to support any claims based on international law. Similarly, comparisons between the areas where the Government of the Republic of Cyprus exercises effective control and those areas where it does not are factual only.

## Executive Summary

**This report, “Strategic Directions for Higher Education in the Turkish Cypriot Community (TCc),” was prepared upon request of the TCc Administration** and was supported by the European Commission Trust Fund *“Supporting Economic Convergence of the Turkish Cypriot Community with the EU.”* The document was prepared by a team of World Bank staff and higher education experts in 2016, taking into account prior work on the TCc higher education sector, expert opinion, and stakeholder feedback, particularly that received during a workshop on 14 June 2016, and during interviews with sector representatives.

**The document includes recommendations on key features of the TCc higher education system.** The specific topics covered are the higher education system’s contribution to economic and social development, teaching, and learning, and research and development as key outputs of the higher education sector on the one hand, and governance and quality assurance as well as financing mechanisms, a major steering instrument for the sector and its institutions, on the other.

At the time of writing, discussions were ongoing between the TCc and the Greek Cypriot community (GCc) with a view to potential alternative political scenarios for the future. For the team this meant that recommendations related to future directions for the higher education sector should be able to both provide guidance within the current political and administrative framework of the TCc, and support the sector in preparing for potential alternative political scenarios.

**The report argues that to become a motor of future growth, the focus of higher education in the TCc needs to shift from rapid quantitative expansion toward an increased focus on the quality of institutions’ activities.** To achieve this, the approach to higher education in the TCc needs to be reconsidered, with more attention devoted to research and development and the quality of the student experience, while building on existing positive features of the system and its institutions.

**Universities are encouraged to gear their operations more closely to provisions of the Bologna Process, link their programs increasingly to labor market demands, emphasize entrepreneurship training and transferable skills, and undertake initial steps toward strengthening research and development capacities** by developing initial research strategies and identifying areas for smart specialization.

Key recommendations include:

- Building on the “Strategic Directions,” **developing a concise sector strategy in a transparent and inclusive manner**—culminating in a broad endorsement by higher education stakeholders
- **Disentangling responsibilities for policy formulation and financing from responsibilities for independent external quality assurance processes**

- Building on the sector strategy and the new division of governance roles, and establishing a **mechanism for well-grounded and transparent decision making concerning the establishment of new institutions**
- **Strengthening internal quality assurance at universities**
- **Fostering collaboration and knowledge exchange among universities**, with a view to joint growth opportunities and quality enhancement of higher education provision.

## Introduction

This report, “Strategic Directions for Higher Education in the Turkish Cypriot Community (TCc),” was prepared by a team of World Bank staff and higher education experts in 2016. The team started by reviewing literature, including a “rapid assessment” (World Bank 2016) of the sector conducted by the World Bank in 2015/16. Data on the TCc higher education sector are, however, scarce. To date, there is no higher education management and information system (HEMIS) or other systematic approaches to collecting and processing data. Information on the sector is mainly provided by universities for marketing purposes. The team thus set out to collect information during site visits, and to complement the visits with interviews with university leaders, staff, students, stakeholders, and the TCc administration. Initial considerations concerning the future of the sector based on the aforementioned data and information sources were presented at a workshop on strategic directions for the higher education sector on 14 June 2016 (Annex 3–5), and were later compiled in this document. The main recommendations (p. 11–22) were based on all the input the team received.

The TCc higher education system has several characteristics that set it apart from other European higher education systems, particularly the high degree of internationalization<sup>1</sup>; only 16 percent of students come from the TCc itself. Among the other students, the majority come from Turkey—a neighboring system with which the TCc higher education system shows a certain degree of integration, primarily via student placements. Further, the sector has seen a massive expansion in terms of number of both students and higher education institutions (for details, see Annex 2). Other distinct features of the TCc higher education sector include the low spending on higher education (including on public universities), the large number of students compared to the overall population, and factors determined by its specific political situation.

At the time of writing, discussions were ongoing between the TCc and the Greek Cypriot Community (GCc), with a view to potential alternative political scenarios for the future. For the team this meant that recommendations related to future directions for the higher education sector should be able to both (a) provide guidance within the current political and administrative framework of the TCc, and (b) support the sector in preparing for potential alternative political options.

Determining the direction for the future development of a higher education system and promoting the implementation of objectives require a clear and agreed strategy based on an in-depth analysis of current circumstances and potential future developments. Such a strategy also needs to be developed and endorsed by the sector itself. This report represents a preparatory

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<sup>1</sup> The term is used here with regard to the fact that a large percentage of students comes from abroad; however, “internationalization” covers a wider range of aspects of higher education systems and institutions, as will be discussed later.

step in that direction by outlining key issues of a potential strategy that can serve as the basis for a future strategy development process of the sector. This approach also appeared to be more suitable due to the uncertainties related to future political developments.

The report is expected to provide a good starting point for the development of the strategy, because it maps out some of the key challenges the sector faces and how they could potentially be tackled in the short to medium term. The future higher education strategy:

- should aim at covering medium-term issues
- will need to be conceived through a process that creates buy-in and ensures ownership by relevant stakeholders
- will subsequently need to be endorsed by the sector through a formal process.

Further, the strategy will need to be geared toward an agreed vision, and ideally be based on a clear future (political) roadmap.

The report is structured as follows. The introduction is followed by the main section, which includes recommendations on five major topics. This is followed by five annexes, including observations by European experts taking into account stakeholder feedback collected during the 14 June 2016 workshop (Annex 1), detailed background information (Annex 2), and further information on the workshop (Annex 3–5).

The five major topics covered in the recommendations are:

- Higher education and its contribution to economic and social development
- Governance and quality assurance
- Higher education financing
- Teaching and learning
- Research and development.

The first section explores major aspects of the contribution of higher education to economic and social development. Universities contribute to society in two main ways: by preparing highly skilled graduates, and through research-and-development-related activities. How this is done is explored in more detail in the sections on teaching and learning, and on research and development. However, to fulfill these functions, higher education systems and institutions need appropriate governance structures, quality assurance arrangements, and effective financing mechanisms. Therefore, these areas are discussed and covered by the recommendations.

A summary of the recommendations, including prioritization for implementation, can be found in table 1 on pp. 21–22.

## **Strategic Directions for Higher Education in the Turkish Cypriot Community (TCc)**

### 1. Higher education and its contribution to economic and social development

**Over the last several decades, higher education has been a key economic factor in the Turkish Cypriot community (TCc), and it has the potential to develop into a main driver of growth under alternative future political scenarios.** With a view to the size of the student population vis-à-vis the overall TCc population (exceeding 85,000 students compared to an overall population of about 300,000), as well as percentage of nonlocal students, the TCc higher education system can be considered the largest and most internationalized<sup>2</sup> higher education system in the world. This can be seen as an advantage: higher education systems across the world strive for internationalization, not least with a view to diversification of their income sources through private funding. Universities in the TCc have successfully tapped into this funding source and thereby contributed to the TCc economy in past years. Universities are major employers in the TCc and students have significantly contributed to the TCc economy. The emphasis of the sector has been mainly on quantitative expansion coupled with the advancement of student services. However, much less emphasis has been put on ensuring quality of provision, and underpinning higher education with research and development, including an alignment of both areas of activity with the demands of the domestic society and economy. Overall it seems that the expansion was not supported by an adequate increase in resources, making quality of provision increasingly a concern.

**To become a motor of future growth, the focus of higher education in the TCc needs to move from rapid quantitative expansion toward an increased focus on quality of provision,** with a view to both retaining the current number of students and attracting new “clients” for the sector from both the local economy and outside. Further unregulated growth, and growth that does not receive sufficient resources, can endanger the reputation of the TCc as an academic destination, and thus hamper future growth and contributions of higher education to the TCc’s development.

Higher education systems across Europe profit from public funding; in exchange, they are expected to contribute to economic growth and social cohesion. The TCc exhibits distinct features, with a largely privately funded higher education system being a key pillar of the economy through a large number of nonlocal students who not only pay fees, but also purchase goods and services on the island. While this can be explained by the specific political situation of

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<sup>2</sup> As mentioned in footnote 1, the term is used here with regard to the fact that a large percentage of students come from abroad; however, “internationalization” covers a wider range of aspects of higher education systems and institutions, as will be discussed later.

the TCc (that is, the absence of the possibility of exporting goods other than education to most countries), it now seems to be an appropriate moment to **reconsider the “business model” for higher education in the TCc**, with a view to future options of political and economic development, while keeping its positive features. The great number of foreign students within the system (in particular via students coming from “friendly countries”) can be largely explained by the political situation of the TCc, and especially by the inflow of Turkish students because of a shortage of domestic capacity in Turkey. Therefore, **policy makers and stakeholders in the TCc are well advised to inquire whether the same drivers of sectoral growth would still be at work under alternative future scenarios.**

Higher education in the TCc has much to offer, such as its attractive location and environment, well-developed campuses, student services, the use of English as a language of instruction, the presence on campus of students from many countries, an entrepreneurial spirit, and sophisticated marketing approaches.

**These positive features will need to be coupled with quality of provision—to retain current students and attract new ones—and smart investments in higher education and research**, strengthening potential priority areas that can fuel the development of an emerging service sector, particularly in areas like tourism (including health tourism), but also potentially areas like sustainable energy and maritime research. This can build on existing strengths and specialization of institutions, which could potentially develop into local centers of excellence in a few, well-selected areas.

**While the current higher education system should already be gearing skills development more strongly toward the needs of the labor market, the future higher education system will need to serve as well as *stimulate* the development of a labor market, the shape of which will only emerge in the future.** An important aspect of the contribution of higher education to economic growth concerns skills supply through education and training in accordance with skills demands expressed by the private and public sector.<sup>3</sup> However, the TCc labor market is severely constrained due to the current political circumstances, and there is a range of imponderables with a view to future developments and, subsequently, skills demand. Adding to this is a general lack of information and data on labor market demand and supply. It is thus difficult to make further-reaching statements about a potential skills mismatch, especially with a view to potential future developments.

**In this context, a stronger focus on quality of education and entrepreneurship training will be critical, as will be an integrated and flexible education system with strong links to the labor market.** For example, clear connections are needed between vocational education and training (VET) and higher education, in the context of a modular system geared toward lifelong learning. This is in contrast to the current system of channeling young people into one form of post-

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<sup>3</sup> See also Zini, Marini, and Kan 2016.

secondary education that might currently appear more useful (for example, VET and associate degrees vs. graduate degrees).

Many young people have the ambition to enroll in higher education, even though there are indications of graduate unemployment and of a lack of advanced technical skills (which would need to be investigated in more detail). These ambitions are further supported by external factors, such as conditions for suspension of military training, which are likely to impact the choice of young people.

**Policy makers might thus want to consider alternatives to the current practice of linking suspension of military training to one particular type of post-secondary education and training, namely graduate education within tertiary education—a practice that is likely to lead to distortions in student demand.**

**In addition, the TCc should carefully study practices and policies of successful lifelong learning systems in which VET and higher education are more modularized, possibly linked through bridging courses, in which VET does not appear as a one-way street curtailing future career and learning options and which, overall, strongly emphasizes generic skills.** In a well-developed lifelong learning system, and especially in the TCc environment, associate degrees can become a useful link between more practically oriented training and higher education, and shorter courses for individuals who have already joined the labor force could lead to a continuous upskilling in line with changing requirements in the world of work. Possibilities for a comprehensive recognition of prior learning when enrolling in higher education (for example, by giving credits for previous work experience)—which appears to be underdeveloped in the TCc—could further contribute to the permeability<sup>4</sup> of the education system and, hence, to the emergence of a lifelong learning system.

Another crucial approach in this respect is the guidance of individuals through the education system that starts early on, that is, already before channeling students to one of the secondary education tracks.

**Creating transparency about different learning options and (possibly) their outcomes—for example, through labor market information systems—allows individuals to choose those educational careers that best fit their competences and ambitions.** Another way of bringing the private sector and higher education closer together could be through “knowledge vouchers” allowing local enterprises to “purchase” tailor-made applied research from local institutions (for details see Annex 2-C).

In the medium term, TCc policy makers might include the status of higher education institutions in these considerations, because **instead of considering all tertiary education institutions as**

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<sup>4</sup> That is, flexible access and progression through the system based on achieved learning outcomes. Permeability is achieved by reducing barriers at access and throughout a period of learning, and also by increasing opportunities for nontraditional learners.

**universities, some might excel in the future as polytechnic-type institutions with advanced vocational missions.** A stronger mission differentiation also seems warranted for universities under this scenario, particularly with a view to future research orientation building on existing specializations and strengths.

## 2. Governance and quality assurance

For a ship to arrive at its destination it needs to be navigated with the help of a map, a compass, and skilled personnel. This picture has sometimes been used to also describe the steering needs of higher education systems—with a higher education strategy as a map; sound quality assurance provision as a compass, which allows for course corrections; and policy makers able and willing to take strategic decisions based on sound information as navigators. In addition, higher education systems need quality data and platforms for cooperation, as provided by data warehouses and well-connected Rectors Conferences.

**Despite the crucial importance of strategic steering for modern higher education systems, the strategic steering of the sector can be considered as one of the most underdeveloped aspects of the TCc higher education system.** It lacks a higher education strategy (anchored in a development strategy—which is also currently missing), suitable legislation based on such a strategy, a functioning and comprehensive quality assurance system, and central actors in a position to move the sector forward in accordance with agreed strategic goals. The consequences of the lack of steering capacity and tools are most visible when it comes to the seemingly unregulated expansion of the sector which, as a process, lacks transparency, priorities, and strategic orientation.

**The preparation of a higher education strategy is thus of the utmost importance, and this report aims at providing useful input for that undertaking.** During the process of strategy development, strategies for other sectors such as the labor market will need to be taken into account. Given the relevance of higher education for societal and economic development, there is a more general need for policy coordination among relevant sectors.

Higher education systems across Europe and the world rely on different types of higher education steering bodies, including more comprehensive Ministries of Education, Ministries of Higher Education (with or without science integrated), and intermediary bodies. Turkey—as an important comparator country—has developed its own way of sector steering, with a powerful higher education board called the Turkish Council of Higher Education (YÖK), the president of which has the status of a minister within the Turkish government. YÖK covers a broad scope of activities within the higher education sector and is well endowed with resources, while the Ministry of National Education plays a less prominent role with regard to higher education.

There seems to be a parallel arrangement in the TCc, in which there is a “Ministry,” which appears to be comparatively little involved, and a Higher Education Planning, Evaluation, Accreditation

and Coordination Council (YÖDAK) with, at least in theory, comprehensive responsibilities for higher education sector steering and quality assurance. However, YÖDAK has significantly fewer resources and scope than YÖK, irrespective of differences in size. And, contrary to reports, no higher education strategy has been *developed and consulted with the sector in a comprehensive manner*. While institutions are considered “accredited,” they are merely licensed (as a basic legal step allowing new institutions to operate). Institutional and program accreditation that meets European standards is absent (with the exception of international program accreditation, initiated by universities for certain areas like engineering or business education).

The steering vacuum becomes obvious with regard to the approval of new institutions. While the technical process seems to be split between the administration (“Ministry”) and YÖDAK, nobody seems to have clear responsibility (in legal or factual terms) for deciding whether opening a new institution is *worthwhile and supportable from a strategic point of view*.

**A key future step enabling sound development of the TCc higher education sector is thus to locate, support, and endow a well-informed and potent state agent that can steer the sector for its overall benefit.** This will need to be accompanied by the redistribution of key functions in the sector, some of which are currently completely absent, and significant capacity building.

**Sector steering (and public financing) and quality assurance should be separate, independent functions**—a common and well-grounded practice in most European higher education systems. In addition, in the view of the authors of this report, the higher education sector in the TCc needs a potent voice (Rectors Conference) that goes beyond the current, more formal role of the Inter-University Council, particularly if the sector moves toward a new shared vision of enhanced quality. And it needs a data warehouse to provide decision makers with data and evidence enabling sound steering of the sector.

**Especially in the context of sector governance, cooperation among higher education providers based on intense interaction is needed to complement the “external” influences on the sector, and to enable sound strategy implementation.** In the case of the TCc, this implies overcoming the increasing competition between institutions for foreign students in order to work together for the overall benefit of the sector. As will also become clear below, there are various assets in terms of knowledge and approaches scattered over different institutions that could be made available more broadly via closer exchanges among institutions. This is particularly true for institutions such as Middle East Technical University (METU) NCC.

Not only governance on the system level is important in shaping the future higher education landscape. Governance arrangements on the institutional level also need to be geared toward putting in place an increasing variety of institutional missions.

**Governance on the institutional level will need to ensure a stronger link to external stakeholders, including the private sector.** The current model in which boards are comprised of political appointees opens the process to politically motivated micromanagement of the public institutions, and creates a missed opportunity to link universities more closely with the private

sector. The current practice is not only counterproductive in terms of suitable strategic management; it is also out of step with good European practice.

The TCc diaspora is another external stakeholder that could prove to be a great asset to universities. To harness the benefits of this group, links would have to be built to them (including, for example, via institutional outreach to alumni).

**Establishment of suitable internal and external quality assurance mechanisms will be key to ensuring quality of provision and the sector's sound reputation.** Building on initial approaches in this regard, internal quality assurance needs to be driven by institutions themselves, to take stakeholder (including student) perspectives into account, be geared toward enhancement rather than just compliance, and should not lead to an extreme administrative burden on academics. External quality assurance will need to be developed independently from other parts of the administration and in accordance with established European practice, which is guided by Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG). The demand for independence also extends to program evaluation and accreditation, which poses a challenge in small systems. It would thus be worth considering to what extent international, and particularly European, Quality Assurance Agencies, or at least international reviewers, can become involved, especially if the opportunity arises in the future to join the European Higher Education Area. The current practice of international program accreditation in some fields would be a useful experience with international quality assurance to build on.

**An important first step will be the establishment of data collection and compilation mechanisms on the system and institutional level** as a basis for future evidence-based policy making. Without sound and comprehensive data, all attempts at orientation will take place in complete darkness, even if a map and a compass were available. This not only applies to the system level, but also to institutions that will need sound and useful data to revamp their processes.

### 3. Financing of higher education

**The current state of higher education in the TCc is closely linked to its funding model, especially for semipublic foundation universities compared to private universities.** While there are different income streams including student fees and allocations from the Republic of Turkey's aid budget, public funding as a budget line in the "Ministry" of Finance budget goes exclusively to the two semipublic universities (EMU, Lefke), and primarily covers study places for local students.<sup>5</sup> There is thus, in the traditional European sense, no public institutional funding and no distinct funding for research. In the absence of local industry, universities rely on fees as their main source of income.

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<sup>5</sup> There are also some funds to support outgoing student mobility, that is, students studying abroad.

Universities normally have three missions: teaching and learning, research and development, and a “third mission” broadly defined as contributions to the development of the regions in which they operate. The current funding model is one central factor leading to a heavy emphasis on teaching in TCc universities.

**The current business model of TCc higher education thus has some distinct disadvantages.**<sup>6</sup> In addition, as discussed, there is no guarantee that the current business model is sustainable.<sup>7</sup>

**The TCc higher education sector would thus be well advised to reach out to other potential students<sup>8</sup> and to prepare to compete for funding opportunities that might become available under alternative political scenarios.** In this context—and possibly connected to the development of the higher education strategy—a rebranding of the sector (moving away from a perceived “low-cost, easy graduation” stigma) should be considered, including means that would help achieve the related change.

This is especially important with regard to research funding. If European funds were to become available in the future, institutions would not be ready to compete for these funds. **The related infrastructure, mechanisms, and know-how would need to be developed in advance.**

**In addition to the level of funding, the structure of public funding for higher education needs to be reconsidered.** European and international systems are increasingly gearing funding systems toward performance, making funding another important steering tool for the sector. This is in some cases done via three-pillar models with elements of basic funding providing stability, performance funding (rewarding past performance), and innovation funding (stimulating future performance). Even within the very constrained TCc system, initial steps can be taken to stimulate performance (Annex 2-C provides some suggestions in this regard) and to pilot the introduction of more innovative instruments in the TCc context, such as lump-sum allocations giving institutions more flexibility, and target agreements (underpinning priority areas identified in research and institutional strategies), to the extent that funds can be made available to underpin these changes. An agreed sector strategy would provide a suitable basis for any further considerations on performance, and on how it can be translated into individual institutional missions and measured and monitored.

#### 4. Teaching and learning

**Teaching and learning (and relatedly, the development of highly skilled graduates) are two of the key functions of higher education institutions.** To achieve teaching excellence, institutions

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<sup>6</sup> Disadvantages triggered, to some extent, by the political framework within which it operates.

<sup>7</sup> For example, since the capacity of the higher education sector in Turkey is increasing, this could lead to a decrease of the inflow of Turkish students into the TCc.

<sup>8</sup> For example, in terms of geographic scope, by increasingly competing on quality and by becoming a lifelong learning provider.

need a suitable infrastructure; good student support systems; and well-trained, research-informed academics who are willing and able to interact with their students for mutual benefit. Students play a crucial role in this process. The Bologna Process<sup>9</sup> places strong emphasis on the move from a teacher-centered to a learner-centered system. Related instruments and approaches are the development of learning outcomes (knowledge, skills, and competences) for units of learning and enshrined in qualifications frameworks, the European Credit Transfer and Accumulation System (ECTS), and a comprehensive tool set related to mobility and recognition, including the Diploma Supplement.

**While the TCc is not a member of the Bologna Process, universities in the TCc are interested in the process and have to some extent geared their operations toward Bologna.** This is also because important reference systems in the neighborhood, such as Turkey, have joined the Process, and Bologna thus plays an important role for TCc academics and students.

**In this context, while the formal act of joining the Bologna Process is regulated,<sup>10</sup> other countries can—and in many cases are well advised to—profit from the achievements and instruments of the Bologna Process.** Lebanon, for example, while not a Bologna signatory, has a highly active and well-informed network of Bologna experts that supports related institution-level reforms. Aspects of the Bologna Process are well known by some local experts and partially implemented in the TCc.

**In the future, more emphasis could be put on bringing together Bologna-related expertise that exists in the TCc** (for example, on the proper implementation of ECTS) and from which the sector overall could profit, independent of future scenarios. Here, as in other areas, the sector would greatly benefit from interinstitutional collaboration and knowledge sharing, which currently hardly exists. Further, international academics and students bring important experience and expertise to the TCc, and ways to exploit this experience for TCc reforms should be explored, moving away from a more narrow understanding of internationalization as attracting foreign students. Finally, TCc institutions could consider how they could profit in the short to medium term from the ties with the Turkish higher education system. With Turkey being a Bologna signatory, a significant amount of experience has been accumulated concerning the Bologna tool set, and **seasoned Turkish (and other) Bologna enthusiasts might be more than willing to share their knowledge with TCc institutions.**

**Related capacity-building and knowledge-sharing initiatives should, among other things, lead to a stronger focus on learning outcomes and employability,** how this can guide future curriculum reforms, (better) implementation of ECTS, improving the student experience at all levels, options for work-based learning and internships that enable students to grow and that enrich their study experience, more comprehensive considerations concerning

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<sup>9</sup> The Bologna Process is a voluntary higher education reform process that aims to harmonize European higher education within the framework of a European Higher Education Area. It commenced in 1998/99 and to date has 48 signatory countries.

<sup>10</sup> For example, “Bologna countries” need to be signatories to the Council of Europe’s Cultural Convention.

internationalization<sup>11</sup> and its value for the TCc higher education sector, and a more comprehensive understanding of student and staff mobility (even under the current constraints). As mentioned, Bologna provides a useful frame for many of these points. However, here as in other areas, benefits would not occur automatically under alternative political scenarios, and institutions would be well advised to accelerate reforms to position themselves to reap the benefits of potential access to the European Higher Education Area in future.

## 5. Research and development

**As mentioned, higher education in the TCc is currently primarily focused on academic teaching, at the expense of the other two missions of universities.**<sup>12</sup> There is no distinct research funding for universities by the TCc administration—either in the form of investments in research infrastructure or in the form of research grants (with the exception of allocations by the Scientific and Technological Research Council of Turkey [TÜBİTAK] in the past). Moreover, professors seem to be primarily expected to teach, leaving little time for other activities. This can be a source of frustration, especially because original research and publishing of papers in international journals is a requirement for academic careers.

**Other European higher education systems have been in the position to supplement constrained budgets for research with European funds, including Structural Funds. This option is currently not available for the TCc, however.** Thus, in the short term, funding for research would either need to come from public authorities, possibly via the private sector (for example, via “knowledge vouchers”) or by redistributing income from fees—which might lead to a more challenging situation with regard to funding of teaching and learning.

While pondering the costs of potential investments in research, TCc policy makers might refer to Donald Kennedy who, in his monograph on academic duty, reminds the reader that [research] “costs are often justified on the ground that better scholars are better teachers, and that **those who leave original investigation behind quickly become teachers of the obsolete**” (Kennedy 1999, 147). **Not least with a view to the future competitiveness of the higher education sector in the TCc, this will need to be avoided.**

Independent from the financial situation, some steps can be taken immediately. As mentioned, TCc universities at this stage primarily see each other as competitors. But the **sector would greatly benefit from strategic alliances that could in the medium term foster a move toward strategic specialization** within the sector and build on existing strengths and infrastructure (for example, university hospitals). Within their own scope of activities, institutions can do more to

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<sup>11</sup> That is, internationalization dimensions beyond foreign students studying in the TCc, such as the outgoing mobility of TCc students, internationalization of curricula and of academics and administrative staff, and making better use of the cultural diversity in TCc universities for educational purposes within the framework of a “comprehensive internationalization.”

<sup>12</sup> That is, research and the “third mission,” development activities in a regional context.

identify and develop their strength and anchor related future developments in institutional research strategies.<sup>13</sup> They can reach out to employers in the service sector and with a collaborative approach identify potential opportunities for (applied) research, for example, in the tourism sector (including health tourism). They can also trigger capacity-building activities, for example, with regard to entrepreneurship and options for technology transfer. As in other areas, strategic considerations with regard to research will need to be based on sound data, including on publications, relevant projects, and technological innovations, but also on time available for academics to fulfill different forms of academic duty.

**Particular attention should be paid to the doctorate level**, especially with regard to giving doctoral students the opportunity to do original research and participate in research projects, and to develop strong, labor-market-relevant skills. With a view to the future, universities would be encouraged to make increasing use of the possibility of offering joint programs, involving universities in the TCc and beyond.

With regard to these mechanisms, institutional capacity (such as units able to support academics in grant applications), and potential access to future funding, institutions should not wait for outside developments to trigger change. Any future change in the political environment could happen quickly, as experience with transitions elsewhere has shown, giving a huge advantage to those who are well prepared to enter transition processes.

In conclusion, the higher education sector in the TCc exhibits some positive features worth building on. Specific recommendations have been given on how to gear the sector toward quality of provision and labor-market relevance of teaching and learning, and to put more emphasis on research and development. For this to happen, the sector will need to successively revamp its governance, quality assurance, and financing arrangements. In all of these areas, knowledge sharing and capacity building will be essential for the success of future reform efforts.

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<sup>13</sup> As mentioned above, the sector would benefit from moving toward mission differentiation with some polytechnic-type institutions on the one hand, and universities on the other. Within the group of universities—in this future understanding—some institutions might develop a more comprehensive approach toward research, while others might rather move toward a stronger research profile in certain, well-selected areas.

**Table 1 Key recommendations for higher education in the TCc**

	<b>Recommendation</b>	<b>Priority</b>	<b>Timeline</b>	<b>Assumed level of difficulty</b>	<b>Dependency on political framework</b>	<b>Detailed discussion in:</b>
1.	Refocus sector from quantitative expansion toward quality	high	Long term	medium	no	All annexes
2.	Identify priority areas in higher education for development of service sector	high	short to medium term	medium	no	Annex 1-A
3.	Review curricula with a view to labor-market-relevant skills and entrepreneurship	high	short to medium term	low to medium	no	Annex 1-A and D
4.	Ensure flexible pathways between vocational and higher education	medium	medium	medium	no	Annex 1-A and D
5.	Reconsider link between (levels of) higher education and military service	medium	medium	high	presumably yes	Annex 1-A
6.	Strengthen student guidance and counselling with a view to labor market integration	high	medium	low to medium	no	Annex 1-A and D
7.	Explore possibilities and potentially pilot labor market information systems	high	medium	medium	no	Annex 1-A
8.	Consider binary option for the system with university and polytechnic types of institutions	medium	medium	medium to high	no	Annex 1-A
9.	Develop a higher education strategy in a consultative and inclusive process—ideally as part of a development strategy	high	short to medium term	medium	no	Annex 1-B et al.
10.	Review legislation following strategy development	medium	medium	medium	no	Annex 1-B
11.	Review and adjust steering functions in the system (division policy setting/financing vs. quality assurance)	high	short to medium term	high	no	Annex 1-B
12.	Capacity building for new allocation of tasks	high	long term (continuous)	low to medium	no	Annex 1-B
13.	Design and implement an external quality assurance system in accordance with European Standards and Guidelines	high	medium to long term	high	no/it depends	Annex 1-B
14.	Strengthen university internal quality assurance	high	Short to medium term	low to medium	no	Annex 1-B
15.	Significantly strengthen cooperation among universities	medium to high	short to medium term	low	no	Annex 1-B

	<b>Recommendation</b>	<b>Priority</b>	<b>Timeline</b>	<b>Assumed level of difficulty</b>	<b>Dependency on political framework</b>	<b>Detailed discussion in:</b>
16.	Involve employers in university boards	high	medium	medium (legal revisions)	no	Annex 1-B
17.	Design and implement standardized method of data collection and processing	high	short to medium term	medium	no	Annex 1-B
18.	Diversify offers with a view to attracting new groups of students (geographic scope, lifelong learning)	medium	medium	low to medium	no/it depends	Annex 1-C
19.	Prepare for European Union funding options	medium	short to medium term	medium	yes	Annex 1-C
20.	Review structure of public funding—consider lump-sum funding and piloting of target agreements	medium	medium	medium	no	Annex 1-C
21.	Strengthen learning outcomes approach and application of the European Credit Transfer and Accumulation System (ECTS)	high	medium term	medium	no	Annex 1-D
22.	Share Bologna-related knowledge and invite external expertise	medium	short to medium term	low	no	Annex 1-D
23.	Review curricula with a focus on employability	high	short to medium term	medium	no	Annex 1-D and A
24.	Explore options for research funding involving both the public and private sector (e.g., through “knowledge vouchers”)	medium	short to medium term	medium	no	Annex 1-E
25.	Universities to develop research strategies	high	short to medium term	medium	no	Annex 1-E
26.	Consider strategic specialization in R&D, building on existing strengths and infrastructure	medium	medium	medium	no	Annex 1-E
27.	Involve doctoral students in research projects	medium to high	medium	medium	no	Annex 1-E
28.	Increasingly explore options and implement joint and double degrees	medium	medium	medium	no/it depends	Annex 1-E
29.	Improve institutional capacity including for R&D (technology transfer, funding expertise, commercialization)	medium	short to medium term	medium	no/it depends	Annex 1-E

## **Annex 1: Expert Observations**

### **Annex 1-A: The economic and regional impact of universities—implications for the Turkish Cypriot Community (TCc)<sup>14</sup>**

#### **The economic impact of universities**

There is a wide literature on the relationships between higher education and the economy. Though in general the relationships between knowledge institutions—such as universities—is complex and multifaceted, the general idea is that universities have a positive impact on their city-regions. Not only do universities generate a substantial number of knowledge-intensive jobs, they also attract economic activity to their regions. One can think of businesses that are established near universities to take advantage of specific laboratory infrastructures or the availability of graduates, or spin off companies established by academics and/or students. Higher education institutions can engage with their environment in several other ways, such as through exhibitions, cultural activities, language training, and sports activities.

#### **Relationship between higher education and the economy in the TCc**

The TCc economy is heavily impacted by the political and economic embargo, which strongly limits the economic ties between the TCc and most nations, including the European Union (EU). While most countries in the region have access to several EU subsidy programs, the TCc does not. This also restricts the potential for connections between higher education institutions and the private sector, since many EU programs stimulate university-industry collaborations. Many economic activities are hampered by high import costs for materials and components due to the embargo. This leaves wage levels as the main factor behind companies' competitiveness in many areas, which many employers consider too high for domestic laborers.

The TCc's economy is dominated by the service sector, including the public sector, trade, tourism, and education. According to estimates for 2012, the service sector accounted for 58.7 percent of gross domestic product, compared to 6.2 percent for the agricultural sector and 35.1 percent for the industrial sector (CIA 2016). The shares of the three sectors among the labor force exhibit a similar structure. Another feature of the private sector is the dominance of small, often family-owned businesses. Given the comparably good working conditions in the public sector, there seems to be a segmented labor market within which most individuals strive for public sector employment. Seen together, these characteristics suggest that the scope for cooperation between universities and companies in the form of third-mission activities is limited and unbalanced.

The rest of this annex will address the economic and regional relationships of universities in the TCc. Most of the issues addressed are based on the informed discussions on these issues among various stakeholders in the TCc higher education systems during the Workshop on the Strategic Direction for the TCc Higher Education Sector initiated by the TCc administration and the World Bank in Nicosia on 14 June 2016. The

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<sup>14</sup> This annex was written by Professor Hans Vossensteyn, CHEPS, University of Twente, the Netherlands.

analysis is also based on the preparations by the TCc administration and World Bank teams, and the author's knowledge of several higher education systems in various regions of the world.

### **The economic potential and limitation of higher education in the TCc**

This section analyzes the TCc higher education system using a partial SWOT analysis by identifying its major strengths, weaknesses, and opportunities. This will help to explore ideas for the future strategic direction of the TCc higher education system.

#### ***Strengths of TCc higher education***

A large and diversified internationalized higher education system. Even though the Turkish Cypriot Community has only around 300,000 inhabitants, it has a relatively large higher education sector, with 14 universities and about 85,000 students. As such, relatively it is one of the largest and most international higher education systems in the world. Over 80 percent of the students are from abroad, and almost 60 percent of the entire student population are Turkish. Clearly, TCc universities are an attractive study destination for large numbers of students. The size of the higher education system compared to the total TCc population suggests an enormous potential of highly skilled graduates that can feed into the TCc economy, even if one assumes most of the foreign students sooner or later will return to their home countries. The beautiful and relaxed environment of the TCc and its touristic opportunities could motivate a substantial proportion of (foreign) graduates to stay in the TCc labor market, resulting in a highly skilled labor force. Due to the limited size of the TCc, this can easily generate a big impact on the economy. Having a highly skilled labor force in most parts of the world is regarded as one of the major prerequisites of an innovative economy, as suggested by the Europe 2020 strategy of the EU.

An interesting phenomenon of the TCc higher education system is the existence of associate degree programs. These vocationally oriented programs can fulfill an important role in local economies by educating highly skilled vocational professionals. Associate degrees also form a good transition between vocational secondary education and tertiary education.

Existence of knowledge-intensive economic potential. The public sector is the main employment sector in the TCc, followed by small and medium-sized enterprises (SMEs). This offers a good business climate and various opportunities for higher education graduates who enter the labor market. In general, higher education students and young graduates can be relatively easily stimulated to develop their creative and entrepreneurial ideas into business opportunities. The *technoparks* established by some universities can be regarded as an important hub for such private initiatives. In addition, the universities themselves are relatively large employers and an important part of the economy. These developments call for a positive approach of the administration to develop the full potential of the overall economy. Higher education appears to be a major asset to the Turkish Cypriot society. This could be further stimulated by better integrating modern skills such as entrepreneurship, innovativeness, and creativity into curricula.

A well-developed public relations infrastructure. TCc universities appear to be very good at attracting full-fee-paying foreign students. They have developed relatively strong marketing and public relations strategies, instruments, and departments compared to higher education institutions in many countries. The growing number of private institutions also demonstrates this. In addition to attracting many foreign students, TCc universities could use their public relations potential in other areas, as well.

Infrastructure funding from the Turkish government. As TCc universities in some way appear to “be a part” of the Turkish higher education system as well,<sup>15</sup> they have also attracted Turkish funding for infrastructure projects. This is evidence of the interest of Turkish authorities in a well-functioning TCc higher education system, which both benefits the TCc system and can be regarded as a way of resource diversification.

### ***Challenges for and weaknesses of TCc higher education***

The participants in the 14 June workshop identified a range of challenges for and weaknesses of the TCc higher education system. These primarily have to do with the small size and relative isolation of the TCc, the lack of steering capacity in the system, limited resources, and a mismatch with the labor market.

Small size of TCc. The higher education system in the TCc can draw upon a limited number of potential students from the Turkish Cypriot community with about 300,000 inhabitants. Not only is the resource base for students relatively small, but the absorptive capacity of the labor market is limited. The latter also relates to the structure of the economy that is predominantly a service-oriented economy that does not have a large industrial sector or infrastructure. Also, the health and transportation sectors are described as underdeveloped. These factors result in a limited capacity of the economy to absorb graduates into the labor market.

Limited resources and public investments. Though the higher education sector is among the largest sectors of the TCc economy, the public investments made are perceived to be very limited. While the administration substantially subsidizes the tourism sector with fixed subsidies per tourist, higher education is lacking such stimulations, for example, in the form of tax concessions per foreign student. The higher education sector therefore perceives there is low political recognition of the importance of foreign students in the system and national economy. However, foreign students in private higher education do not only pay tuition fees, but also heavily support the local economy by their expenditures on accommodations, day-to-day living expenses, and leisure activities.

In addition, the TCc and its higher education system suffer from political and economic isolation, economic embargos, and political instability, which result in various bureaucratic problems and limited access to resources. The administration and higher education institutions cannot profit from European Structural Funds, like many European countries do, and TCc academics cannot participate in large European funding programs such as Erasmus+ or Horizon2020 to support their research capacity. This not only deprives them of other revenue sources, but also of state-of-the art research capacities and networks to advance the knowledge and innovation capacity of the higher education system and economy.

Lack of central system steering. Various stakeholders in the TCc higher education system identify not only a lack of resources, but also of central planning and steering, of the system. This means that the system is not only underfunded in efforts to achieve its major objectives, but evokes the question of whether available resources are directed at the right activities and ambitions, as indicated by the following:

- the rapid growth in the number of universities (or licenses to establish new for-profit universities)
- the perceived lack of a central strategy for the higher education sector

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<sup>15</sup> For example, by being integrated into the admission system for Turkish students, that is, the system which allocates students to certain higher education institutions.

- the reported heavy bureaucracy in the system and at some universities
- the lack of basic statistical data and common definitions within the higher education system
- the numbers of unfilled student places and staff positions
- the limited integration of various student groups into many study programs, resulting in limited identification of students with the program and increased vulnerability to dropping out
- the perceived low quality of education
- the perceived labor market mismatches, with high numbers of unemployed graduates and relatively low salaries of graduates, while it seems that foreign students fill local jobs
- the perception that some universities are mini-economies that operate in isolation from their local environment.

Labor market mismatch. As a result of many of the above issues there appears to be a labor market mismatch. For example, the labor market does not have a strong focus on technological innovations, which implies that it cannot easily accommodate many science and engineering students or graduates. Thus, graduates particularly have to seek employment in SMEs. However, sector representatives point out major skills shortages related to midlevel skilled workers trained in vocationally oriented upper secondary education and associate degree programs. The atypical labor market structure requires a higher education system that prepares many students and graduates for more vocationally oriented jobs. However, like in many countries where the private higher education sector flourishes, study programs that are relatively easy and cheap to offer dominate the system, such as law and economics, which leads to an oversupply of such graduates. Regardless of the high demand for such programs, only a limited number of graduates in such studies find employment in the TCc economy.

### ***Opportunities for TCc higher education and the contribution of higher education institutions to economic development***

There appear to be several opportunities to tackle some of the weaknesses of the higher education sector while building on the strengths of the system. A number of opportunities were identified during stakeholder discussions.

Stronger focus on higher vocational education. One opportunity revolves around placing greater attention on technology-based and vocational programs, and linking them to the needs and opportunities in the labor market, particularly those offered by the many SMEs in the TCc economy. A strengthened focus on vocational programs can address several of the mismatches in the TCc labor market. This would probably require a different role for the Associate Degree programs. The development of Associate Degree programs would need to be done in close consultation with representatives of companies and employer organizations. Issues related to military training will need to be resolved, that is, the unfavorable treatment of Associate Degree programs (compared to other types of programs) when it comes to the suspension of military training needs to be addressed.

Focus on strengths of the local economy. The dominant economic sectors in the TCc revolve around tourism and public sector services. The TCc also has a number of natural resources, including a warm climate and rich coastal areas. This presents opportunities for research and education in areas like public management, tourism, climate effects, sustainable engineering, solar energy and, potentially, maritime research. It also presents opportunities to not only attract foreign students to study such subjects in a very pleasant environment, but may also attract foreign academics to teach and research in these areas.

Focus on institutional strengths. The stakeholder consultations clearly identified that individual higher education institutions all have one or more areas in which they are relatively strong, such as software development, nursing, social care, physiotherapy, and language training. Individual higher education institutions could build on these strengths, develop centers of excellence, and become renowned in these areas, attracting students and academics to further specialize in these fields.

Develop an entrepreneurial spirit. The TCc higher education sector has proven to be very entrepreneurial. The rise of many private universities is an example of this. Developing such an entrepreneurial spirit throughout the higher education system could potentially benefit all institutions. While the focus currently is on attracting foreign students at the first degree level, this could be expanded in areas such as short-term courses, for example summer schools, seminars, or part-time programs in a range of areas and levels. These could include language courses and more executive programs such as MBAs, and combining an academic focus with tourism. This would require higher education institutions to collaborate more among themselves and with local entrepreneurs, such as from the tourist industry. Most universities already have strong marketing and communication facilities, and these could be further exploited and extended. Stimulating entrepreneurship education itself could boost the establishment of more SMEs as an answer to the employability of graduates.

### **Strategic options for the further development of TCc higher education**

During the 14 June workshop it became clear that there is a need for an overarching vision and strategy for the TCc higher education sector. Currently, the development of the sector appears to be predominantly driven by market forces to attract as many foreign students as possible. The result has been a rapid expansion of the system, particularly by establishing many new private universities, but this has raised questions about the overall quality of the services delivered, the international reputation of TCc higher education and, thus, its sustainable future development.

To ameliorate these concerns, the administration (and/or the Higher Education Planning, Evaluation, Accreditation and Coordination Council [YÖDAK]) needs to address the following:

- The importance of higher education to the TCc economy. The administration needs to acknowledge and communicate how the higher education sector contributes to the economy and how this role needs to be stimulated. This may require further data and statistics, including student statistics, dropout and completion rates, labor market data, and satisfaction surveys.
- As part of the overall vision and strategy for the further development of the higher education sector, the optimal number and type of higher education institutions need to be determined. Does the TCc need so many universities if so many students are enrolled in vocational programs, given that there is a limited budget for research and most graduates will have to find employment in the SME sector in the TCc? Perhaps a dual higher education system with universities and universities of applied sciences would better fit the needs of the labor market, the economy, and the TCc, and might better address the expectations of students and staff. One option might be for public universities to offer separate publicly funded study programs as well as programs that rely only on private tuition fees. While the administration can set limits on the number of institutions it is willing to subsidize or allow, higher education institutions should be encouraged to collaborate on addressing the needs of the TCc.

- There needs to be a clear and sustainable vision on the role of foreign students in the system. How should they be integrated into the public sector institutions?
- The role and quality of various programs being offered in the system needs to be reassessed. For example, while associate degrees are offered by some institutions, there appears to be greater demand in the labor market for workers with associate degrees than are currently graduating. Better labor market statistics and TCc administration interventions could better stimulate the role of such programs and thus the employability of graduates.
- The quality of education is a major concern. With the rise of private higher education, it seems that there is no central steering and coordination regarding a minimum level of quality of programs. The system needs to ensure that the strong growth of the sector does not negatively impact the quality, and thus the long-term reputation, of the TCc higher education system.
- A firm and fair regulatory framework is needed—one that defines the roles, levels, quality standards, and learning outcomes of the various higher education institutions and degrees, such as aligning with the European Qualifications Framework.
- The types of institutions and degrees offered should be linked to the needs of the TCc labor market and economic development of the TCc to some extent. Identifying the strategic needs and priorities of the TCc is crucial in the negotiations among the “ministry,” YÖDAK, and individual higher education institutions on the types of activities that will be publicly subsidized and those that will not.
- Higher education institutions need to be stimulated to collaborate with stakeholders from the business community to ensure that they offer study programs, research, and services that the regional economy needs. For example, dual learning and lifelong-learning opportunities need to be strengthened to address the need for vocational education and skills and to close the gaps with the labor market.

#### Potential preparation for reunification

Although the workshop was not particularly focused on the issue of reunification of the Cypriot communities, the political negotiations at some point could lead to such a scenario. The TCc higher education system needs to reposition itself so that if reunification did become a reality, it would be able to address the opportunities and challenges of reunification. Reunification would make the TCc eligible for European subsidies like structural funds and large EU academic subsidy programs. To link the TCc higher education system to that of the GCc system and to other European education systems requires strong higher education institutions that can collaborate and compete with their new potential partner institutions. Thus, TCc universities need to have strong identities, roles, and strategies to collaborate with the right partner institutions. The TCc higher education system needs a strong, clear future vision to wisely invest potential new funds and to prepare its universities to be successful. The current liberal approach toward new and private universities could make current TCc institutions vulnerable to foreign institutions that might offer similar services backed by larger institutional resources.

## **Annex 1-B: Governance and quality assurance in the TCc<sup>16</sup>**

This annex focuses on governance and quality assurance. It is largely based on the discussions that took place during the workshop on “Strategic Directions for the TCc Higher Education Sector” held in Nicosia on 14 June 2016. TCc participants expressed their views openly during both the plenary and breakout sessions. These are reflected in the discussion below.

The note presents general observations on governance and quality assurance, and several recommendations and possible scenarios for the future.

### **1. General observations**

#### ***1.1 About the context***

The TCc higher education system is focused on teaching and learning; activities in this area are reported to be traditional in both content and delivery. There is very little research capacity due to both the heavy teaching loads (20 hours per week) and lack of access to sources of research funding. The role of universities in regional development and the universities’ societal role needs to be developed and bolstered.

The inflow of international students into the TCc is viewed as an economic opportunity by the TCc authorities, because the higher education sector represents a significant share of the economy. There is currently an overreliance on students from Turkey, who represent around 55 percent of the student intake. Their number (by discipline of choice) is set by the Turkish Council of Higher Education (YÖK) in Ankara. It is reported that the TCc has little say in the matter, which means that YÖK can reduce or increase the flow unexpectedly.

It seems to be relatively easy to establish new institutions in the TCc. This is viewed as a threat by the established institutions, because of the perceived poor quality of the newcomers, which could potentially erode the overall reputation of the TCc higher education sector. Workshop participants expressed concern about the lack of clarity related to the motivation of private institutions seeking to be established in the TCc.

Quality and effective system governance structures are seen by the university leadership as essential to ensure the international attractiveness of the TCc higher education sector. Workshop participants expressed clear commitment to these two aspects, but were unclear as to the path forward.

It is reported that YÖDAK has developed a higher education strategy. However, the World Bank team was unable to obtain information on the details of this strategy, because nobody among the workshop participants, including the two YÖDAK board members in attendance, could provide details on the content

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<sup>16</sup> This annex was written by Dr. Andrée Surssock, European University Association.

of this strategy. The TCc has no overall development strategy that could inform its higher education strategy.

Against this backdrop, formulating an overall development strategy is urgent. This would allow the development of an appropriate higher education strategy, which would result in new legislation, governance and funding reforms, and the development of a quality assurance approach that would support implementation of the higher education strategy.

### ***1.2 Governance at the system level***

There are questions concerning the steering capacity of both the TCc authorities and YÖDAK. Particular challenges identified by workshop participants included frequent changes in the administration and current operations of YÖDAK, including weak cooperation between the YÖDAK president and his board and the YÖDAK stakeholders. Participants noted that both the higher education “department” of the Education “Ministry” of the TCc Authority and YÖDAK are thinly staffed. YÖDAK, for instance, does not seem to employ a sufficient number of permanent staff.

The scope of the remits of both the TCc Authority and YÖDAK is questioned. For instance, a workshop participant criticized the TCc Authority for wishing to set the maximum number of students who could be enrolled in TCc institutions or the number of universities that could be created. Given the economic importance of higher education in relation to other economic sectors, these types of decisions are attributed to economic rather than academic concerns. In addition, these decisions are criticized for being made without consulting the university leadership, who would like to be asked how many students each institution can enrol.

In addition, there are many functions missing in the governance of the system, most notably:

- The capacity to collect and analyze data. It has been reported that a higher education management information system is in place at the TCc Authority but is no longer being used in response to the lobbying of certain universities. As a result, concerns were expressed that statistics about students are inaccurate and do not reflect the current situation. The capacity to generate accurate data is essential, notably if the World Bank is to recommend the introduction of performance-based funding.
- There is no independent “think tank” to analyze the current situation, develop policy proposals, and conduct foresight analyses.
- The higher education sector is represented by the Inter-University Council, but this body does not appear to be in a position to promote coordination among the universities, to express the common views of the university leadership, and to negotiate with the TCc Authority. Instead, the sector seems to suffer from competition and factionalism, which may be resulting in an inefficient and ineffective use of resources. Even in countries where the higher education sector is in a competitive market (such as the United States and the United Kingdom), the institutions

cooperate a great deal, and the most research-productive institutions are located in countries characterized by their dense national and international research networks.

In general, cooperation among higher education institutions in the TCc should be bolstered through incentives mechanisms. This could start with joint delivery of some teaching provision and moving to applied research projects.

### **1.3 Governance at the university level**

The governance of institutions is weakened by two characteristics:

- In the public universities, trustees are reported to be political appointees, and concerns were expressed about a tendency of trustees to micromanage the institutions.
- The private universities are run by their owners.

A comparative study of autonomy in Europe that ranked 28 higher education systems<sup>17</sup> showed that most countries include external stakeholders in university governance structures. Dual structures (board/senate) are a privileged framework for this. According to this study:

- Among the top tier (that is, among the most autonomous institutions), all universities include external members in their governing bodies, and universities may freely appoint the external members of these bodies.
- Among the middle tier, external stakeholders are jointly appointed by the university and a higher authority (for example, the Ministry of Higher Education).
- Among the bottom tier, the universities are not allowed to include external members, or the ministry picks these members without input from the universities.

In many parts of the world, external stakeholders are also involved in other ways. It is now a frequent expectation that universities consult their alumni and their external stakeholders on a range of activities where their views might be useful. They are included in committees that are designing curricula, on advisory boards to bolster engagement with society, and in other ways.

The involvement of external stakeholders in the TCc needs to be bolstered to help ensure that universities are responsive to societal needs. They should be represented at the central level of universities and at the faculty and departmental levels, as required.

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<sup>17</sup> Estermann, Nokkala, and Steinel 2011.

#### **1.4 Quality assurance**

Systematic internal quality assurance does not seem to be sufficiently developed in TCc institutions. For instance, student feedback on teaching does not seem to be the norm, and academic staff development is nonexistent.

External quality assurance is one of YÖDAK's responsibilities. It should be noted, however, that YÖDAK has an unusually wide set of competences—coordination of the sector, planning and policy setting, and licensing and accrediting institutions—but that YÖDAK is not fulfilling its wide regulatory role, and its competences have not been used yet.

It is highly unusual for a quality assurance agency to also have both a policy and coordination role, as is the case with YÖDAK. These are conflicting competences to the extent that quality assurance functions require keeping the institutions at arm's length, while the coordination and policy role means exactly the opposite.

Furthermore, YÖDAK does not conform with many of the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG) (2015).<sup>18</sup> It has neither the required independence from the TCc administration, nor from higher education institutions. It does not have sufficient staff or resources to fulfil its regulatory mission. As long as this situation continues, YÖDAK will not be able to be accepted as a full member of ENQA or to be listed on EQAR. This is reflected in its current status as an associate member of ENQA rather than a full member. Moreover, YÖK has de facto power since it needs to approve the TCc programs that will enrol students from Turkey.

Some of the TCc university leaders would like to see YÖDAK assume its regulatory responsibility, provided some aspects of its operation are improved (leadership and staffing). They do not recognize, however, that its competing responsibilities are an issue.

Given the regulatory vacuum, some institutions turn to international agencies such as the Accreditation Board for Engineering and Technology (ABET) and the Foundation for International Business Administration Accreditation (FIBA), or the Institutional Evaluation Programme (IEP) of the European University Association (EUA) to seek accreditation or evaluation. They fear, however, that the lack of local external quality assurance is allowing the establishment of "grey institutions" that provide easy access and easy graduation to students, and that this might be endangering the reputation of the whole system, including of the legitimate universities, and might in the future lead to overregulation of all institutions.

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<sup>18</sup> Compliance with the ESG is a requirement of being a full member of the European Association for Quality Assurance in Higher Education (ENQA) and to be listed on the European Quality Assurance Register (EQAR). [http://www.eua.be/Libraries/QA\\_Connect/Revised\\_ESG\\_approved\\_May\\_2015.sflb.ashx](http://www.eua.be/Libraries/QA_Connect/Revised_ESG_approved_May_2015.sflb.ashx).

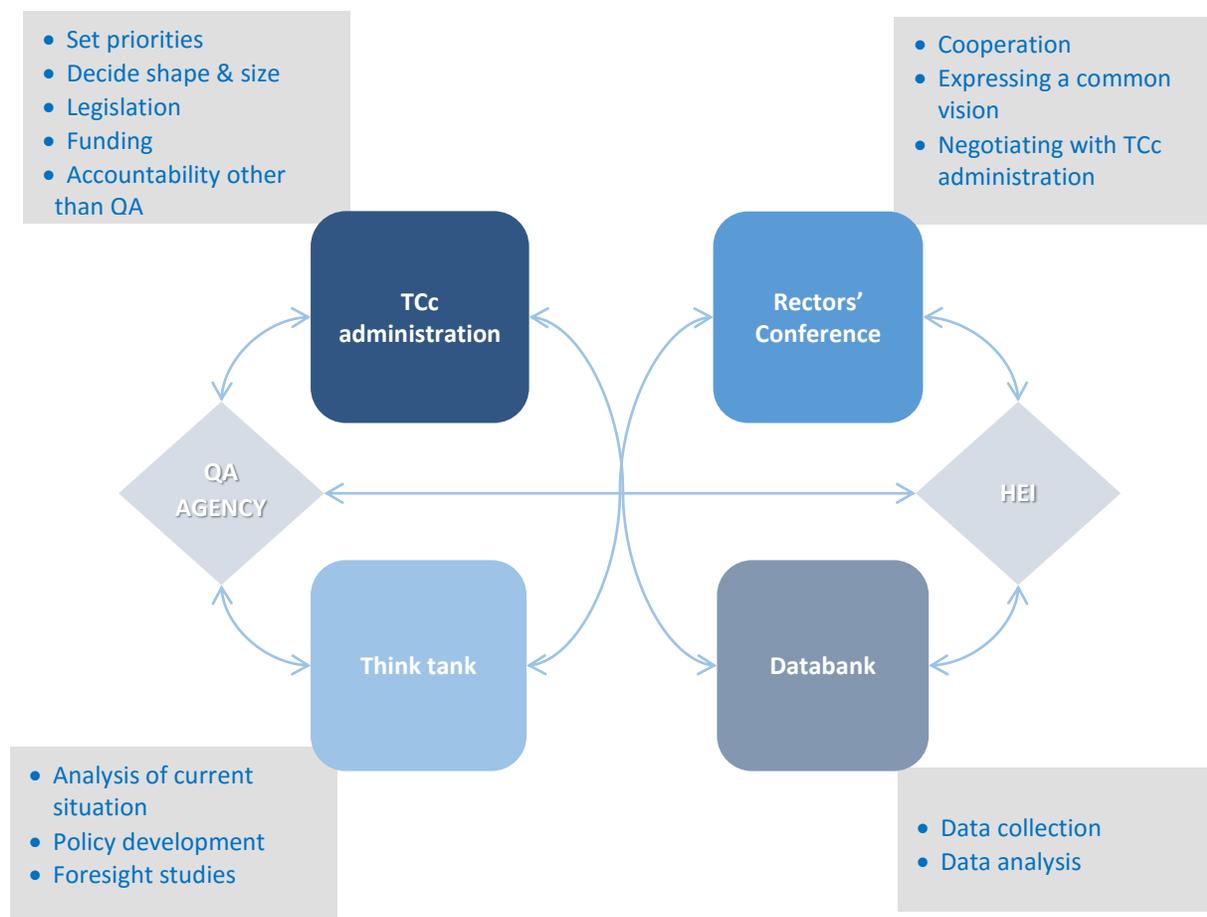
When an external quality assurance system comes into effect, it might put the viability of some of the private institutions into question. It is urgent that all institutions develop teach-out plans<sup>19</sup> to provide security to the students and to provide guidance to institutions on how to set them up.<sup>20</sup>

## 2. Possible paths forward

### 2.1 Governance

Figure 1 provides an outline of the functions that need to be carried out to steer a higher education system and how they are distributed across different, autonomous bodies.

**Figure A1-B.1 Governance at the system level: A power balance through well-distributed responsibilities**



Note: HEI = higher education institution.

<sup>19</sup> Teach-out plans determine how continuity of learning can be ensured for students of an institution that has closed (or is not operational for another reason at a certain time), that is, how students can continue and complete their studies, probably at a different institution.

<sup>20</sup> For an example, see HEFCE (2015).

A body such as YÖDAK, with its multiple competences, is highly unusual and not included in figure A1-B.1.

The proposal is that YÖDAK's responsibilities be redistributed in accordance with international best practice, while all bodies in the system engage in a multilateral dialogue and commit to serve the system overall. This does not mean that YÖDAK should disappear, but that it should not be given competing competences. It could act as the Rectors' Conference (in this case, only include rectors) or as a quality assurance agency (in this case, only responsible for quality assurance).

For effective governance of the TCc system, there should be a distribution of functions across different bodies to ensure that they are carried out in the best possible way and that the system has functioning checks and balances. Moreover, some functions should be attributed to autonomous bodies that should be insulated from political pressures. This includes the databank and the think tank (see section 2.2 for a discussion on the independence of the quality assurance agency).

## **2.2 Quality assurance**

Internal and external quality assurance (QA) processes must be viewed together to ensure true accountability and improvement, and to avoid duplication of evaluations and QA fatigue. This section looks at internal and external QA mechanisms (whatever the political future of the TCc) and then proposes several scenarios, taking into account the current situation as well as the possibility of a future settlement.

### *2.2.1 Internal quality assurance*

Internal quality assurance (IQA) processes must be developed by each institution; these processes are essential components of institutional autonomy, responsibility, and accountability as reflected by the fact that IQA has been a major development in Europe. Only 1 percent of the 451 institutions that responded to the Trends 2015 questionnaire stated that they had neither a QA policy nor QA processes.<sup>21</sup> It would not be good for the TCc if its institutions stayed behind this trend.

These processes will also be important if the World Bank were to recommend that performance-based funding be introduced. This type of funding mechanism would be a sham without good data management at the university level.

TCc institutions could turn to Part 1 of the *Standards and Guidelines in the European Higher Education Area* to find guidance in setting up their internal quality processes<sup>22</sup>:

- 1.1 Policy for quality assurance
- 1.2 Design and approval of programs
- 1.3 Student-centred learning, teaching, and assessment
- 1.4 Student admission, progression, recognition and certification
- 1.5 Teaching staff
- 1.6 Learning resources and student support

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<sup>21</sup> Sursock 2015, 40.

<sup>22</sup> ESG 2015; Gover, Loukkola, and Sursock 2015.

- 1.7 Information management
- 1.8 Public information
- 1.9 Ongoing monitoring and periodic review of programs
- 1.10 Cyclical external quality assurance

### 2.2.2 *External quality assurance: key options and principles*

Developing an external quality assurance (EQA) entails making choices about different aspects as follows:

1. Which definition(s) of quality to adopt? Exceptional; perfection or consistency; fitness for purpose; value for money; transformation?<sup>23</sup>
2. What should be the primary purposes of quality? Checking; assuring; improving?
3. What should be the focus of the EQA process? The program level; the institutional level; thematic approaches (for example, internationalization, human resources, and so forth); only teaching and learning or also research?
4. What mechanisms to put in place? Licensing; accreditation; evaluation; quality audits?

These options are not always mutually exclusive. For instance, an EQA system might include all purposes listed in item number 2 (but to varying degrees) or all the mechanisms listed in item number 4. It all depends on the maturity of the sector. A sector that has been allowed to operate with little control and with few internal quality mechanisms might benefit from the accreditation of all its study programs and institutions, because accreditation offers the possibility of closing the unsatisfactory ones.

In addition, when developing the criteria by which to evaluate the institutions, it is important that they reflect TCc strategic priorities and that they balance:

- The European QA framework (ESG) and the TCc system’s priorities (provided integration into the European Higher Education Area is viewed as a strategic priority)
- The TCc system’s priorities and the distinctive characteristics of each institution.

The options regarding quality assurance should be weighed against the needs of the sector and the national higher education strategy. This implies that a needs analysis be conducted first and that a higher education strategy is developed.

The independence of the quality assurance agency from the TCc administration and institutions must be a foremost goal while it engages in a dialogue with everyone when it is developing its procedures. ESG 3.3 explains how QA agencies can demonstrate their independence; it is a crucial standard that determines whether the agency will be accepted as a full ENQA member and listed on EQAR. ESG 3.3 provides detailed guidance on the concept of independence, which it defines in the following way and is worth quoting in full:

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<sup>23</sup> Harvey and Green 2006.

“In considering the independence of an agency the following are important:

- Organisational independence, demonstrated by official documentation (for example, instruments of government, legislative acts or statutes of the organisation) that stipulates the independence of the agency’s work from third parties, such as higher education institutions, governments and other stakeholder organisations;
- Operational independence: the definition and operation of the agency’s procedures and methods as well as the nomination and appointment of external experts are undertaken independently from third parties such as higher education institutions, governments and other stakeholders;
- Independence of formal outcomes: while experts from relevant stakeholder backgrounds, particularly students, take part in quality assurance processes, the final outcomes of the quality assurance processes remain the responsibility of the agency.

Anyone contributing to external quality assurance activities of an agency (for example, as expert) is informed that while they may be nominated by a third party, they are acting in a personal capacity and not representing their constituent organisations when working for the agency. Independence is important to ensure that any procedures and decisions are solely based on expertise.” (ESG 2015, 22–23)

In brief, the QA agency should have as a focus quality assurance and no other functions. It should be independent of the TCc administration and institutions.

### 2.2.3 *The link between EQA and IQA*

The whole approach should also balance internal quality assurance (IQA) and external quality assurance (EQA) in order to ensure that the institutions feel ownership of the quality assurance process and contribute to raising quality and standards:

- This requires that each institution develop IQA in line with its strategic orientation.
- The internal quality assurance processes should seek to embed a quality culture in the institution and to promote improvement.<sup>24</sup>
- The external quality assurance processes should support the development of internal quality by respecting the universities’ autonomy in developing their own approaches to this area.

The ideal EQA/IQA articulation includes the following aspects:

- The agency consults the higher education institutions during the development of the guidelines and any subsequent changes (ESG 2.2) but remains independent (ESG 3.3).

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<sup>24</sup> For a discussion on quality culture, see Sursock 2011.

- The agency examines the IQA processes (ESG 2.1).
- The agency is focused on promoting internal quality culture in the institutions – this is the key pillar of a good EQA system.
- This implies preserving a space for each institution to develop its own IQA processes. In other words:
  - ⇒ The agency does not prescribe how IQA is done
  - ⇒ The agency does not evaluate everything and leaves room for IQA.

#### 2.2.4 Possible scenarios for EQA

Three aspects are discussed below: (1) licensing new institutions, (2) accrediting or evaluating existing institutions, and (3) two possible scenarios for the future.

(1) In the current situation, it is essential that licensing be done rigorously. The main question is who should be responsible for carrying out this function. There are two possibilities:

- The TCc Authority could set up an international quality assurance board that would organize the licensing processes independently. This is the model followed in the Dubai free zones. The Knowledge and Human Development Authority provides authorization to establish branch campuses in the Free Zones, based on the analysis and recommendation of the independent University Quality Assurance International Board (UQAIB). This board develops its own processes and criteria independently.<sup>25</sup>
- YÖDAK could be given this responsibility, provided it is stripped of all its other missions, that it is staffed and resourced properly, and that its independence is enshrined in legislation. It would be useful in this case to consider strengthening the current licensing process; it should not be a simple desk-based scrutiny. A hearing of the owners and of the academic leadership must be held and questions about their resources and governance answered.

(2) For the evaluation or accreditation of institutions that are in operation, two options are possible:

- Provide legislation that would grant institutions the possibility of turning to any agency listed on the European Quality Assurance Register (EQAR)<sup>26</sup> or on the U.S. Council on Higher Education Accreditation (CHEA).<sup>27</sup> Some QA agencies require that the TCc Authority have licensed their institutions; therefore, this option requires a credible licensing process.

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<sup>25</sup> <https://www.khda.gov.ae/en/FZQA?i=4>.

<sup>26</sup> <https://www.eqar.eu>.

<sup>27</sup> <http://www.chea.org>.

- Set up an independent, international QA board responsible for the evaluation or accreditation of the sector in total independence, as is the case in Iceland<sup>28</sup> and in the Dubai Free Zones.

(3) In the future, two scenarios are possible:

- When Turkey has a fully operating QA agency, recognized by ENQA and EQAR, it could be allowed to extend its scope to the TCc.
- If settlement is successful and if the Greek Cypriot Community's QA agency is operational and recognized by ENQA and EQAR, it could extend its scope to the whole island.

### **3. Conclusions**

First, the TCc must develop a national development strategy, including a higher education strand of this strategy.

Second, the TCc higher education sector needs to develop three functions at the system governance level: a data management system, the capacity to do research, and quality assurance.

Third, three dimensions of quality assurance require attention: the development of an internal quality process, strengthening of the licensing process, and the evaluation/accreditation of existing provisions. Because of the small size of the system, it is recommended that the system outsources evaluation/accreditation to an independent international board while providing a way of linking it with the TCc authorities. This might well be the quickest path to respond to current regulatory needs.

### **4. 10 recommendations for governance and quality assurance**

1. It is urgent to develop an overall development strategy. This would allow the development of an appropriate higher education strategy, which would result in new legislation, governance and funding reforms, and the development of a quality assurance approach that would support the implementation of the higher education strategy.
2. Cooperation among higher education institutions should be bolstered through incentives mechanisms. This could start with joint delivery of some teaching provision and move to applied research projects.
3. The involvement of external stakeholders in the TCc needs to be bolstered to ensure that universities are responsive to societal needs. They should be represented at both the central level of universities and at the faculty and departmental levels, as required.

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<sup>28</sup> <https://en.rannis.is/activities/quality-enhancement-framework/>.

4. It is a matter of some urgency to provide guidance to institutions on teach-out plans and to require that all of them have such a plan in place to provide security to the students.
5. For the effective governance of the system, there should be a distribution of functions across different bodies in order to ensure that they are carried out in the best possible way and that the system has functioning checks and balances.
6. Some functions should be attributed to autonomous bodies that should be insulated from political pressures. This includes the databank and the think tank.
7. The options regarding quality assurance should be weighed against the needs of the sector and the central-level higher education strategy. This implies that a needs analysis be conducted first and that a higher education strategy is developed on that basis.
8. The QA agency should have as a focus quality assurance and no other functions. It should be independent of the TCc administration and institutions in order to conform to the ESG.
9. The internal quality assurance (IQA) and external quality assurance (EQA) must be balanced. This requires:
  - That each institution develop IQA in line with its strategic orientation
  - That the internal quality assurance processes should seek to embed a quality culture in the institution and to promote improvement
  - That the external quality assurance processes should support the development of internal quality by respecting the universities' autonomy in developing their own approaches to this area.
10. The ideal EQA/IQA articulation includes the following aspects:
  - The agency consults the higher education institutions during the development of the guidelines and any subsequent changes (ESG 2.2) but remains independent (ESG 3.3).
  - The agency examines the IQA processes (ESG 2.1).
  - The agency is focused on promoting an internal quality culture in the institutions—this is the key pillar of a good EQA system.
  - This implies preserving a space for each institution to develop its own IQA processes. In other words:
    - ⇒ The agency does not prescribe how IQA is done
    - ⇒ The agency does not evaluate everything and leaves room for IQA.

## **Annex 1-C: Status quo and perspectives for higher education financing in the TCc<sup>29</sup>**

### **Assessment of the current situation**

Higher education in the TCc is mainly run like a business. Funding largely relies on tuition fee revenues, with an outstanding large percentage of students coming either from Turkey or from other foreign countries. This indicates a clear strength in market orientation and marketing of study programs— attracting so many foreign students could be seen as a major achievement.

For three main reasons, universities in the TCc cannot take it for granted that the student stream and the related income stream are reliable assets in the future. First, the competition from European countries is increasing, as more and more countries in Europe start to charge tuition fees for non-EU students and increasingly enter the market for international mobile fee-paying students. (Recently, for instance, even countries like Finland, which have strictly opposed tuition payment for many years, introduced tuition fees for non-EU students). Second, Turkey increasingly has enough student places to accommodate those students who want to enter university, thus decreasing the need to go out of country to pursue study opportunities. Third, some students go to the TCc because they think there is an “easy access/easy graduation” policy. This might work in the short run but severely endangers the employability of the graduates and, hence, the reputation of the TCc as a place for good-quality higher education. This is important because the reputation of the TCc higher education system as a whole reflects on its institutions and the individuals associated with it, whether deservedly or not.

In this context, it is questionable whether a further expansion in the number of universities without corresponding mechanisms and requirements of quality assurance is desirable. The risks of a short-sighted strategy of maximization of student numbers will increase.

There are hardly any chances to acquire research funding. The potential to cross-subsidize research from tuition fees is limited, and there is almost no access to international research funds (either to EU funds or substantial access to Turkish research funds). This lack of funding makes it difficult or even impossible to engage substantially in research activities.

Public funding of universities is very low. Universities complain that there is more willingness to subsidize tourism than higher education. This is even more astonishing in light of the impact universities have on the economy. Higher education is at least of equal importance as tourism for the TCc’s economy. The current share of public funding of the Eastern Mediterranean University as part of its total budget is around 12 percent, an extremely low percentage compared with European public universities.<sup>30</sup> It is clear that the TCc’s difficult political situation limits the potential to increase public funding of universities. Therefore, if additional public resources could be mobilized, they could not be spread over the whole system; an impact only seems to be possible if public resources are focused and clearly related to specific targets.

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<sup>29</sup> This annex was written by Professor Frank Ziegele, CHE Centre for Higher Education, Germany.

<sup>30</sup> In Europe as a whole, in 2011, on average more than 70 percent of public universities’ budgets came from public sources.

Public funding is not only low, but also has a problematic structure. European experience shows that good practice in public funding leads to a “three-pillar model” with an element of stable basic funding, a component of performance rewards and sanctions (to stimulate performance), and a component to pre-fund innovative future developments. Such a model creates balanced funding in several ways. There is a balance between stability and ability to plan on the one hand, and incentive orientation and competition on the other hand. Performance is stimulated ex post with indicator-based funding, and ex ante with competitive funds investing in future performance. None of these three components really exists in the TCc. In fact:

- There is no remarkable basic public funding. The TCc administration covers tuition fees and accommodation costs for a certain number of students—this only replaces tuition fees; it is an instrument of student funding and not of institutional funding. Funding from the Turkish government is based on singular, discretionary decisions on specific investments and also creates no continuous and stable revenue source. Political decisions are made on a discretionary basis. The two public universities receive a small incremental budget (which could be adjusted to the general budget situation of the TCc and to special hardships of the universities, such as exchange rate problems or compensation for a lack of fee-paying students).
- There is no formula funding and no other elements of performance orientation. If a lack of students is rewarded by extra compensation, this creates a strange incentive.
- Prefunding of investments exists to a small extent, but is not based on competitive mechanisms and is not explicitly related to the achievement of goals.

Goal- and strategy-oriented public funding could be a good instrument to promote the development of the higher education sector by pushing certain developments according to a central-level strategy. In such a scenario, funding would also be related to dialogue processes (for instance in connection with the instrument of target agreements/performance agreements). Nothing like this exists in the TCc. There is no clear strategy (apparently a strategy written by YÖDAK exists, but nobody seems to know it except the YÖDAK president; the status of this strategy is unclear). There is almost no dialogue between universities and state authorities/YÖDAK. Even among the universities, dialogue is hardly found. This makes it difficult for the higher education system to move forward. It leads to discussions reduced to very formal issues such as the desirable number of universities or the maximum number of students (instead of discussions about universities’ portfolios, target groups, quality standards, and so forth).

Relations between universities and the private economy are weak. For this reason, there is also no relevant income stream coming from industry. Local industry seems to have an interest in practically oriented programs and vocational training, and the universities do not satisfy these needs.

Physical infrastructure (especially buildings) seems to be well developed and not a major problem of funding of the university sector in the TCc.

## Recommendations

1. Large-scale or revolutionary approaches to change higher education funding in the TCc are not realistic, but improvements are possible.
  - In the current situation, full-scale implementation of a three-pillar model of public funding and huge public investments in higher education are not realistic. However, the European experiences with higher education funding could show the direction(s), and even small-scale implementation of some components of three-pillar models could create added value.
  - The universities should not (only) wait for increased public funds; they could do something to improve their funding situation, especially in the longer run (see recommendation 2, below).
  - However, there are perspectives beyond the current situation. One scenario is increased public funding in a stable political context, and the other is the possibility for more comprehensive international cooperation in the course of a settlement of the two Cypriot communities.
  - It should not be forgotten that funding reforms are closely related to changes in other areas of steering a higher education system. All following considerations regarding the quality of higher education, for example, are closely related to the implementation of systems of quality assurance.
2. Even if the current political situation remains unchanged and if there is no option to mobilize additional public funding, some steps could be taken.
  - The precondition for any kind of performance-oriented funding is the definition of performance criteria. This definition depends on the strategic goals of the higher education sector, and good performance corresponds with attainment of goals. The TCc should develop a strategy for the sector including precise and measurable goals as well as clear and specific priorities. This strategy must be developed in an organized, bottom-up and top-down process with intensive participation of, and communication with, the universities. If YÖDAK is not able to organize and lead a transparent process, the involvement of external (international) experts for strategy development is recommended. The strategy should remain pragmatic—it should not “explain the whole world” or go into institutional details, but it should, based on a solid SWOT analysis, describe major directions of development and change for the coming years. As soon as a strategy is in place and communicated, the funding instruments could pick up elements of the strategy and promote the respective goals.
  - The limited system of public funding should gradually adapt the allocation procedures to the three-pillar model. With the given budget there is not much potential for pillar 2 (formula funding, ex-post-performance rewards), but the model could get closer to the features of pillars 1 and 3.

- Suggestions for the development of pillar 1: The existing incremental budget for the public universities is given as a lump sum (not requiring spending in a line-item approach). It is guaranteed for three to five years (ideally harmonized with the time horizon of the strategic plan) without short-term changes to create more reliability and ability to plan.
- Suggestions for the development of pillar 3: Specific investments are explicitly related to the achievement of goals. If funding is given for a specific purpose, this should be related to a target agreement between the TCc administration and the university, which mentions and operationalizes the goals related to the funded activity and the time horizon for their achievement. Ideally, the universities would compete for these funds. Target agreements imply the advantage that they are related to structured discussions on goals and targets. Therefore, they help maintain a continuous dialogue between public authorities and universities (which is urgently needed in the TCc). Regarding target agreements, there is a lot of technical knowledge in many countries on how to use this kind of instrument in a rational manner.
- Even without any political changes, the universities should reconsider their student recruitment strategies regarding the target groups and the quality policy. It is clear that tuition fees will remain the major source of funding in the future, but the universities should not count on attracting students globally with an “easy access-easy graduation” strategy in the long run. The universities should use their enormous strength in student marketing to address new target groups with new quality standards.
- The marketing activities should help to promote a brand for higher education in the TCc. Low living costs, English language, nice beaches—all this could contribute to branding, but low quality should not be part of the brand. The universities have to take actions to provide a reliable minimum quality standard, such as through international accreditation.
- This kind of branding could be related to new products, which are able to generate revenue. The English language and the beaches, for example, could contribute to the establishment of summer schools, including language summer schools (see the developments in Malta in recent years).
- Another option is new products with a potential to generate income from local enterprises. Universities could establish new courses for requalification and lifelong learning for decision-makers in local SMEs. There is a general trend in Europe toward the need for additional academic qualifications in later stages of professional careers, and universities could provide these qualifications (leading to certificates below the bachelor level, or even leading to a lifelong learning bachelor).
- In general, universities could engage more in vocational training to address the needs of the TCc labor market. However, it is recommended linking university vocational training approaches with the acquisition of academic skills in a practically oriented way. Universities could offer courses below the bachelor level, but still with an academic touch to sustain a university’s profile. It should be carefully reflected what an improvement of the quality of teaching and learning in the TCc would mean: the implementation of very high academic standards and strong theoretical rigour

and/or the orientation of programs toward practice and employability. The practice and employability aspect might be the first element to focus on.

- Such new products would lead to four benefits: new target groups would be reached, new funding sources could be opened, higher education in the TCc would become more practically oriented and would move closer to the local labor market needs, and the attractiveness of the TCc for international students will not be endangered by quality image problems.
  - New products could also lead to a horizontally more diversified higher education system, with universities working on distinctive profiles (see below).
3. The situation would improve if it were possible to mobilize additional public funding. The following thoughts come on top of the ideas developed for the current status of public funding, they do not replace them.
- The mobilization of additional public funding is important and recommended. Good-quality higher education is related to a certain extent of research, which needs public support. Higher education creates substantial external benefits for the TCc's economy, which justify public subsidies. It is not possible to come close to the European average in terms of public-private funding shares, but the system could move a step in that direction. For the following recommendations, we assume that limited additional public funding would be available.
  - The TCc cannot afford a broad distribution of additional basic public funding. If additional funding would be too fragmented and spread over all universities and activities, additional money would just disappear without remarkable effects. Additional funding must be competitive and targeted. This means that it should strengthen the second and third pillars of public funding (performance- and innovation-oriented funding), which could also be open to private universities.
  - The TCc especially cannot afford research funding as a general basic funding for all professors. And if every professor in every university were to be given some research funding, incentives would be atomized and impact would be minimal. The only option to mobilize research funding is a targeted approach of capacity building. The TCc should set up a program for clustered research capacities. Universities could apply for competitive funds for capacity-building centers, which follow certain formal standards (for instance, requirements such as addressing important economic issues for the TCc, interdisciplinary cooperation, building critical mass, and setting explicit targets).
  - Targeted funding would promote the idea of a horizontally diversified higher education system, meaning that research or other tasks of universities do not play the same role for each and every

institution. Public funding could be used to promote the differentiation of profiles of universities (but the development of distinctive profiles should also be picked up by the universities autonomously, even without additional public funding). The third pillar of the funding model, using the instrument of target agreements, could be strengthened with additional public funds.

- In situations of economies dominated by SMEs, there is often the problem of distance between the universities and the SMEs. SMEs have no clear ideas how to benefit from collaboration with universities, and universities have problems addressing a fragmented private sector. In this case, different countries have used the funding instrument of the “knowledge voucher.” SMEs could get a publicly financed voucher to be paid to a university for collaboration, especially in applied research. The expectation is that this kind of funding helps to overcome barriers and establish sustainable relations, leading to private sector funding for universities after the voucher was used. The voucher system is an example of a public co-funding approach that aims to create an incentive to acquire funds from markets.
  - Again, it should be stressed: Just throwing public money into a higher education system does not help at all. Incentives should be carefully designed in line with strategic priorities.
4. The situation would further improve under different general political circumstances. The following thoughts add to the ideas developed for the current situation and for the potential situation of an increase in public TCc funding; they do not replace them. They assume that the TCc’s international isolation could be overcome, which means the political context would be different.
- A major virtue of an end to international isolation could be the TCc’s access to international funding sources. Membership in the European Union, especially, would allow access to European funds, not only for specific financing of higher education (research funds, Erasmus+ funds<sup>31</sup>), but also to EU structural funds. For instance, in Latvia, one of the smaller EU member states that joined the EU in 2004, structural funds are crucial to the development of higher education infrastructure and quality.
  - In general, the TCc higher education sector should be prepared for a possible end to the TCc’s international isolation. For example, potential problems of competitiveness might become evident when all Cypriot universities compete for funding. Also, a comparative analysis of the structures and mechanisms of university funding in the GCc is necessary to assess how the different systems could potentially become more compatible.

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<sup>31</sup> The Erasmus Programme (European Region Action Scheme for the Mobility of University Students) is an EU student exchange program that was established in 1987. Erasmus+, initiated in 2014, is the new program that combines all of the EU’s education, training, youth, and sport programs.

## **Annex 1-D: Teaching, learning, recognition—options for the TCc<sup>32</sup>**

The contents of this annex are based on briefing documents and discussions with World Bank and other experts, and on the proceedings of the workshop on “Strategic Directions for the TCc Higher Education Sector” held in Nicosia on 14 June 2016. The annex also draws on key European documents related to teaching, learning, and recognition.

### **Observations from workshop presentations**

There are currently about 85,000 students in the Turkish Cypriot community (TCc) and 10 universities (with four more under preparation, see Annex 2). There is a general impression that there are too many universities. It seemed that more universities may be established in the future although the reasons for this were not clear to TCc participants, at least from an academic perspective.

Direct economic benefit, rather than an educational or academic benefit, was widely seen as the goal of further expansion of higher education.

There was a desire that universities should be known for quality and have accreditation, but there is an absence of independent planning control or monitoring. The Higher Education Planning, Evaluation, Accreditation and Coordination Council (YÖDAK) is not perceived as being independent.

While the system has rapidly expanded, there is little information on the quality of the student experience. During the workshop, participants mentioned that university boards seem to be inactive. Quality of infrastructure for teaching and learning and university libraries does not seem to be consistent across different universities. Classroom overcrowding is common and many teachers seem to lack the skills to facilitate learning in large groups. Curriculum development is limited and curricula are described as outdated. There is little research in the TCc. Lecturers claim that there is no time to do research and no funding to do it. Many universities have reached the limits of their capacity by accepting ever increasing numbers of students. There are no contingency arrangements<sup>33</sup> in place if universities close, and problems are solved only as they arise.

While these were the perceptions stated at the workshop, there are little if any hard data to confirm them. An effective method of benchmarking expected standards for teaching and learning and the infrastructure to support it would be helpful, accompanied by evaluation of individual institutions with a view to enable them to identify and address what appear to be their shortcomings and to formulate institutional action plans. Study visits and awareness-raising exercises for institutional leaders and key personnel would support implementation of an action plan. This would also help build the foundations for robust internal and external quality assurance procedures.

Even the positive attributes mentioned by sector representatives are problematic. Internationalization is heralded as a success with a claim that the TCc is well placed for internationalization and intercultural competence. However, the only metric used is the number of students recruited, with little evidence of,

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<sup>32</sup> This annex was written by Andy Gibbs, Glasgow Caledonian University.

<sup>33</sup> Examples of comprehensive contingency plans can be found, for example, in Australia.

for example, integration, internationalization at home, transnational education, mobility, or international recruitment. This was summed up by the statement “we get the economic benefit without adapting to different cultures.” Links to employers and enterprises are cited as positive; however, there seem to be questionable links to the private sector affecting student placements. YÖDAK’s affiliate membership in the European Association for Quality Assurance in Higher Education (ENQA) is cited as evidence of quality, yet there is no quality threshold demanded to become an affiliate member of ENQA, merely a demonstrable interest in quality assurance in higher education.

Among actions identified as assisting in developing the system were the partnering of new and old universities to ensure that they can stand on their own two feet, the introduction of external control, and the need to discuss human capacity and partnerships with business. A step-by-step strategy to show the way was requested.

### **SWOT Analysis**

A strengths, weaknesses, opportunities, and threats (SWOT) analysis was conducted during the breakout session with the following outcomes.

#### **Strengths**

- Qualification framework for secondary education is in place
- The European Credit Transfer and Accumulation System (ECTS) is used in a number of institutions
- Internationalization—experience gained through attracting and managing large groups of international students
- Recognition for higher study, gained through association with Turkish institutions.

#### **Weaknesses**

- There is a lack of European partners, and institutions are prevented from engaging with EU-supported activities associated with the Bologna Process (for example Erasmus+ Key actions for mobility, projects, and joint programs)
- Curricula are based on teacher specialties rather than industry needs; there are few links to employers and enterprises, and external employability reference points are not widely used
- There are overcrowded classrooms in many areas because the emphasis is on recruitment rather than on the student experience
- Curriculum needs change, and there is a high failure rate because curricula have not been adapted to introduce learner-centered methods.

#### **Opportunities**

- Mobility—was described as “the future” and a way of introducing, stimulating, and exchanging good practice
- Staff and student and faculty exchange of good practice
- Stimulate cooperation among institutions, employers, and existing partners
- Discover and implement new ways of teaching to refresh activity and curricula
- Decreasing Turkish students, increasing others

- Teaching large groups.

### **Threats**

- Lack of diversity/engagement
- No links to research
- No continuing education for teachers
- Competition
- No motivation to change
- Insufficient sharing of information due to competition among universities.

### **European standards**

The Bologna Process (1999–2010) outlined a series of action lines intended to harmonize higher education across the 48 Bologna signatory countries. The action lines pertinent to teaching and learning and recognition are:

- Adoption of a system of easily readable and comparable degrees
- Adoption of a system essentially based on bachelor/master/PhD
- Establishment of a system of credits
- Promotion of mobility
- Lifelong Learning.

In 2010 the European Higher Education Area was established with the following priorities until 2020:

- Lifelong learning
- Employability
- Student-centered learning and the teaching mission of higher education
- Mobility.

The Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG) were updated in 2015 with the goal of contributing to the common understanding of quality assurance for learning and teaching across borders and among all stakeholders. They include:

- 1.2 Design and approval of programs
- 1.3 Student-centered learning, teaching, and assessment
- 1.4 Student admission, progression, recognition, and certification
- 1.5 Institutions should assure themselves of the competence of their teachers. They should apply fair and transparent processes for the recruitment and development of the staff
- 1.6 Learning resources and student support Standard: Institutions should have appropriate funding for learning and teaching activities and ensure that adequate and readily accessible learning resources and student support are provided
- 1.7 Information management: Institutions should ensure that they collect, analyze, and use relevant information for the effective management of their programs and other activities.

The outcomes and benefits of these activities are:

- The focus moves from teaching to learning
- Involvement of employers, employees, and students as stakeholders increases the relevance of education
- Parts of a program can attract credit points, and accumulation of credit points is possible
- Levels are transparent so students can transfer credits between different programs and types of education to achieve an award
- Assessment becomes more flexible, opening possibilities for recognition of prior learning, work-based learning
- A process of qualitative transformation for students and other learners in a learning environment, aimed at enhancing their autonomy and critical ability through an outcome-based approach.
- Reliance on active rather than passive learning
- Emphasis on critical and analytical learning and understanding
- Increased responsibility and accountability on the part of the student
- Increased autonomy of the student
- A reflective approach to the learning and teaching process on the part of both the student and the teacher.

### **Options for the TCc**

Two political scenarios are taken into account:

- Status quo
- Settlement and reunification.

### **Status Quo**

The focus on economic benefit alone is probably unsustainable, and efforts should be directed toward enhancing quality and improving the student experience. While the system is confronted with a variety of challenges, there are a number of resources available to the sector that could be used for the benefit of improving the system. These include:

- The pockets of good practice that exist in a number of universities. While the use of learning outcomes and ECTS does not seem to be widespread, there are some institutions that do use them. Sharing these good practices across all institutions will benefit the sector as a whole.
- The pool of international students that are enrolled brings a rich diversity of experience and knowledge of different systems and cultures. Promoting teaching and learning of practices that draw on this and enable home and other students to benefit from these experiences can be the first steps that can contribute to internationalization at home activities.
- Building links with the home countries of incoming students can provide opportunities for placement experiences, thereby creating greater relevance for foreign students and stronger links with employers.
- Deeper links with employers and enterprises in the TCc can be used to provide a greater and more relevant focus on employability and ensure that programs are more likely to produce graduates fit for the labor market.

- The substantial student fee income, a part of which can be allocated to fund study visits and incentivize activity.

### **Suggested Actions**

- Focus on enhancing the student experience at all stages
- Review the mission, and particularly the internationalization mission, of each university
- Build partnerships within the TCc to exchange good practices and develop a community of practice among university lecturers
- Use this community of practice for the development of teaching and learning approaches and the creation of a TCc teaching and learning strategy
- Use these partnerships to establish mobility for staff and students within the TCc and look to extend this to “friendly” nations (for example, Turkey)
- Incentivize the development of good practice by the award of collaborative project grants, funded by fee income
- Reconstitute university boards to include employer and enterprise representatives who can advise on curriculum updating and adoption of more relevant curricula and provide internships
- Finalize and implement a credit system.

### **Settlement and reunification**

This option would require universities to be compliant with the requirements of a unified Cypriot system and the Bologna Process, which in turn would require alignment with the European Standards and Guidelines for Higher Education. While there may be pockets of good practice and varying degrees of compliance within the TCc, it seems unlikely that the TCc higher education sector in its current form could compete on quality. The competitive advantage of being able to compete on price and access alone would be removed, thereby threatening the sustainability of the sector. The UK Quality Assurance Agency recently reviewed the higher education sector in the Greek Cypriot community (GCc) and highlighted the following areas as being of good to high quality: models of delivery, collaborative provision, partnerships, focus on students, and relevant curriculum. In addition to existing resources, the TCc could anticipate benefiting from additional EU resources, including Erasmus+, as well as the expertise and opportunities to link with higher education institution professionals across the EU.

The following suggestions are made with a view to enabling the TCc to compete in these key areas.

### **Suggested Actions**

#### **Improve quality assurance arrangements**

- A body with overall responsibility for quality should take steps to provide information and promote alignment with the ESG.
- Introduction of robust accreditation and quality assurance processes (quality assurance is dealt with in another annex but is essential for developing teaching and learning systematically).

### **Modernize and make curricula relevant**

A unified Cyprus would be expected to be a member of the European Higher Education Area, and in this scenario the higher education sector in the TCc would need to be harmonized with the European standards established in the Bologna Process, mentioned above. This would mean the adoption of the European frameworks and tools such as Qualifications Frameworks and agreed quality assurance provisions. In terms of teaching, learning, and recognition, the TCc would need to align the student experience with European standards. The activities listed above can contribute to this and must include:

- Use of learning outcomes. These are seen as the building blocks of higher education reform in Europe and are instrumental in moving from a teacher-centered to learner-centered system, in recognition and via ECTS. This task would require a reorientation of programs from an input based system to one based on outcomes, which in turn requires a review of teaching, learning, and assessment approaches.
- Using ECTS, which is the form of credits universally applied within the European Higher Education Area. Currently, there is limited application of ECTS within the TCc and still some use of the U.S. credit system.
- Build employer/employee/university partnerships to ensure relevance of programs. In focusing on outcomes, academics should involve these groups in curriculum development to identify what skills and knowledge employers require. Furthermore, opportunities for work-based learning can be explored. In addition, a greater focus on employability could be introduced to programs by employer involvement.
- Mobility, internships, and workplace learning both in the TCc and the students' home countries can be introduced using an outcomes approach, again improving the relevance of programs to society.

### **Modernize approaches to teaching and learning**

An overall TCc strategy for developing approaches to teaching and learning should be introduced.

This must include:

- Promotion of a learning outcomes approach
- Orientation to student-centered learning approaches.

### **Prepare for recognition issues**

The system of credits should be finalized and aligned with the ECTS. The current U.S. system used by some universities will be irrelevant in the European Higher Education Area. While the U.S. system may be of use in students' home countries, a failure to implement ECTS will reduce mobility, transparency, and curriculum development opportunities in the TCc.<sup>34</sup>

Associated with ECTS is the potential for credit accumulation and transfer, which will afford greater opportunities for students to study within a lifelong learning system. This would also require greater

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<sup>34</sup> A comparison of the two systems and some of the issues arising from implementation of an ECTS system may be found at [http://ec.europa.eu/education/library/study/2011/us\\_en.pdf](http://ec.europa.eu/education/library/study/2011/us_en.pdf).

alignment with the needs of employers and enterprises and involvement of stakeholders, who could become more involved in university curriculum development and decision-making bodies.

The mutual recognition of qualifications within Europe will require attention to the content of programs to ensure alignment with Sectoral Directives on professional and academic recognition.

### **Prepare to benefit from Erasmus+**

Key staff should be aware of the key actions of this program so that they are in a position to benefit as quickly as possible from the developmental, mobility, and capacity-building components of Erasmus+. Informal discussions with staff from Erasmus offices in Turkey can help in this preparation.

### **Useful Bologna Process-related resources**

*ECTS Users' Guide 2015:* [http://ec.europa.eu/education/library/publications/2015/ects-users-guide\\_en.pdf](http://ec.europa.eu/education/library/publications/2015/ects-users-guide_en.pdf)

EU Free movement of professionals: [http://ec.europa.eu/growth/single-market/services/free-movement-professionals/index\\_en.htm](http://ec.europa.eu/growth/single-market/services/free-movement-professionals/index_en.htm)

QAA *Review of UK Transnational Education:* <http://www.qaa.ac.uk/en/Publications/Documents/TNE-greece-cyprus-overview-15.pdf>

Student Centered Learning Toolkit: <https://www.esu-online.org/wp-content/uploads/2016/07/100814-SCL.pdf>

*The European Recognition Manual for Higher Education Institutions:* <http://eurorecognition.eu/Manual/EAR%20HEI.pdf>

## **Annex 1-E: Research and Development<sup>35</sup>**

### **Background (site visit, available documents, and information)**

In the Turkish Cypriot community (TCc) there has been a dramatic increase in the number of universities and students in the last decade. While there are no transparent statistics and no data collection on these numbers, it appears that in the last five to eight years, the number of students doubled. In addition, there is a “circulation” of students—that is, those who move from one university to another in order to keep their student status and/or to try to complete their studies. A significant proportion of students come from different countries, among which students from Turkey make the majority. The process of mass education is definitely reflected in TCc universities.

The community seems to be in favor of the high number of universities and students, primarily from the perspective of service providers (accommodation; restaurants and cafes). There is only a very limited industry sector.

The majority, if not all, of the existing universities are teaching universities, with a little or no research regardless of whether they are public or private. They seem in most cases to be well equipped with infrastructure for teaching, and facilities for learning and teaching, and they have well-kept campuses that enable students to have an adequate social life.

Many staff members were educated abroad and trained in research, as well. However, in TCc universities, emphasis is put on teaching, and the teaching load is often so heavy that there is little or no time for research. But even if teachers did have time for research, the research infrastructure is limited in most TCc universities. Some universities are satisfied with the status as a teaching institution and are not seeking to change.

Although research opportunities are few, for academic promotion, universities do nonetheless expect staff to perform research and publish papers in high-quality international journals. This can cause high levels of frustration among some academics. Because of this approach to teaching and research, universities offer almost no doctoral education and have few doctoral students. For those that do offer doctoral education, the question remains of how to assure quality and to what extent the offered doctoral education provides good-quality research training.

### **SWOT analysis/results**

During the workshop on Strategic Directions for the TCc Higher Education Sector, held in Nicosia on 14 June 2016, a SWOT analysis was done at a breakout session. Participants worked in groups according to their expressed interest. The main aim of the breakout session was to provide a SWOT analysis in a particular subsector (that is, research), to link the TCc status quo to European developments, and to provide inputs for strategic directions.

The SWOT analysis was performed by a group of academics from different institutions with different status of research at their institutions. From the institutional perspective, a few participating institutions were more focused on research and perceived research as a vital and

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<sup>35</sup> This annex was written by Professor Melita Kovacevic, University of Zagreb.

relevant part of the academic life. Others put very little emphasis on research. From the individual perspective of academics, regardless of from which institution they came, the unifying thread was their shared interest in and care about research. It seems that institutional policy and status is not necessarily aligned with individual academic needs and ambitions, something even more clearly expressed when academics had experience working at a foreign research and academic institution.

It was evident that participating academics consider research as a key factor for both the university environment and society in general. It also became clear that academics who participated had a personal research background and that they are research active. Some of them were also institutionally responsible for research. Throughout the exercise, there was a high level of agreement among the group members on all the provided analysis.

**Strengths.** Universities are operating in a safe and peaceful place, in a very international, multicultural environment. English, being the language of choice for teaching, enables such a multicultural environment and makes studying in the TCc more attractive.

**Weaknesses.** According to the attending TCc academics, the major obstacle is financing. There is no sufficient and stable funding scheme. All the teaching staff has an excessive teaching load that does not allow time for doing research. Because of the number of universities, there is rivalry and hardly any collaboration among them. The TCc has no industry and, because of that, there are no demands for research and development coming from industry. In other words, society does not ask for and does not expect any research and research results; the whole economy is a service economy, as a result of political decisions. Unfortunately, the TCc perceives university societal relevance primarily as a significant requirement for “bed and board.” Nevertheless, the existence of a service sector should be considered as an opportunity to develop particular academic research activities focused on the development of new knowledge relevant to that sector, such as, for example, agriculture, tourism, environmental science, and ecology.

There are few if any policy papers on strategic direction for the entire system, but if some do exist, their contents are not put into practice.

On the institutional level, it is evident that resources are very limited. There is no adequate research infrastructure, and the system lacks an administrative structure that could manage research. The higher education system as it is currently configured is not ready to absorb a bigger influx of funds.

**Opportunities.** On a system level, higher education/research reform is perceived as a great opportunity for change. International accreditation is welcome and should be sought by institutions. On the institutional level, institutional and academic collaboration is perceived as a great opportunity for further development. There is also a need and readiness to share research infrastructure. This would contribute to capacity building.

There are particular areas of research that have great potential, considering the natural resources and environment, and the fact that there has been no research performed yet. Even without an industrial sector, the service sector could trigger relevant research that could allow for significant regional, and even international, collaboration. This would enable academic institutions to foster research, to open universities toward society, and to translate new knowledge in the areas that the whole of society will perceive as beneficial.

An alternative political situation, were it to arise, would allow more collaboration on both the institutional and individual level. Many weaknesses could be overcome in this context.

**Threats.** International students are admitted very easily into TCc universities, and this fact could harm the reputation of the TCc higher education system.

If an alternative political situation were to arise, the current approach to fees could be problematic because they are higher than in the rest of Europe, particularly on the undergraduate level. In addition, there is a fear that the current “no strict rules” system could lead to imposing the rules on the institutions in the TCc.

### **Workshop conclusions**

The SWOT exercise showed a high level of awareness of the system. It also identified a need and readiness for change. In particular, it was interesting to observe readiness for and openness to different political scenarios, as well as a clear desire for more collaboration on all levels.

It seems that there are different layers of the system that need to be considered. To boost research, there is a need for structural changes. The quantity of students and the heavy teaching load have a negative impact on research. There is a need to assure resources—human, infrastructure, and funding—to enable research. The system has to work on data collection, and on transparency and distribution of funding, particularly in public universities. Yet, the setting and the community environment in the TCc are positive and contribute to the attractiveness of the higher education system.

What is lacking is communication between universities and society. Universities have not developed their third function of innovation and transferring knowledge. At the same time, the society that hosts all the universities at this stage does not seem to express any interest in research and its impact. While industry hardly exists, it seems that there is also no trust (understanding?) that universities could contribute to regional development and could take an active role in advancing knowledge and, thus, contribute to the society in general.

### **Strategic directions for research (and contribution to regional development)**

**a) Current status.** Currently, the higher education system of the TCc is not ready to absorb much more research, and at the same time is overburdened with too much teaching. Although it could take some time before academic staff is able to access research funds, to do it successfully, the system needs to be ready.

To achieve readiness, and to do some strategic planning, it is necessary to do an analysis of the current situation, which needs to start with the collection of accurate statistical information. The data should include information on number of students, number of courses and hours per teacher-researcher, published papers per person per institution per year (regarding different categories of papers), available money for research per person, number of projects per type per institution, and so forth.

Once data are collected and analyzed, it will enable stakeholders to see what the starting point is and to define which direction to take.

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The rest of this annex will do the following. For each section below, two options are considered—the political and social situation as it is now, or the status quo (Option A), and the changed political and social context, or the alternative scenario (Option B).

**b) The role of research.** On both the national and institutional level, it will be necessary to develop a position related to research—its relevance and role within the system, and its connection or relation with society. Once that is done, further alignment will be needed with other institutional and individual activities and distribution of staff time (the majority of the institutions currently position themselves as teaching universities). This will further enable strategic planning.

**Option A:** It would be important to identify research as a relevant part of institutional life and, accordingly, to balance the teaching and research load; to identify central-level and institutional research priorities; to support interinstitutional collaboration; and to start acquiring infrastructure. It is important to recognize research as relevant for an individual researcher, university, and society as a whole, so when hiring new staff, consideration should be given to their research potential and individual potential contributions. It should be repeatedly pointed out that research produces new knowledge that can be and should be translated into new developments in society.

**Option B:** A dialog with institutions in the region should be opened and intensified to foster collaboration; to exchange good practice; and to support mobility of staff, both academic and administrative, in order to accelerate personal and institutional development.

**c) Structural changes.** The structural changes needed include developing relevant policy documents, redistributing obligations for academic staff (for example, teaching hours), and developing institutional administrative support for research (for example, developing skills and training staff, establishing new units, and supporting project management). Access to recent literature, databases, and open-access sources is crucial to the preparation of quality research.

**Option A:** A profound collection of data is necessary to develop institutional policy, to be more transparent about teaching load and research obligations, and to avoid parallel teaching duties (teaching at more than one institution). That way, it should be possible to identify time slots for more research to be performed at each institution. Institutional and national documents and policies should support and emphasize the need for collaboration among TCc institutions; to start establishing administrative support (specialized unit or office and human resources); to support the idea of starting research on a small scale but of good quality; to start promoting student research on a master's level; to develop a system of transparently monitoring research performance; and to start developing a research culture (versus emphasizing the institutional teaching position).

**Option B:** Policy documents would need to support and incentivize regional research collaboration; to support staff mobility in order to develop new skills; to assure an appropriate legal framework,

both on the national and institutional level, for joint projects and programs; to recognize or reward co-authoring from different regional institutions; to start developing research networks that will enable better access to research funds, particularly European funds; and to develop a system of job shadowing to facilitate development of new skills (particularly for better access to EU research funds).

**d) Capacity.** A special section should formulate ideas on how to further develop capacity for research that includes human resources, infrastructure, and funding. Each of those should involve clear planning on how to further develop capacity or to reach a critical mass when needed. It should also consider the potential of collaboration on different levels, as well as a concept of networking as one possible form of working together that can contribute to further cooperation. Also considered should be the role and potential strength of joint projects that rely on good networking and continuous collaboration.

**Option A:** To build capacity, it is important to establish interuniversity collaboration (primarily among TCc institutions); support research activities as an obligatory part of staff performance; make transparent investment in infrastructure; concentrate, at the beginning, on research that is less demanding in terms of the equipment and overly sophisticated facilities; develop a system of awarding research performance; and start developing research staff. Universities and responsible ministers should hold discussions to identify areas where possible smart specialization could be developed, starting on the system level.

**Option B:** To further develop research, it would be necessary to support interuniversity collaboration (now broadening to a wider set of institutions on the island, regional institutions, and international institutions); exchange staff for short or long visits; establish joint programs and joint research, as well as joint laboratories; establish a network of laboratories and existing infrastructure to enable better use of the existing facilities; agree with the institutions in the region on shared research priorities; and establish sound research planning focused on societal needs and institutional potential (rather than trying to cover too broad a range of research areas without sufficient resources).

**e) Doctoral education.** Special attention should be devoted to doctoral education and PhD students. How to do their training as young researchers, what kind of structure they need, how to assure a quality doctoral education, their responsibilities, and exposure to research, among others, are all important issues to consider. Funding opportunities need to be actively sought and ensured to guarantee a quality doctoral education.

**Option A:** Structuring doctoral education according to international, but particularly European, standards will enable better communication with and access to international and European laboratories and research. Doctoral education also needs to be structured to be more efficient and productive, with the outcome being a good-quality, new PhD holder. Doctoral candidates from the beginning of their studies need to be involved more in research and less in teaching and other nonresearch activities. Courses and training for generic skills need to be provided to prepare them

for different career paths. Efforts are needed to connect doctoral education with sectors outside academia, and to develop doctoral programs that meet societal needs, institutional capacities, and defined research priorities. To overcome capacity issues, joint programs (with two or more institutions participating) need to start being developed, and administrative support needs to be established from the very beginning, with an emphasis on a quality supervision.

**Option B:** Once options and conditions for alternative institutional behavior have been recognized, it would be beneficial to establish joint doctoral programs across different regional institutions; prepare doctoral candidate mobility within different laboratories and settings at the regional institutions; prepare and allow for team supervision and/or co-supervision, with the supervisors coming from different regional institutions; and start introducing international committees for a public defense, which will have a positive impact on quality.

**f) University and society.** Universities need to position themselves in relation to society and industry (industry is here a generic term that refers to all the sectors that are potential providers of jobs) and to take on this third role—innovation and transfer technology. Here it is important to define the mission of the university within a particular society and how a university with its staff and students can contribute to developing knowledge and contributing to regional development. Communication has to be two-way. Industry could also participate in funding research, and this could be one of the strategic goals.

**Option A:** It would be extremely important to rethink how universities can play a role in regional development; courses related to transfer technology, innovation, and entrepreneurship should be a part of curricula; universities should also find a way to communicate better (for example, through roundtables, external boards of advisors, and workshops) with local businesses and entrepreneurs, and to bring them closer to the university; and smart specialization, if identified and defined properly, could significantly contribute to regional development.

**Option B:** Sharing good practices with universities that have more experience is crucial. In addition, possibilities should be found for common research and translation of knowledge in areas of mutual interest; common policies should be developed on how to stimulate and support entrepreneurship at universities (for example, startups); and smart specialization could be a regional development booster and could attract additional research funding. This is why it is extremely important to jointly work on identifying capacities for research and societal needs.

**g) Funding.** It is necessary to define how research should be funded and who should provide funding. The system is more flexible if funding is diversified and complementary. The system also needs to plan how to be prepared to absorb more stable funding and to prefund funding for projects financed externally, the kind that also requires excellent project management.

**Option A:** More transparent allocation of the university budget is needed, particularly as related to research. It is necessary to perceive government funding as an investment, not an expenditure, and this view needs to be included in relevant governmental and institutional documents. Proper national and institutional funding for research could, relatively quickly, prepare staff to bring in

more research money from external funding schemes (such as EU research programs). Centers or university units need to be prepared to know how to manage European research money and to become familiar with at least the basic procedures. This on-time preparation will help greatly once there will be access to, for example, EU funds.

**Option B:** To be ready for new opportunities, academics and their institutions need to be prepared while still in a political status quo context. An adequate level of institutional autonomy, and accountability, is required, and this includes adequate funding (as well as a certain level of autonomy in funding). The alternative political context will open access to different funding schemes, which will require changed internal procedures.

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## Conclusion

Research is currently a weak link in the TCc higher education system. To strengthen it, good and realistic strategic planning is required. Institutions and policy makers can develop plans starting from the current situation, but it is also important to consider alternative options that might bring different and new opportunities. To benefit from changes, the system needs to be ready to absorb positive changes and to know how to respond to new conditions. That is why it is important not only to make strategic plans on how to move forward, but also to know how to benefit from potential future changes. The system will not be able to react quickly and positively if it does not adequately prepare for changes. There are two steps it should take.

The first step, regardless of which political scenario exists, is to collect data—that is, indicators of the current state—and to make them available to the academic community. The strategy needs to be adopted bottom-up and should not be imposed as a top-down process only, otherwise there is a risk that it will never be really accepted and implemented. Second, a central-level research strategy and research strategies for each university need to be developed. The mission of each institution needs to be defined, a strategy developed for research and innovation, and research priorities identified, as well as existing capacity for research. Then an Action Plan needs to be developed as soon as a strategy is adopted.

In the status quo context, two things are crucial: to start rethinking the relevance of research and to start making it a vital part of each institution (even on a small scale), and to slowly prepare institutions and researchers for a potential alternative political situation. If the institutions and individual academics are better prepared for collaboration and joint work, it will be easier to benefit from new conditions under an alternative political scenario. What needs to be avoided is a situation in which one side imposes rules on the other side (one of the concerns a workshop member expressed). To prevent that, it is important to start developing internal rules and procedures relevant for research and research collaboration now.

If there were an alternative political scenario, it would open many new opportunities for academic and institutional collaboration. This could contribute to strengthening research capacity, and consequently contribute more to research productivity and its impact on society. To facilitate the process, adequate steps need to be taken in advance. On a structural level, it is important to

develop relevant documents, policies, and institutional regulations that will allow this kind of collaboration. Moreover, individual researchers need to be prepared to do more collaborative, solid, quality research at the institutional and central level. Finally, it is important to recognize to which areas researchers could realistically contribute and which areas of research could be beneficial for the whole society (which is actually an issue of research priorities and a smart specialization process).

Substantial work lies ahead for the higher education sector in the TCc, but academics seem motivated to welcome changes in their working environment and to contribute to their institutions and communities by doing research.

## Annex 2: Background Information—Higher Education in the TCc

### Background

**Notwithstanding the political circumstances, the higher education system in the Turkish Cypriot community (TCc) developed rapidly in recent years and exhibits several peculiar characteristics at present.** Student numbers in the TCc rose to almost 75,000 in the academic year 2014/15 and to more than 85,000 since then, compared to an overall population of about 300,000 (Auswärtiges Amt 2015; Gökçekuş 2016, 7; MoNE 2015, 127). In addition to 10 universities enrolling students in 2014/15, five universities obtained a license to operate and two more have been preapproved (Gökçekuş 2016, 9-10; MoNE 2015, 121). The main driver of the system's growth was the increasing numbers of Turkish and foreign students from other countries. With a share of domestic students of around 16 percent in 2014/15 only, compared to 57 percent Turkish and 27 percent foreign students from other countries, the TCc's higher education system exhibits a unique composition of its student body. The large number of foreign students furthermore makes the higher education sector an important part of the TCc's economy.

**In the face of current political and economic developments in the TCc and the unique form and function of the higher education system, fundamental questions concerning directions for the system's development arise. Discussing potential pathways for the future requires taking stock of past developments and investigating the current state in detail—as this analysis seeks to do.**<sup>36</sup> It starts with taking a closer look at the main features and the current state of the TCc's higher education system, processes of teaching and learning, and research activities. The focus then shifts to three key features of every higher education system—governance structures, including the process of strategic planning itself; quality assurance arrangements; and financing. In addition, attention will be given to the internationalization of the system, issues related to international trends in general and the Bologna Process, in particular, and the relationship between the TCc's higher education system and the economy.

### Main features of the system

#### Legal framework

**Fundamental legal provisions covering the TCc's higher education system<sup>37</sup> are set forth in the TCc Constitution and the Law on National Education (LoNE).** The freedom of science as well as the right to education and training are both stated in the TCc Constitution (25 & 59). Additional basic provisions such as the TCc administration's responsibility to enable successful students without sufficient financial means to attend higher education, the importance of lifelong learning, and the prescription that higher education

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<sup>36</sup> Due to a lack of publicly available information and data, this analysis relies heavily on the World Bank team's exchange with representatives and stakeholders of the TCc higher education system during three site visits conducted in 2016 and information provided in this context.

<sup>37</sup> The branch campuses established in the TCc by Turkish universities (see below), have a special status, also with respect to the application of the legal framework (LoHE 46).

is fee-based, are stated in the LoNE (10(2), 11 & 40). The LoNE furthermore stipulates that higher education, like all education sectors, lies within the responsibility of the Ministry of National Education (MoNE) (LoNE 12(2) & 68(1)).

**The main component of the legal framework<sup>38</sup> is the Law on Higher Education (LoHE), which also covers the enactment of additional regulations.** Adopted in 2005, the LoHE addresses various key aspects of the TCc higher education system, including:

- the basic aims and principles of higher education
- the two major system-level governing bodies, that is, the Higher Education Planning, Evaluation, Accreditation and Coordination Council (YÖDAK) and the Inter-University Council (IUC)
- the duties, organization, working principles, and funding modalities of universities as well as the rules covering their establishment
- the universities' faculty members
- higher education programs
- admission to higher education.

Concerning additional regulations, that is, sector-wide bylaws, statutes and regulations covering specific issues and the founding laws and bylaws of universities, the LoHE determines that these are prepared by YÖDAK (and the universities) and then approved by the Council of Ministers following their submission by the MoNE (LoHE 12(2), 41(3), 41(6), 43(2) & 44). Such regulations have, for example, been developed for the process of obtaining licenses from the MoNE and YÖDAK in the course of the establishment of new universities, subunits, and programs (Statute on Program Opening; for further discussions see "Quality assurance"), the accreditation and evaluation of programs (Statute on Program Evaluation), the assessment of the equivalency of foreign degrees (Regulation on the Equivalence of Diplomas), and ethical objections and disputes related to the universities' activities (Ethical Coordination Board Statute) (Gökçekuş 2016, 3–5).

**There have been attempts to revise parts of the legal framework, but these have been disrupted by recent political changes in the TCc administration.** Reform efforts targeted, among other things, legal provisions pertaining to YÖDAK—according to sector representatives, it was discussed to develop a separate law for the governing body—and the process of opening new universities, subunits, and programs, as well as accreditation and evaluation procedures. Reforms also envisaged a revision of the legal foundation of one of the public institutions, Eastern Mediterranean University (EMU). In addition, there are ongoing efforts to bring the legislation covering the recognition of degrees and certain professions in line with EU regulations (Gökçekuş 2016, 35).

## Higher education providers

**The higher education sector of the TCc consists of universities, one teacher training college, and the Open Education Faculty of the Anadolu University in Turkey that offers distance education programs**

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<sup>38</sup> The legal framework of the TCc higher education system resemblances Turkey's. Similarities between the two systems, which have close ties, furthermore pertain to all key features, including governance structures and quality assurance arrangements.

(Gökçekuş 2016, 9). As defined by the LoHE (2), higher education comprises all post-secondary education of a minimum duration of four semesters or equivalent. Leaving aside distance education delivered by the Turkish Anadolu University and the teacher training college—as this analysis does—higher education is provided by universities exclusively. These can be divided into three groups (for additional information see below): public universities, branch campuses of Turkish universities, and private universities.

**In academic year 2014/15, there were 10 universities that enrolled students (MoNE 2015, 121) and three that had obtained a license to operate from YÖDAK, but did not enroll any students yet (Gökçekuş 2016, 9–10).** Since then, two additional universities have obtained a license from YÖDAK and two more have been preapproved (for a brief overview on all universities see table A2.1). It is envisaged that several new private universities will be established in the future.

**Table A2.1 Universities in the Turkish Cypriot Community**

Name	Type	Location	Year of Establishment	Number of Students (2014/15)
<b>Eastern Mediterranean University (EMU)</b> <b>Doğu Akdeniz Üniversitesi</b>	Public	Famagusta	1986	19,112
<b>European University of Lefke (EUL)</b> Lefke Avrupa Üniversitesi	Public	Lefke	1989	5,243
<b>Middle East Technical University – Northern Cyprus Campus (METU NCC)</b> ODTÜ Kuzey Kıbrıs Kampusu	Branch campus	Morphou	2004	2,407
<b>Istanbul Technical University – Northern Cyprus Campus (ITU NCC)</b> <b>İTÜ Kuzey Kıbrıs</b>	Branch campus	Famagusta	2009	143
<b>Girne American University (GAU)</b> Girne Amerikan Üniversitesi	Private	Girne	1985	13,096
<b>Near East University (NEU)</b> Yakın Doğu Üniversitesi	Private	Nicosia	1988	23,924
<b>Cyprus International University (CIU)</b> Uluslararası Kıbrıs Üniversitesi	Private	Nicosia	1996	8,674
<b>University of Mediterranean Karpasia (UMK)</b> Akdeniz Karpaz Üniversitesi	Private	Nicosia	2012	640
<b>British University of Nicosia (BUN)</b> Lefkoşa İngiliz Üniversitesi	Private	Kyrenia <sup>a</sup>	2013	270
<b>University of Kyrenia (UK)</b> Girne Üniversitesi	Private	Kyrenia	2013	654
<b>American University of Cyprus (Website)</b> Kıbrıs Amerikan Üniversitesi	Private	Nicosia	2014	(licensed by YÖDAK)
<b>Cyprus Social Sciences University</b>	Private	—	2014	(licensed by YÖDAK)
<b>Cyprus Metropolitan University</b>	Private	—	2015	(licensed by YÖDAK)
<b>Cyprus University of Social Sciences and Health</b>	Private	—	2016	(licensed by YÖDAK)
<b>International Final University (Website)</b>	Private	Çatalköy (Kyrenia)	2016	(licensed by YÖDAK)
<b>Nicosia Cosmopolitan University</b>	Private	—	2014	(preapproved)
<b>European Leadership University (ELU)</b>	Private	—	2015	(preapproved)

Source: Author based on Gökçekuş (2016, 9–10) and MoNE (2015, 126), as well as university websites (see “References”).

Note: a. The location in Kyrenia appears to be temporarily, with a campus in Nicosia being under construction (<http://www.bun.edu.tr/campus/?lang=en>).

**All universities—the branch campuses established by Turkish universities being a special case—fall under the jurisdiction of the LoHE, which determines basic principles related to their structure and functioning.** The LoHE, among others, covers the process of establishing new universities and their subunits (LoHE 12 & 43), which is furthermore covered by additional regulations, as well as the potential closure of institutions (LoHE, 43(5)C & 43(6)). Concerning the institutions’ academic structure, the following subunits are named in the law (LoHE 2):

- faculties, which are responsible for teaching and learning as well as research, and can comprise departments and institutes
- institutes, which conduct teaching (in graduate programs) and research in particular fields, and can be part of a faculty or not
- schools of higher education, which have a focus on vocationally oriented associate degree programs in a specific field
- departments, which are the subunits of faculties.

Universities furthermore include English preparatory schools offering language programs for students who do not possess the required competencies (see “Pathways into and through the system,” below). Detailed provisions concerning institutional structure and functioning are supposed to be set forth in the institutions’ founding laws (LoNE 39). These are prepared by YÖDAK and have to be approved by the Council of Ministers upon submission by the MoNE (LoHE 41(6)).

### Public universities

**The status of a “public” university in the TCc is for the most part related to the way institutions are governed and managed.** In contrast to public institutions in many other higher education systems, which receive substantial financial support from their government, appropriations by the TCc administration account for an only minor share of the TCc’s public universities’ income. Their staff also does not have the status of civil servants.

**The older and bigger of the two public universities, Eastern Mediterranean University (EMU), was established as a result of joint efforts by the TCc administration and the Turkish government** (EMU n.d.a). The two parties agreed to establish a university in the TCc in 1985. Subsequently, representatives of the Turkish Council of Higher Education (YÖK) visited an institute of higher education that had already been established in 1979 in order to transform it into a fully-fledged university. The legal transformation took place in 1986 via the “Statute Establishing the North Cyprus Education Foundation and Eastern Mediterranean University” (EMU Statute). Constituting EMU’s status as a public university, the statute determines that all nine members of the board of trustees, the highest decision-making body of the university (for details on the universities’ internal governance structures see section on “Institutional level”, below), are appointed by the TCc’s president following their nomination by the council of ministers.<sup>39</sup> According to EMU representatives, it is the common practice that two of the nine members are professors from Turkey, whereas the remaining seven members are people from the TCc chosen according to their political affiliation so that their composition mirrors the share of the parties in the governing coalition.

**At EMU, around one third of the faculty are foreign academic staff members.**<sup>40</sup> Considering only full-time faculty members, 27 percent were from outside of the TCc in academic year 2015/16. This share increases to 35 percent if part-time and adjunct faculty members are included. Seventy percent of the

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<sup>39</sup> In practice, however, other actors from the TCc administration seem to be involved in the decisions concerning the board members as well.

<sup>40</sup> At this stage, the authors have no further information on the background (for example, origin) or the composition (for example, in terms of staff categories) of academic staff for all TCc universities, which constitutes an area for further research.

foreign full-time faculty members either have Turkish citizenship or double-citizenship (Turkey-TCc). To obtain the status of professor (that is, assistant professor, associate professor, or professor) in the TCc, candidates must have a PhD. For becoming an assistant professor, candidates also must have published a paper in a journal that is listed in the Social Science Citation Index. Local academic staff members<sup>41</sup> start on fixed-term contracts but can obtain permanent contracts after six years of successful full-time employment.

**The second public university in the TCc, the European University of Lefke (EUL), was founded in 1989 on the initiative of five donors who wanted to create a small “boutique” institution that supports the region as its core mission.** Comparable to EMU, the establishment of EUL is based on a founding law, and the board of trustees is appointed by the TCc administration. One difference, however, is that the donors responsible for the establishment of EUL received the status of lifetime board members, two of whom are still active in the governance of the institution.

### Branch campuses

**Despite their commonality of being branches of Turkish universities, there are marked differences between the TCc campuses of Middle East Technical University (METU NCC) and Istanbul Technical University (ITU NCC).**<sup>42</sup>

**METU NCC was established following a joint request by the Turkish government and the TCc administration to METU in Turkey with the intention to create an institution that promotes the reputation, visibility, and quality of higher education in the TCc.** Following the joint request to METU (METU NCC n.d.), a protocol between the university and the other two parties was signed in 2000. The campus subsequently established was funded by the Turkish government, which also continues to support METU NCC’s operating costs. It enrolled 2,407 students in academic year 2014/15, but the campus is designed to host up to 3,500 students. METU NCC remains part of METU, that is, it is attached to the main campus in Ankara in all academic and administrative matters (METU NCC n.d.)—and, according to METU NCC representatives, maintaining the standards developed at METU in Turkey is one of its main objectives. This implies that METU NCC is still covered by the Turkish higher education law and, for example, does not have a senate of its own. It is not a full member of the Inter-University Council, the sector governing body consisting of representatives of all TCc universities, even though the campus president, who is appointed from the main campus in Turkey, participates in the meetings without voting rights. With respect to financial matters, however, METU NCC is not attached to the main campus. Whereas METU is financed by the Turkish state, METU NCC is financed by the TCc via aid received from Turkey.

**In contrast to METU NCC, ITU NCC is still in a phase of developing premises and infrastructure.** Having received its license to operate in the TCc in 2009 (ITU NCC n.d.), ITU NCC currently enrolls exclusively English language preparatory program students from Turkey, who later return to Turkey for their study programs. Nevertheless, current plans—according to ITU NCC representatives—envisage the establishment of programs in, among other fields, architecture, maritime studies, engineering, social

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<sup>41</sup> That is, TCc inhabitants, even though these do not necessarily have to be born in the TCc.

<sup>42</sup> According to sector representatives, at least one other Turkish university has obtained a license to establish a branch campus in the TCc.

sciences, and foreign languages. Similar to METU NCC, ITU NCC is funded by the Turkish government, the funds being disbursed via the Turkish aid agency. Unlike METU NCC, ITU NCC is more formally integrated into the TCc higher education system. For example, it is a full member of the IUC.

### Private universities

**The group of private universities in the TCc is heterogeneous, comprising bigger, more comprehensive universities as well as small, niche institutions.** In contrast to the Turkish higher education system, to which the TCc's bears great resemblance, private universities in the TCc can be established by private persons. They can also be for-profit and—as will be discussed in greater detail below (see section on “Financing”)—have the possibility to receive financial support from the TCc administration. The three biggest and oldest private universities, Girne American University (GAU), Near East University (NEU), and Cyprus International University (CIU), enroll several thousand students each and provide education in a broad range of fields. NEU, as the biggest university in the TCc, is also the only institution with a university hospital. Some of the smaller private universities have an explicit focus on certain subject areas. The University of Kyrenia (UK), for example, which was established by splitting off the maritime and one other faculty of its “sister university” NEU, has a focus on maritime and aviation subjects that—according to UK representatives—is supposed to be extended (UK 2016). Another example is the University of Mediterranean Karpasia (UMK), which exhibits a focus on labor-market-relevant skills aiming at the more vocationally oriented sector of the labor market, especially in the fields of tourism, aviation, and business.

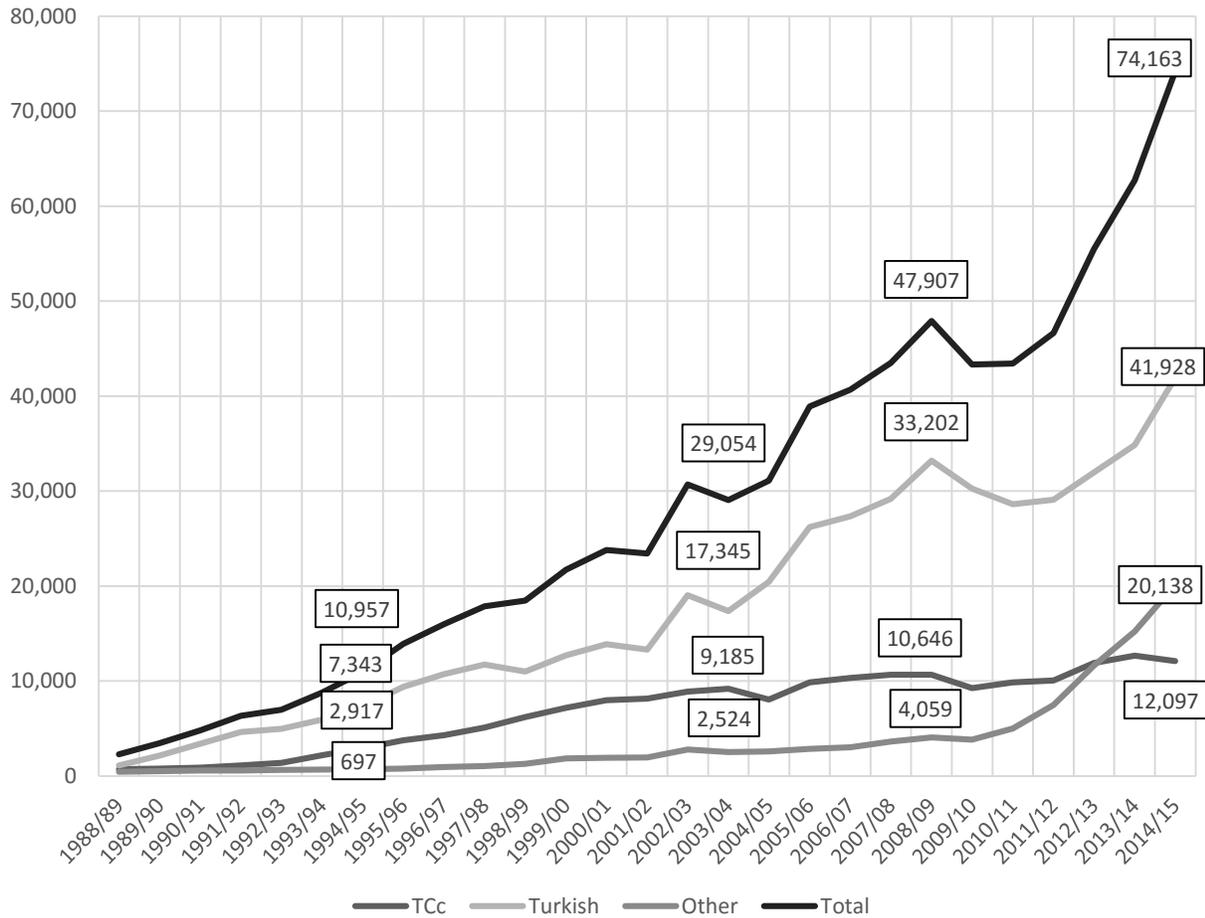
## **Student body**

**Student numbers in the TCc have increased rapidly in recent years** (see figure A2.1), **reaching almost 75,000 in academic year 2014/15 and increasing to more than 85,000 since then** (Gökçekuş 2016, 7; MoNE 2015, 127). Having increased by 70 percent in the last four years, total enrolment in the TCc was 74,163 in academic year 2014/15<sup>43</sup> (MoNE 2015, 127)—compared to an overall population of about 300,000 (Auswärtiges Amt 2015; Gökçekuş 2016, 7). The higher education enrolment ratio of the TCc reached 69 percent in 2014 (SPO 2015, 3).

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<sup>43</sup> Academic year 2014/15 is the last year for which detailed official data on the student population are available and will, therefore, be used as the reference year for the following discussion of the TCc student body.

**Figure A2.1 Total Enrolment in the TCc by Origin of Students, 1988/89–2014/15**



Sources: MoNE 2014a, 106 (for 1988/89–2013/2014); MoNE 2015, 127 (for 2014/15).

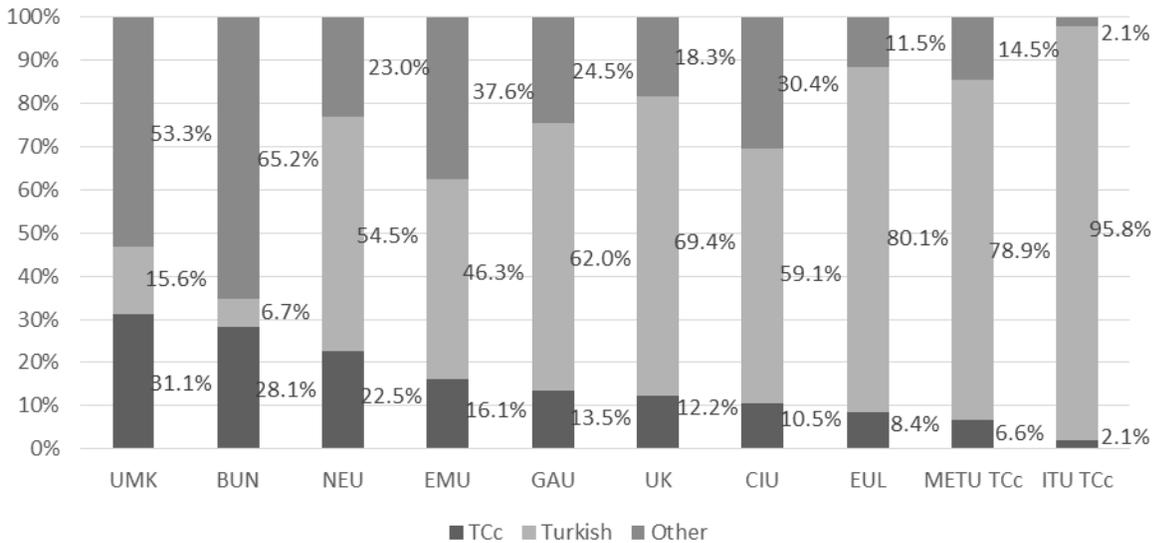
**The main factor behind the expansion of the sector has been the increase in Turkish students and foreign students from other countries** (see figure A2.1).<sup>44</sup> In 2014/15, domestic students from the TCc<sup>45</sup> comprised 16.3 percent of the overall student population, whereas students from Turkey and foreign students from other countries comprised 56.5 percent and 27.2 percent, respectively (MoNE 2015, 127). The non-Turkish foreign students come from over 100 different countries, the most prominent ones being Nigeria, Pakistan, Iran, Syria, Azerbaijan, Jordan, and Iraq, with close to or even more than 1,000 students in the TCc each (Gökçekuş 2016, 18). The shares of the different groups of students vary among universities (see figure A2.2) and among faculties within one institution. The undergraduate student body of the Faculty of Engineering of the Eastern Mediterranean University (EMU), for example, consists of

<sup>44</sup> The development of the TCc higher education system has been closely linked to developments in Turkey. As a result of a strong demand for higher education in Turkey combined with supply-side constraints, the capacity for enrolment of the TCc higher education system emerged as a possibility to cope with the demand of Turkish citizens. More recently, however, expansion of the Turkish higher education sector took place, raising the question of which impact these developments will have on the inflow of Turkish students into the TCc.

<sup>45</sup> At this stage, the authors have no further information on the composition of this group (for example, related to the socioeconomic background). Further research on this issue would be required, especially for questions concerning equity in the TCc higher education system.

2,814 students of which 5.4 percent are from the TCc, 30.7 from Turkey, and 63.9 percent from other foreign countries (Hocanın 2016, 21), exhibiting a share of foreign students from countries other than Turkey that far exceeds the ones of most universities, including EMU itself.

**Figure A2.2 Share of Students by Origin, 2014/15**



Source: Author based on MoNE (2015, 121).

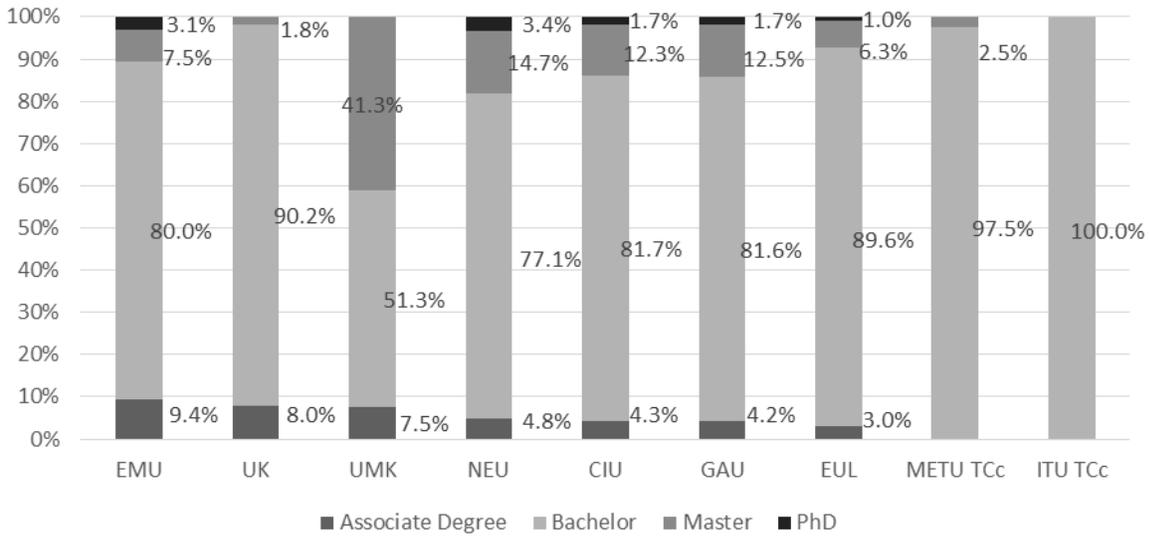
Note: For the full names of universities, see table A2.1.

**As can be seen with respect to the countries from which the biggest cohorts of foreign students come, the remarkable degree of internationalization does not pertain to students from the European Union (EU).** One of the main reasons for this are the political circumstances of the TCc, which pose challenges for TCc universities when it comes to cooperation with European universities and which prevent them from benefiting from the mobility programs such as Erasmus+.

**Irrespective of differences among universities, there is a clear predominance of students enrolled in bachelor’s degree programs** (see figure A2.3). Of all students in the TCc,<sup>46</sup> 80.7 percent study at the bachelor’s degree level, compared to 11.2 percent at the master’s degree level. The shares for the associate degree and the doctoral level are even lower, amounting to 5.6 percent and 2.5 percent, respectively.

<sup>46</sup> Excluding the students at the British University of Nicosia for which student data by degree level are not available.

**Figure A2.3 Share of Students by Degree Level, 2014/15**



Source: Author based on MoNE (2015, 122).

Note: Data for the British University of Nicosia not available; for the full names of universities, see table A2.1.

**Despite the great number of graduates from Tc universities, systematic activities to build relationships with alumni seem not to exist.** This issue has nevertheless been recognized as important by some institutions, which started to address alumni via alumni organizations and databases.

## Pathways into and through the system

**The basic requirement for higher education admission for Tc inhabitants is the completion of upper secondary education (LoHE 37(1)A).** Following preschool (before age 6), primary (age 7 to 11), and lower secondary education provided in middle schools (age 12 to 14), there are different tracks of upper secondary education provided by general high schools, vocational high schools, and technical high schools (LoNE 25, 28, 31 & 34).<sup>47</sup> Upper secondary education graduates from all tracks, as well as individuals who performed sufficiently well in internationally accepted exams such as the International Baccalaureate, meet one of the requirements for higher education entrance (LoHE 37(1)). For graduates from the vocational track of upper secondary education, there is a special way of entering higher education. These students are eligible for enrolling in two-year programs offered by universities in the field that

<sup>47</sup> In 2013/14, out of a total of 21,645 students at the lower and upper secondary education level, 18,249 were enrolled in the general track, compared to 3,396 enrolled in the vocational track (MoNE 2014a:30). Most of the students enrolled in the vocational track can be found at the upper secondary education level. Here, 3,202 out of a total 11,307 students were enrolled in the vocational track (MoNE 2014a, 31). In 2013/14, 1,848 students graduated from the general track (1,001 females and 847 males), compared to 677 graduates from the vocational track (287 females and 390 males) (MoNE 2014b, 43).

corresponds to their upper secondary education<sup>48</sup> and can later proceed to four-year programs if they have completed the two-year program successfully.

**TCc students furthermore must meet additional requirements set by the system-level governing bodies and the universities** (LoNE 37). Additional requirements, according to the LoHE (37), comprise an affidavit of support, provisions determined by the MoNE, the IUC, and YÖDAK, as well as provisions set forth in the universities laws and bylaws. In the case of programs that are taught in English, students either have to provide evidence of their English-language proficiency, take an examination conducted by the respective university, or successfully complete a preparatory English-language program (LoHE 37(4) & 37(5)).

**The concrete admission procedures are carried out by the universities themselves.** Even though a central admission system for domestic students was supposed to be established several years ago, this—according to sector representatives—never became functional.

**Another relevant feature of higher education admission relates to the conscription of males from the TCc.** Students that enroll in bachelor's degree programs are exempt from military service, providing an incentive to enroll in higher education. In the case of associate degree programs, however, there are no such benefits, creating a strong incentive for associate degree holders to continue studying and not to enter the labor market—as many employers would desire (see section on “Teaching and learning”).

**The admission of Turkish citizens to TCc universities takes place via the Turkish student selection and placement procedures** (LoHE 37(1)C). This system (World Bank n.d.) consists of two consecutive exams, the second of which determines whether an individual is eligible for entering a university and in which institution he or she can enroll. The choice individuals have is determined by the exam results, the grade point average from secondary education, and the individuals' preferences. Within this process, universities from the TCc are incorporated in the same way as Turkish universities. The procedures are carried out by the Student Selection and Placement Center (ÖSYM), which acts under the aegis of the Turkish Council of Higher Education (YÖK), which also determines the procedure's framework. The overall admission system for students from Turkey has a direct impact on the TCc higher education system, since as part of the process, achievements necessary to enter particular institutions are determined. This opens up the possibility for YÖK to directly influence not only the size of inflows of Turkish students into the TCc's higher education system, but also the quality of incoming students (EUA 2007, 7; Williams 2010, 4).

**Students from foreign countries other than Turkey are admitted according to the criteria set by the universities themselves** (LoHE, 37(1)D). **The admission to master's degree and doctoral programs is determined by the institutions as well** (LoHE, 37(2)). In both cases, however, criteria for admission have to be in line with the provisions of the LoHE and the ones developed by YÖDAK.

**Albeit considered as underdeveloped by several stakeholders, approaches of guiding prospective students have been established by the TCc administration.** The guidance of students is anchored in the LoNE (35). It is supposed to start at the secondary education level and to become more intense toward the high school level. These efforts target in particular students during the last two years of upper secondary education, for example, by offering questionnaires that support the choice of suitable subjects.

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<sup>48</sup> Recognition of prior learning in the form of former vocational secondary education students not having to take courses whose content has already been covered during secondary education, however, does not take place.

## Teaching and learning

**Universities in the TCc offer academic as well as vocationally oriented programs, and programs are taught in English as well as Turkish.** The different types of programs offered comprise mainly four-year bachelor's degree, one-to-two-year master's degree and doctoral programs as well as the more vocationally oriented, two-year associate degree programs (Gökçekuş 2016, 11). Even though the LoHE (36(4)) also permits universities to arrange summer schools, these appear not to be offered. As determined by the LoHE (36(3)), the language of provision of all higher education programs is supposed to be English, but programs can be offered in Turkish (or other languages) if the universities' board of trustees decides so and YÖDAK approves—this, according to sector representatives, is the case for a sizable share of the programs, some being taught in English as well as Turkish. Detailed regulations related to the programs, including the exams, are supposed to be determined within the universities' bylaws and regulations (LoHE 36(5); see, for example GAU By-Law).

**Most TCc universities exhibit a clear focus on the teaching mission, but the scope—and, in some cases, the ambition—for improving processes of teaching and learning are limited.** The legal framework explicitly states that student-centered learning is one of the basic principles of higher education in the TCc (LoHE 6(6)). Nevertheless, some university representatives have doubts about the importance ascribed to the quality of processes of teaching and learning by some universities. Complicating efforts to enhance the student experience further is the high teaching workload of academics (EUA 2007, 12). A particularly pressing issue appears to be student dropout (Altınay and Ezel 2011, 1749), albeit for various reasons, among them frequent changes of universities by students and the aspiration of several of the Turkish students to return to Turkey for their studies upon having obtained sufficiently good grades to do so. Even though data are available on this issue within universities, they are not made public.

**Even though the TCc does not formally take part in European developments related to higher education, such as the Bologna Process, these have nevertheless been on the agenda of different actors.** The adoption of European developments has, first, been anchored in the legislative framework. The LoHE (21(12)) provides that higher education institutions must bring higher education in the TCc in line with the provisions of the Bologna Process and the European Higher Education Area. There have, second, been attempts to establish support structures on the system level.<sup>49</sup> A Bologna team has been formed within YÖDAK that has been engaged with higher education stakeholders from all over the EU and is supposed to support the universities' Bologna teams with the implementation process (Gökçekuş 2016, 35).

**The real progress of implementing the Bologna Process seems to vary among and within universities.** In addition to the problem that the TCc does not formally take part in the Bologna Process,<sup>50</sup> one challenge to overcome is the importance of the U.S.-style credit system for TCc universities, which is based on contact hours as opposed to the workload-based ECTS system. Its relevance at least partly stems from the accreditation procedures by international agencies in which many TCc universities are engaged. Some universities and their subunits have nevertheless initiated comprehensive efforts to implement the

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<sup>49</sup> In addition, a study has been initiated by the MoNE that is supposed to align the statistics produced in the TCc to the ones collected within the European Union (MoNE 2014a, :2).

<sup>50</sup> Other forms of integration of TCc universities into the European higher education system are limited as well. There are, for example, only two universities that are members of the European University Association (EUA), namely Eastern Mediterranean University and Near East University (EUA n.d.).

Bologna Process. In addition to the already implemented three-cycle structure, these efforts target key elements such as the ECTS system, including the systematic calculation of workloads, the definition of learning outcomes, the grade system, and the diploma supplement (EUA 2007, 11–12, 17). One promotive factor is that the compliance with European developments is considered to be important for attracting students who intend to continue their studies in Europe.

**In addition to the inflow of foreign students, universities have engaged in other forms of internationalization as well.** Some universities offer programs established with universities from European and other countries, some of them leading to joint degrees. Another form of internationalization relates to the staff members of some institutions, which are recruited internationally. Finally, a comprehensive discussion of internationalization approaches has been promoted in some faculties as a result of the requirements of international accreditation agencies.

**One particularly challenging issue in the field of teaching and learning is the relationship between higher education and the economy.** Despite the universities' mission to contribute to the social and economic development of the TCc stated in the law (LoNE 38; LoHE 5(2) & 21), connections between the two sectors are not well developed. One example are internships, which, despite being systematically used within selected cooperations (Zini, Marini, and Kan 2016, 41), appear not to be widespread. The lack of connections between the two sectors, more generally, also pertains to the matching of offers by the universities and the needs of the economy, among others negatively impacting the returns to higher education for students. One reason for this situation is the state of the TCc economy (see box A2.2), in particular the underdeveloped industrial sector, which limits the possibilities for cooperation. The dual character of the labor market divided into attractive public sector jobs and less attractive private sector jobs adds to this (Zini, Marini, and Kan 2016, 9; see also box A2.1). As a result, possibilities for graduates from various fields to obtain well-paid jobs in the private sector are limited and there, furthermore, are disincentives for many to even try to obtain private sector employment (Zini, Marini, and Kan 2016, 9).

**Differing views on vocationally oriented education and special benefits related to enrolling in bachelor's degree programs aggravate the situation.** Whereas midlevel skilled workers from vocationally oriented programs at the secondary education level or from associate degree programs are in demand by employers, the appeal of these programs is generally low for students and their parents. Benefits attached to bachelor's degree programs in terms of exemption from military service contribute to the lack of appeal. Furthermore, the value added by associate degree programs for graduates from the vocational track of secondary education is considered to be low by some private sector representatives. In addition to the resulting scarcity of appropriately qualified workers, there is a perceived oversupply of graduates in a range of fields, for example, law.

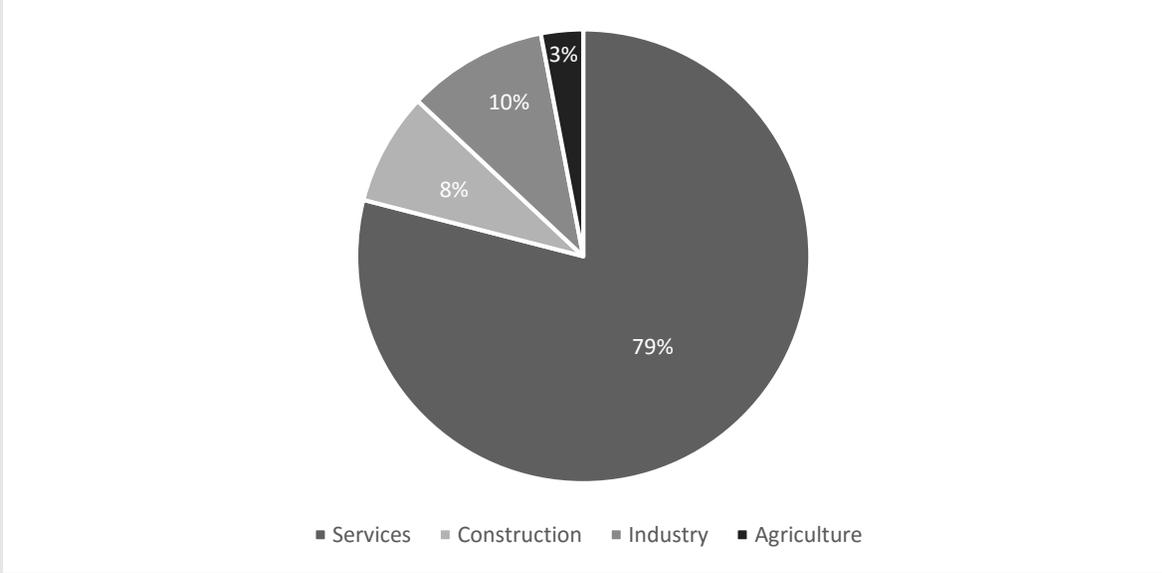
**In the face of the abovementioned skills shortages, there are attempts by the TCc administration to guide the related decisions of universities and students.** One approach is to determine fields where graduates are in high demand. The results of these analyses are, on the one hand, used to guide decisions by the TCc administration related to the opening of new programs and their student intake. Students, on the other hand, are incentivized to enroll in the programs in these fields via scholarships. Another approach relates to the direct entrance route into higher education for graduates of the vocational track of secondary education. These graduates receive scholarships for enrolling in programs close to the field of their secondary education. One problem related to these approaches is a general lack of reliable data on skill demands, which, more generally, hampers the alignment of the universities' activities with the

labor market's demands. Adding to this is the issue that the exchange between universities and key stakeholders such as TCc administration representatives and employers is not well developed.

**Box A2.1 Characteristics of the TCc Labor Market**

The structure of the TCc labor market corresponds to the basic structure of the TCc economy (see box A2.2), which is characterized by the great significance of the service sector. The agricultural sector accounted for less than 5 percent of total employment in 2010, and the industry sector around 10 percent (see figure A2.4). Also in terms of employment, the most important sector is the service sector, including the public sector, trade, tourism, and education, accounting for close to 80 percent. The public sector alone accounted for 16.8 percent of total employment, increasing to almost 30 percent if the education and health sectors are included.

**Figure A2.4 Employment by Economic Sector, 2014**

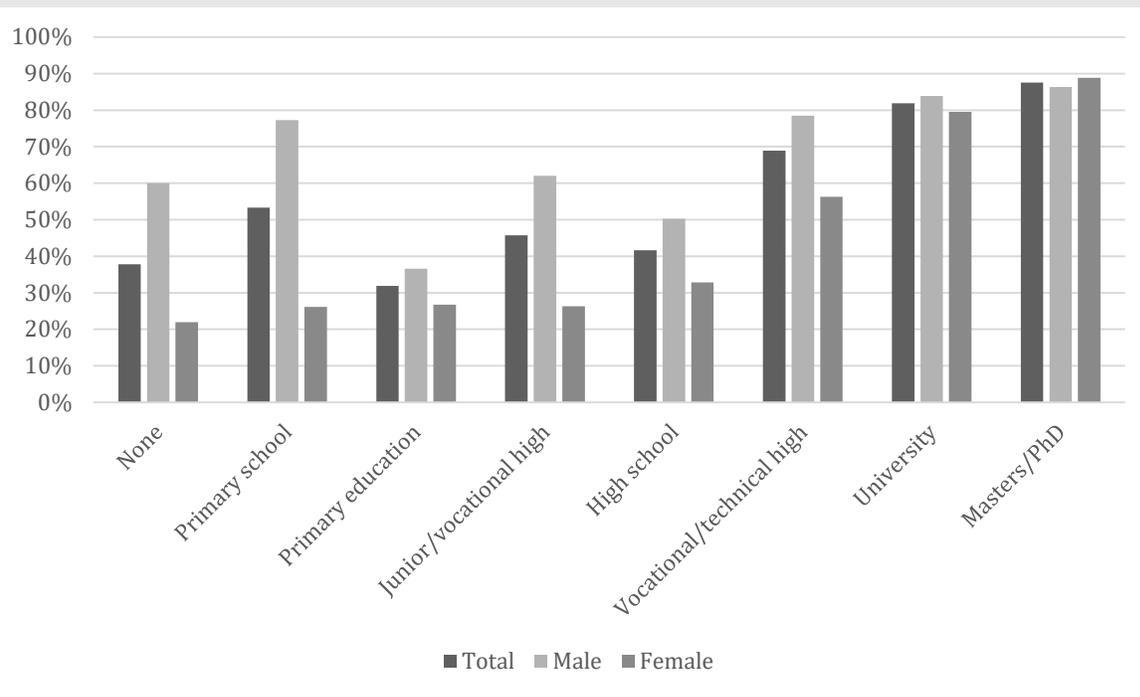


Source: Author based on Zini, Marini, and Kan (2016, 19).

The private sector is dominated by small, family-run businesses. More than 50 percent of workers are employed by companies with less than 10 employees, and 24 percent in companies with more than 10 but less than 50 workers. Additional features of the private sector are a high degree of informality and the fact that many low-skilled jobs are occupied by foreign, especially Turkish, workers, leading to a workforce of which around one-third are foreigners.

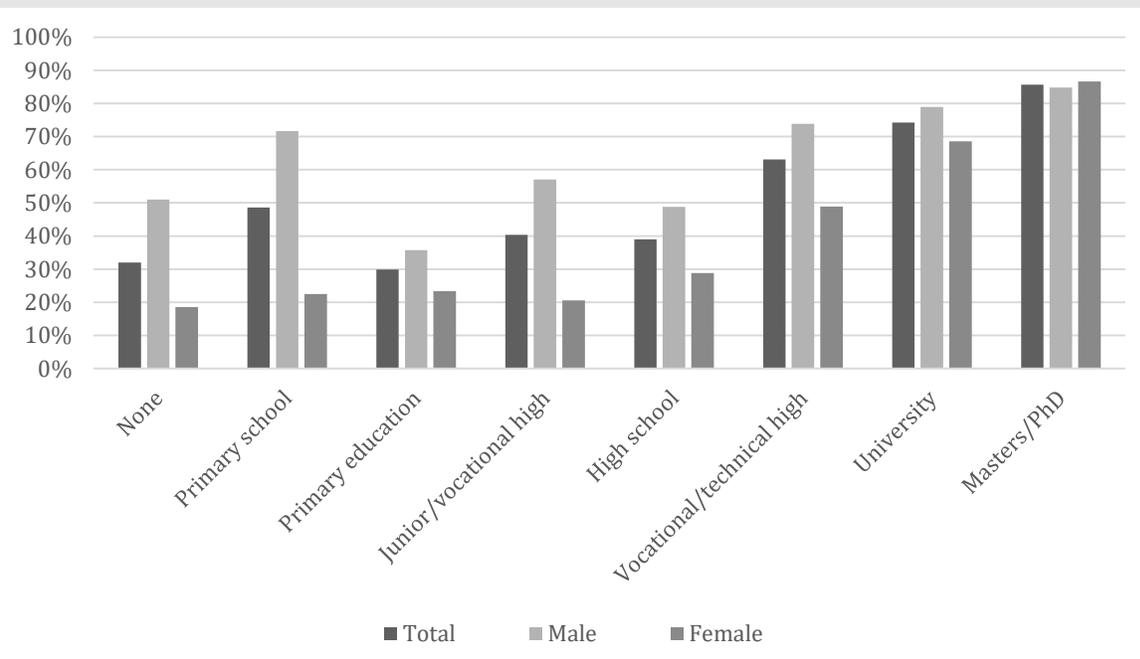
Compared to the EU and Organisation for Economic Co-operation and Development (OECD) country averages, labor force participation and employment rates are low in the TCc. The labor force participation rate in the TCc was 54 percent in 2014, compared to an average of around 58 percent for EU and 71 percent for OECD countries. A similar picture emerges related to the employment rate, which amounted to an average of almost 66 percent among OECD countries, compared to less than 50 percent in the TCc in 2014. Both labor force participation and employment are particularly low for younger people and women. The gender gap and participation and employment in general decrease with increasing levels of education (see figures A2.5 and A2.6).

**Figure A2.5 Labor Force Participation Rate by Education and Gender, 2014**



Source: Zini, Marini, and Kan 2016, 12.

**Figure A2.6 Employment Rate by Education and Gender, 2014**



Source: Zini, Marini, and Kan 2016, 11.

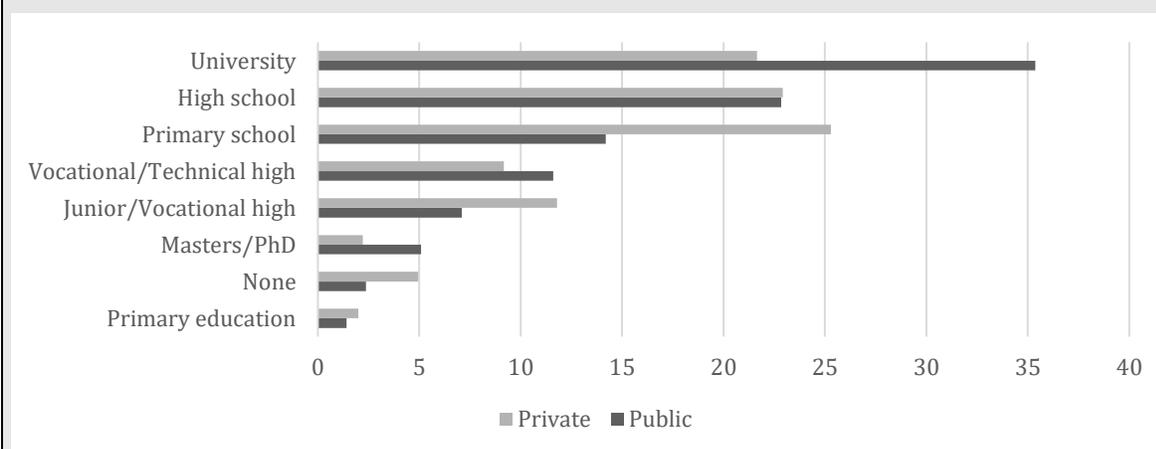
**Levels of unemployment, however, are close to the OECD average.** In 2014, the unemployment rate in the TCc was 8.3 percent, compared to an OECD average of 7.5 percent. Again, there are differences

among groups. Youth unemployment amounted to 20 percent in general and to 27 percent for women, compared to the EU28 average of only 11 percent.

**One of the most striking features of the TCc labor market is its “dual” character, that is, the contrast between a public sector characterized by favorable working conditions and a private sector that many domestic workers shun.** Compared to most parts of the private sector, public employment offers good working conditions in terms of wages, working hours, leave policies, retirement age, and pension contributions, as well as the stability of employment and unionization. The possibility for public sector employees to have a second job in the private sector and to take on these jobs at lower wages worsens working conditions in the private sector even further. This dual labor market, on the one hand, has the effect that a nonnegligible share of TCc inhabitants, especially recently graduated individuals and unemployed, strive to become civil servants and do not even try to gain private sector employment, albeit also related to the scarcity of options. Anecdotal evidence nevertheless suggests that this holds true mostly for dependent employment in smaller firms, whereas working for multinationals as well as self-employment or ownership of small businesses are considered to be viable options by TCc inhabitants. At least some employers complain about a lack of supply of workers.

**Marked differences between the public and the private sector can also be witnessed with respect to the workers’ levels of education.** The share of university graduates in the public sector is around 40 percent, compared to 24 percent in the private sector (see figure A2.7).

**Figure A2.7 Employment in the Public and the Private Sector by Level of Education, 2014**  
(in percent)



Source: Zini, Marini, and Kan 2016, 20.

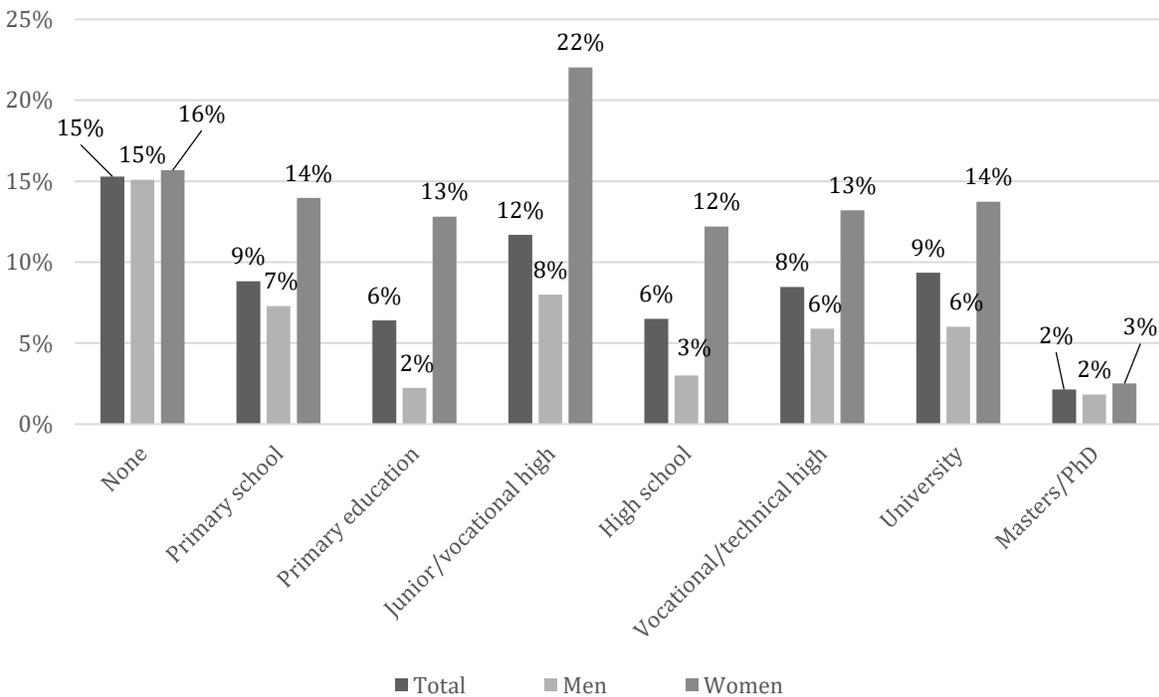
**Representatives of the TCc economy express concerns related to mismatches between the skills potential workers have acquired and those that are in demand by the economy.<sup>a</sup>** Among the potential reasons given by employers is the overall low quality of specialized workers and higher education graduates. This adds to a perceived oversupply of higher education graduates and a lack of graduates from vocationally oriented secondary education programs. Some employers furthermore consider domestic workers to be too costly and too demanding.

Source: Authors based on Zini, Marini, and Kan 2016.

Note: a. It is important to consider, however, that there is not much evidence for this claim. Neither are there data on the skills acquired by students, nor on the skill needs of employers (Zini, Marini, and Kan 2016, 9).

**In terms of unemployment, graduates of undergraduate programs fare better on the labor market than some individuals with lower levels of education, but not all. Master’s degree and PhD holders, in contrast, perform better than individuals with all other levels of education.** Whereas labor force participation and employment rates are higher for university graduates than for individuals with all other levels of education (see box A2.1), the picture emerging related to unemployment is more complex (see figure A2.8). Graduates from undergraduate programs exhibit a lower unemployment rate (9.4 percent) than individuals without a diploma (15.3 percent) or not more than lower secondary education (11.7 percent). The unemployment rates of general as well as vocational and technical high school graduates, at 6.5 percent and 8.5 percent, respectively, however, are lower. The unemployment rates of master’s degree and PhD holders are lower than in all other groups (2.1 percent).

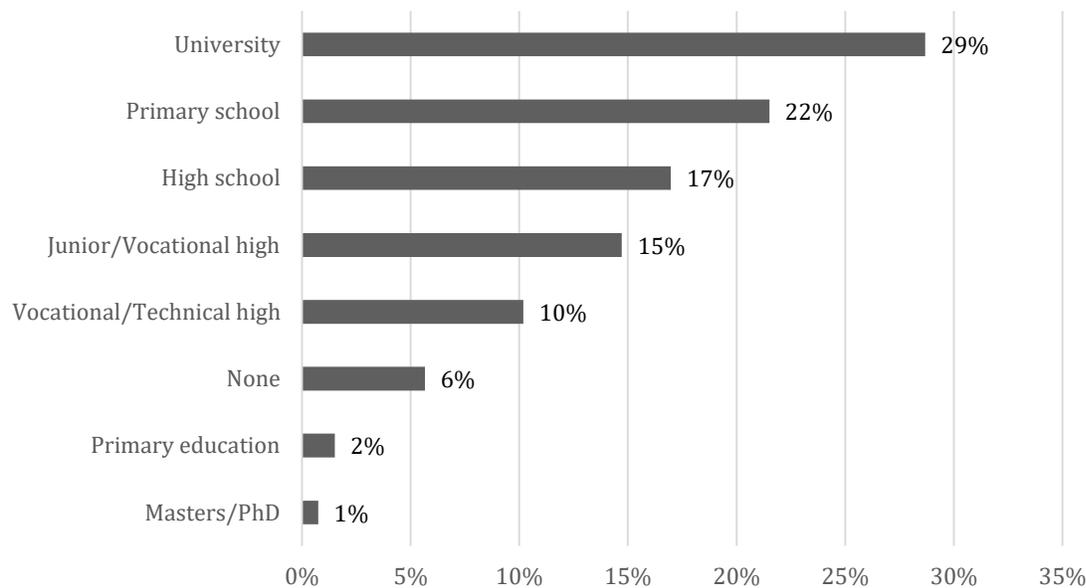
**Figure A2.8 Unemployment Rate by Education and Gender, 2014**



Source: Zini, Marini, and Kan 2016, 16.

**Despite the comparatively low levels of unemployment, university graduates account for the biggest share of unemployed.** As a result of the overall high number of university graduates, even unemployment rates that are lower or similar to the ones of individuals with other levels of education lead to university graduates accounting for almost 30 percent of all unemployed (Zini, Marini, and Kan 2016, 15f) (figure A2.9).

**Figure A2.9 Unemployed by Level of Education, 2014**



Source: Zini, Marini, and Kan 2016, 16.

## Research

**The extent of research activities in TCc universities is severely constrained by the overall focus on teaching and a lack of research funding.** Even though information on research activities in TCc universities is scarce, the circumstances under which institutions operate and the statements by sector representatives reveal that they are insufficiently developed. One reason for this is that institutions prioritize teaching activities because of the need to attract students and the fees they pay in order to secure a sufficient funding base, which also leads to a high teaching workload for academic staff members. Another reason is that TCc universities have almost no access to common research funding sources. There is no domestic research funding body and even public institutions receive comparatively small amounts of direct subsidies. There are limited possibilities to compete for funds from the Turkish research funding body, the Scientific and Technological Research Council of Turkey (TÜBİTAK), and other sources such as EU funds are not accessible to TCc universities due to the political circumstances. The option of using parts of the tuition fee income to fund research seems not to be feasible either. According to an evaluation of the public Eastern Mediterranean University under the European University Association's (EUA) Institutional Evaluation Programme in 2007 (EUA 2007, 18), only 1 percent of tuition fee income was allocated to research and development, amounting to around 0.6 percent of the overall budget of the institution.

**Despite a lack of funding for research, there are instances of research-intensive subunits within universities, and some institutions have developed measures to promote these activities internally.** Defying the overall bleak picture, selected subunits of TCc universities managed to engage in research activities to at least some extent (EUA 2011, 9). Some universities provide direct financial support for

research projects, some of them on a competitive basis. Researchers are also encouraged to apply for the external funding sources available, such as TÜBİTAK support. Additional incentives are provided by some institutions through financial rewards for publications.

**The relationship between universities and enterprises in the field of research and development is not well developed, limiting the potential for research income from the business sector as well as the impact of higher education on the economic development of the TCc** (Altınay and Ezel 2011, 1750f). The state of the TCc economy (for a general overview see box A2.2) is one of the major factors restricting close relationships between the higher education sector and the economy—which stands in marked contrast to the universities’ mission of contributing to the social and economic development of the TCc stated in the legal framework (LoHE 21; LoNE 38). Special infrastructures for this purpose, for example, technology parks, are absent or do not function very well. This situation restricts the universities’ possibilities of attracting additional funding for research and development activities, which could compensate for the lack of income for this type of activity (EUA 2007, 7). Positive impulses for the TCc economy from the universities’ activities are negatively impacted as well.

#### **Box A2.2 The State of the TCc Economy**

**The economic situation of the TCc is strongly influenced by the political circumstances** (Zini, Marini, and Kan 2016, 6), **especially the lack of possibilities for economic exchange**. Not having direct access to international markets, leaving the Turkish market as the major destination for economic exchange, makes the TCc a closed economy. In addition to a lack of possibilities for exporting goods and services, there are high import costs for materials and other components that limit the possibilities for developing manufacturing capacities. An additional effect of the latter issue is that wages remain the main factor behind the competitiveness of TCc companies, which leads to the situation that some employers consider domestic workers too costly.

**The TCc’s economy is dominated by the service sector** (Zini, Marini, and Kan 2016, 7f.), **including the public sector, trade, tourism, and education**. According to estimates for 2012, the service sector accounted for 58.7 percent of gross domestic product, compared to 6.2 percent and 35.1 percent for the agriculture and the industry sector, respectively (CIA 2016). The shares of the three sectors among the labor force exhibit a similar structure. The agriculture sector nevertheless is important since (processed) agricultural goods account for around 40 percent of all exports.

**Another key characteristic of the TCc economy is the dominance of small, often family-owned businesses** (Zini, Marini, and Kan 2016, 8).

*Source: Authors based on Zini, Marini, and Kan (2016); and CIA (2016).*

**To an extent not found elsewhere, the higher education sector itself is a sizable part of the economy.** Given the restrictions that most economic sectors in the TCc face, especially related to export activities, tuition fees of foreign students (the non-Turkish ones paying them in dollars) in addition to their spending, make a significant contribution to the TCc economy. It has been estimated that the overall spending of all students in the TCc amounted to around one quarter of GDP in 2010 (Technopolis 2012). In contrast to most other cases, where the role of higher education vis-à-vis the economy is primarily seen as a promoter of development, higher education in the TCc is itself a major part of the economy, contributing strongly to its growth (EUA 2007, 5). This function of higher education in the TCc is directly supported by the universities, which are engaged in a range of comprehensive promotional activities aiming to increase the

inflow of foreign students, among others via getting engaged with potential students already in their home countries.

## Governance

### System level

**Key governance actors and bodies on the central level include the President, the Council of Ministers, the Assembly, and the Ministry of National Education (MoNE).** The President, for example, has a direct influence on the central sector governing body YÖDAK (see below) through appointing its president and two of its four members (LoHE 8(2) & 8(3)). The Council of Ministers is involved via deciding on bylaws and regulations (LoHE 11(1)F, 12(2), 44), among them those that cover the TCc administration's financial support for universities and the licensing processes for the establishment of new universities, subunits, and programs (LoHE 39(4), 43(2)), as well as the founding laws of universities (LoHE 11(1)E, 41(2), 41(6)). It also has responsibilities related to YÖDAK (LoHE 19), such as setting the salaries of its members. The Assembly is involved via appointing two of the four YÖDAK members (LoHE 8(3)). The Ministry of National Education is supposed to be involved in a broader range of financial, legal, and social matters pertaining to the sector. According to representatives from the "ministry" itself, however, approving diplomas issued by institutions, being involved in the administrative procedures related to the delay of military service for students, and managing scholarships accounts for the major share of the "ministry's" activities.

**The central governing body of the sector is the Higher Education Planning, Evaluation, Accreditation and Coordination Council (YÖDAK), to which a second governing body, the Inter-University Council (IUC), is connected.** YÖDAK (Gökçekuş 2016, 32–34; LoHE 7–19) has a juristic personality and consists of a president, who is appointed by the president of the TCc, and four additional members. The president and the members serve four-year terms and can only be appointed twice. Two of the members are appointed by the Assembly and two by the TCc President following their nomination by the IUC. Administrative tasks are performed by a secretariat, staffed with public officials. YÖDAK's responsibilities, as defined by the law, comprise:

- planning the development of, and coordinating and managing, the higher education sector, including the process of establishing new universities, subunits, and programs, as well as matters of quality assurance
- acting as a consulting body to the MoNE and the Council of Ministers, especially related to the approval of bylaws and regulations for the sector, for whose implementation YÖDAK is responsible as well
- reviewing institutions' bylaws and regulations
- monitoring institutions' activities
- coordinating the activities of the IUC.

YÖDAK convenes at least once a month. In carrying out its responsibilities, YÖDAK can establish special commissions that deal with particular matters and report to YÖDAK. It is responsible directly to the president of the TCc, from whose budget YÖDAK is also financed.

**In contrast to the provisions within the legal framework, it appears that YÖDAK is not capable of fulfilling all the responsibilities ascribed to it—leading to a lack of sector steering and management.**

Sector representatives, including members of YÖDAK, point out that YÖDAK is not able to fulfill all its responsibilities for various reasons (Altınay and Ezel 2011, 1752; Williams 2010, 3, 5). One reason is a lack of human and other resources, especially if contrasted with the rapid expansion of the sector. Another reason is insufficient authority and influence vis-à-vis the universities, especially the private ones. Irrespective of the provisions in the law, YÖDAK's capacity to receive and process comprehensive information and data, inspect institutions, and impose sanctions appears to be limited. This, among other factors, hampers its influence related to quality assurance purposes and the supervision of the establishment of new institutions—a function for which, according to officials, the MoNE relies heavily on YÖDAK.

**The second sector governing body, the Inter-University Council (IUC) (LoHE 20), has responsibility for academic matters and additional tasks ascribed to it by YÖDAK.**

The academic matters in question comprise issues related to doctoral degrees and academic staff titles. The IUC consists of two elected members and the rector of every university. It convenes at least twice a year, chaired by the president of YÖDAK. Critical opinions on the functionality of the IUC similar to the ones concerning YÖDAK can also be found among representatives of the TCc higher education sector. Problems identified are a general lack of cooperation between the universities and the rectors in the TCc (Silman, Gökçekuş, and İşman 2012, 33; Williams 2010, 2),<sup>51</sup> at least partly related to the competition between TCc universities for foreign students, and the fact that the IUC operates under the auspices of YÖDAK.

**Strategic planning for the TCc higher education sector has been identified as a policy priority by many stakeholders, especially since there currently is no sector strategy.**

The increase in the number of universities and the marked growth of student numbers have engendered questions concerning the future development of the system—which from the perspective of various actors is driven by nothing but the objective of increasing the inflow of foreign students because of the business they generate—among others related to potential limits for the expansion, and a potential negative impact of growth on quality and, thereby, on the reputation of higher education in the TCc. A sector strategy, however, does not currently exist,<sup>52</sup> but would be very valuable in the opinion of many representatives of the TCc higher education system. One precondition that would have to be met for the development of a sound strategy would be comprehensive, reliable data on the higher education system, which are currently not available.

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<sup>51</sup> However, an association of some of the TCc universities was founded in 2015 (see <http://cyprusuniversitiesassociation.org/>).

<sup>52</sup> There are deliberations by the president of YÖDAK that also address strategy issues, but these have not been developed in his capacity as a YÖDAK official and have not been communicated to many sector representatives either, including other YÖDAK members. A draft higher education strategy (Technopolis 2012) was developed with support from the Turkish government in 2012, but it has not been adopted by the TCc administration as an official document.

## Institutional level

**The internal governance structure of TCc universities on the central level comprises a board of trustees and the rectorate, the senate, and the university executive board.**<sup>53</sup> The board of trustees (EUA 2007, 8–9; LoHE 42; see also the EMU Statute) is the highest body of every university and, at least in the case of public universities, is staffed with mostly nonacademic external members. The members, of which there are at least seven, are chosen following procedures spelled out in the universities' founding laws and bylaws. The related decision-making powers usually reside with the institutions' founders, that is, the TCc administration in the case of public institutions and the owners in the case of private institutions. In the case of Eastern Mediterranean University (EMU), for example, the board consists of nine members who are appointed by the TCc president and the TCc administration. The board's meetings are attended by the rector as well. The board has far-reaching powers, among others related to human resource policies, the appointment of the rector and other management staff of institutional subunits, and the institution's budget and tuition fees, but also related to regulations covering different activities of the institutions and the establishment of new subunits. It generally has a say in all matters that have financial consequences. Other duties can be described in the bylaws, which can also confer powers on the rector or the university executive board. The board also represents the university before public bodies.

**The far-reaching powers of the board of trustees have the potential to substantially impact the governance and management of universities.** As has been observed with respect to EMU (EUA 2007, 8), there is a threat that the board will micromanage the institution. Sector representatives also pointed to the inherent potential for conflict between board leaders and the rector (Williams 2010, 2), at least partly related to the lack of sector competences of the former. Even though the relationship between the two parties can function well—as has been reported by some university representatives—the current constellation has the potential to reduce the efficiency and effectiveness of governance processes.

**The rectorate, as the executive organ of a university, is responsible for the management of the institution** (LoHE 23; see also EMU Statute). It comprises the rector, vice-rectors, the secretary general, and, if the institution's founding law determines this, other individuals. The rector is the representative of the university and appoints the vice-rectors. His or her main responsibilities consist of governing the university; ensuring the functioning of all its bodies and units; implementing the decisions of the senate; reporting on the institution's activities to the board of trustees, the senate, and the executive board; and submitting the budget to the board of trustees. The processes of appointment and removal of the rector and his or her term in office are determined by the institutions' laws and bylaws, as are the number and terms of vice-rectors.

**The highest academic organ of a university is the senate; the body responsible for administrative and financial matters is the university executive board.** The senate (LoHE 25; see also EMU Statute) consists of representatives of the faculty, administration, and students, all of them elected by their constituency. It convenes at least four times a year. Students, however, are only involved in issues that are of direct relevance to them, but have a vote on them. The senate's responsibilities pertain to academic matters exclusively. This includes determining the principles related to education, research, and publishing;

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<sup>53</sup> The legal framework also allows for governing structures different from these, if the reasons for the structure in question, the aims, and the working principles are spelled out in the institutions' founding laws or bylaws (LoHE 22(2)).

regulations related to academic affairs and working conditions, including minimum teaching hours; issues related to objections to the decisions of the academic boards of the universities' subunits; and planning of academic matters. The university executive board (LoHE 26) consists of the rector, who is also the chairman; administrators; and elected representatives, as determined by the institutions' founding laws and bylaws. It convenes at least once a month. Its responsibilities cover implementing the decisions of other governing bodies, for example, the senate; preparing and implementing activity plans; examining the investment programs, staff needs, and budget drafts and submitting them to the board of trustees; dealing with objections to decisions of the administrative boards of lower institutional levels; and distributing budget allocations to subunits.

**When assessing the powers of the rectorate, the senate, and the university executive board, it is crucial to take into account the far-reaching influence of the board of trustees due to its right to be involved in all decisions with financial consequences for the university.**

**Parts of the governance structure on the central level, namely the executive organ, a collegial body and an administrative board, can be found on other institutional levels as well.** On the faculty level (LoHE 27–30; see also EMU Statute), the corresponding bodies are the dean, the faculty board, and the faculty executive board. The dean is selected and dismissed according to the procedures determined in the laws and bylaws of the institution and supported by vice-deans. His or her main duties comprise the management and representation of the faculty toward governing bodies on the central level. The faculty board and the faculty executive board are responsible for academic matters, including the academic structure of the faculty, programs offered and student intake, and administrative matters respectively. Whereas the same structure applies to institutes and schools of higher education (LoHE 33 & 34), departments are governed by the department chair and the department board (LoHE 31).

**Employers as key external stakeholders are not directly involved in the governance of TCc universities, or in the governance of the entire system.**

**In contrast to the system level, strategic planning does take place within at least some universities.** METU NCC, for example, had a strategic plan for 2009–14, and EMU currently is in the process of developing an institutional strategy following a comprehensive approach involving various internal stakeholders. One key challenge, however, are current uncertainties related to the political situation of the TCc, which—according to sector representatives—complicates making sound plans for the future.

## Quality assurance

### External

**Even though there is no domestic external quality assurance system in the TCc (Williams 2010, 2), two forms of external quality assurance exist: the basic process of licensing in the course of the establishment of new universities, subunits, and programs; and the accreditation of programs by international agencies.** For a new institution to open and start operations (LoHE 43), it must receive permission from the MoNE and, subsequently, a license from YÖDAK. This process of “licensing” is frequently, and mistakenly, termed “accreditation” in the TCc context. The licensing process basically consists of an assessment by the MoNE and YÖDAK of the compliance of the institutions or subunits with

criteria covering basic academic and infrastructure aspects set forth in the relevant regulation (Statute on Program Opening). Under the Statute on Program Opening Appendix 2, to obtain a license to start provision of higher education, applicants must:

- spell out basic principles related to the institution, unit, or program in question, among others covering the target group, possibilities for cooperation with the private sector, and the relationship with other subunits or programs of the institution and with other institutions
- provide adequate facilities and infrastructure for the administration; support services; academic processes, including required laboratories and library capacities; and extracurricular activities
- meet requirements concerning the number and qualifications of academic staff members
- ensure that academic staff members have internet access and an e-mail-address, which students must be provided with as well
- provide sufficient free work spaces for students.

These criteria are in addition to the ones directly stated in the LoHE, such as that to obtain the title “university,” institutions must have a minimum of three faculties and a minimum of six programs (LoHE 14(3)), or that at least two-fifths of the teaching staff of a university must be employed full time (LoHE 35(5)). There are additional provisions applying to accreditation and evaluation processes of programs (Statute on Program Evaluation), which are supposed to be renewed every five years and include site visits to the institutions, but YÖDAK has yet to carry out any of these processes.

**The second form of external quality assurance is the accreditation of programs by international agencies.** In the absence of a domestic external quality assurance agency, universities in the TCc turn to international bodies for the accreditation of some of their programs. In the field of engineering, for example, several institutions have their programs accredited by the Accreditation Board for Engineering and Technology (ABET) from the United States. Other bodies to which the TCc universities have turned are the (Gökçekuş 2016, 19–24; EMU n.d.b):

- Accreditation Agency for Degree Programmes in Engineering, Informatics, Natural Sciences and Mathematics (ASIIN)
- Accreditation Council for Pharmacy Education (ACPE)
- Agency for Quality Assurance through Accreditation of Study Programs (AQAS)
- Akkreditierungsagentur im Bereich Gesundheit und Soziales (Accreditation Agency in Health and Social Sciences; AHPGS)
- Foundation for International Business Administration Accreditation (FIBAA)
- American Communication Association (ACA)
- Association to Advance Collegiate Schools of Business (AACSB)
- European Association for Quality Language Services (EAQUALS)
- European Council for Business Education (ECBE)
- Mimarlık Akreditasyon Kurulu (Architectural Accrediting Board; MİAK)
- Mühendislik Eğitim Programları Değerlendirme ve Akreditasyon Derneği (Association for Evaluation and Accreditation of Engineering Programs; MÜDEK)
- Teaching Education Quality in Tourism (TEDQUAL)
- Türk Psikologlar Derneği (Turkish Psychological Association; TPD).

Some universities have been inspected by government bodies from countries that have a greater number of citizens studying in the TCc. Another approach that universities have deployed or intend to deploy is the Institutional Evaluation Program of the European University Association (EUA).

**Special provisions apply to institutions that want to provide programs to Turkish students, which requires a separate license from the Turkish Council of Higher Education (YÖK).** Even though this process is often termed “accreditation” as well, it is a licensing process whose basic approach is similar to the one by YÖDAK spelled out above. In addition to needing the license for enrolling Turkish students, institutions perceive it to be important for attracting foreign students from countries other than Turkey.

**Despite not being comprehensively engaged in quality assurance activities, YÖDAK has different connections to the international quality assurance community.** It is an associate member of the European Association for Quality Assurance in Higher Education (ENQA), a full member of the International Network for Quality Assurance Agencies in Higher Education (INQAAHE) and the Central and Eastern European Network of Quality Assurance Agencies in Higher Education (CEENQA), and a board member of the Association of Quality Assurance Agencies of the Islamic World (AQAAIW) (Gökçekuş 2016, 34).

## Internal

**A common approach toward internal quality assurance appears not to exist in the TCc, but several institutions have put this issue on their agenda** (EUA 2011, 10f; Silman, Gökçekuş, and İşman 2012, 33). A range of universities has started to anchor quality assurance activities within their institutional structures, for example, by establishing internal bodies engaged in quality assurance or by appointing individuals responsible for this task. At Eastern Mediterranean University (EMU), for example, there is a Council for Quality Coordination and Evaluation, which is attached to the university executive council, and one person in the rectorate assumes a key role in internal quality assurance processes. Among the measures used are student evaluations and a global satisfaction survey of students, which is made publicly available (EUA 2007, 11). In addition, all administrative units of EMU must be ISO 9001 certified (EUA 2007, 10). A different approach toward quality assurance can be found at Cyprus International University (CIU). Activities related to quality improvement and to the implementation of elements of the Bologna Process are institutionalized via two separate bodies, the Curriculum Committee and the ECTS Committee. Both are located on the central university level and convene regularly to, respectively, promote the standardization of the faculties’ activities and the implementation of matters related to the Bologna Process. A coherent approach within the whole institution is furthermore supported by one official within the rector’s office, with which the faculties are also in contact during the accreditation processes by international agencies.

**Internal quality assurance activities face a range of challenges.** According to university representatives, these comprise insufficient infrastructure and administrative support, a lack of engagement by university staff members, and limited expertise on the matter (Silman, Gökçekuş, and İşman 2012, 34ff).

## Financing

**The financial situation of both public and private universities in the TCc is characterized by the paramount importance of tuition fee income, despite the institutions' freedom to generate income from various sources.** Potential income sources according to the LoHE (38–39) are tuition fees and other payments by students, property, publications and sales, revolving funds,<sup>54</sup> donations, and sponsoring. Financial support from the TCc administration, from which both public and private institutions can benefit, and financial support from Turkey, have to be added to this list. Tuition fees, however, remain the main income source for both public and private institutions. Tuition fees are determined by university boards of trustees (LoHE 42(3)) and vary between different groups of students; foreign students pay comparatively high fees and pay them in dollars, whereas students from Turkey pay lower fees. The fees of domestic students are in some cases subsidized by the TCc administration. In the case of public institutions, one of the main reasons for the importance of tuition fees as an income source is the overall low level of financial support from the TCc administration—even though the TCc administration appears to act as a guarantor of last resort for all situations of financial hardship (EUA 2007, 7f). All types of universities face challenges concerning their income-generating engagement with the private sector and a lack of research funding possibilities (see also the section on “Research”). As an example, even the Eastern Mediterranean University (EMU), as a public university, covered around two-thirds of its expenses via tuition fees in 2007 (EUA 2007, 7) and—according to EMU representatives—the current share of public subsidies as part of its total budget amounts to only around 12 percent.

**Financial support from the TCc administration, although low, comes via different channels.** In the case of the two public universities, there are budgetary allocations provided for in the MoNE budget (see also box A2.3). These funds are allocated based on political decisions for the most part, which are made on an incremental basis. In the course of the general budgeting process, the two public universities propose budgets to the MoNE, which forwards them to the Ministry of Finance. The Ministry of Finance might then make adjustments to the budgets related to changes to the overall TCc budget or to potential situations of hardship for institutions, for example, when expected student numbers are not met or when foreign exchange rates change. The funds are transferred to the universities by the MoNE in quarterly payments. There are supposed to be protocols between the TCc administration and the universities that serve as the basis for the budgeting process. In practice, however, allocations do take place even in the absence of such a protocol. Another form of financial allocations from the public purse is discretionary decisions by the TCc administration to cover tuition and accommodation costs for a certain number of students, which are made outside of the regular budgeting process and can apply to both public and private institutions. This type of support, according to sector representatives, is related to the intake of foreign, non-Turkish students in most cases. Even though there are different funding channels for public and private institutions, the overall levels of support by the TCc administration remain very low, and there are no extensive other funding-related types of support such as tax breaks. This has led to the feeling among some sector representatives that the importance of and the benefits from the TCc higher education sector for the TCc are not adequately recognized.

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<sup>54</sup> Revolving funds are funds established within organizational subunits in which income from entrepreneurial and other activities is accumulated.

### Box A2.3 Funding from the Higher Education Budget

Direct financial support from the TCc budget is mainly limited to the two public universities Eastern Mediterranean University (EMU) and European University of Lefke (EUL). As shown below (see table A2.2), EMU and EUL are the only universities that receive direct financial transfers from the TCc administration out of the TCc budget; the only other institution receiving this type of financial support is the Ataturk Teacher Training College. In 2014, EMU and EUL received TL 27 million and TL 7 million, respectively, in this way. There are, however, also allocations by the TCc administration from grants of the Republic of Turkey that cover capital expenditures. These transfers added another TL 10.5 million to the EMU budget and another TL 4.2 million to the EUL budget. The two branch campuses of Turkish universities also profit from this funding stream; METU NCC received TL 10 million and ITU NCC TL 30 million.

**Table A2.2 Higher Education Budget, 2014**

	TL mil.	US\$ mil. <sup>a</sup>
<b>Total Education Budget (MONE)</b>	<b>515.7</b>	<b>235.8</b>
<b>Higher Education (Transfers to Universities)</b>	<b>100.2</b>	<b>45.8</b>
<b>Recurrent transfers to universities (from the TCc budget)</b>	<b>35.5</b>	<b>16.2</b>
Eastern Mediterranean University (EMU)	27.0	12.3
Lefke European University (LEU)	7.0	3.2
Ataturk Teachers Training School	1.5	0.7
<b>Capital transfers to universities (from grants of the Republic of Turkey)</b>	<b>64.7</b>	<b>29.6</b>
Capital expenditures (METU campus)	10.0	4.6
Capital expenditures (ITU campus)	30.0	13.7
Capital expenditures (EMU)	10.5	4.8
Capital expenditures (LEU)	4.2	1.9
Capital expenditures (others)	2.5	1.1
Promotional activities of universities	2.5	1.1
Supporting scientific research activities	1.5	0.7
Instructor advancement program	1.0	0.5
Support to accreditation and Bologna Process	2.5	1.1
<b>Higher Education Directorate</b>	<b>26.4</b>	<b>12.1</b>
of which, transfers to households	25.1	11.5
Scholarships	22.2	10.1
Domestic (TCc) students	7.4	3.4
Overseas scholarships	6.8	3.1
Foreign scholarships	0.7	0.3
Full- and half-term specialization scholarships	7.0	3.2
Other transfers	3.3	1.5
Other transfers	0.3	0.1
Foreign educational transfers	3.0	1.4

Source: World Bank 2016, 17.

Note: a. At TL 2.19 per US\$ (2014).

**Funding allocations from the TCc administration to private universities are restricted to specific projects, but they also benefit from the scholarships provided.** One way in which private universities benefit financially from the TCc administration is support for activities such as technological improvement or accreditation procedures. Private institutions also profit from the scholarships disbursed by the TCc administration. In 2014, more than TL 22 million was disbursed as scholarships in total (see table A2.2) to both public and private universities.

Source: Authors based on World Bank 2016.

**Financial support originating from Turkey comes in two forms: support from the Turkish aid agency and loans from private banks.** Funds that come from the Turkish government are disbursed to the universities via the Turkish aid agency. There apparently was a focus of this type of financial support on investments in previous years. Recently, however, the focus has shifted toward support for quality-assurance-related purposes. This leaves a second type of financial support, that is, loans from private banks, as the main source of investment funding for some institutions. These loans can be obtained at favorable conditions by universities, which pay low interest rates and benefit from long maturities.

**The financial autonomy of TCc institutions appears to be high.** Universities are—at least in theory—able to generate revenues from various sources, and even the public universities are able to generate surpluses and transfer them to the next year. There are nevertheless processes by which the Ministry of Finance checks the compliance of the budgets of the public universities with relevant regulations.

## **Student funding**

**All higher education programs involve tuition fees (LoHE 41(4)), but there are different support mechanisms for domestic and foreign students.** First, some universities, such as EMU and METU NCC, offer fee waivers to some of their students. Second, there are different types of fee waivers and scholarships from the TCc administration financed by the MoNE. According to “ministry” representatives, 2,500 to 3,000 students receive scholarships for studying at public and private TCc universities. Another group of scholarships covers the around 100 to 150 students a year who go to Turkey to study in fields of high priority for the TCc. The candidates are selected via their achievements in secondary education, in contrast to TCc students admitted via the Turkish selection and placement procedures. For these scholarships, fields of study where there is a lack of graduates in the TCc are identified by the TCc administration, and Turkish officials then decide where the quota is allocated. In the case of scholarships that fund studies abroad, there is no obligation, according to MoNE officials, for students to return to the TCc once the program has been finished, nor is there an obligation to repay scholarships if graduates stay abroad.<sup>55</sup>

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<sup>55</sup> The scholarships for students studying for their specialization in medicine in Turkey are an exception. The beneficiaries are obligated to work in the TCc for two years after finishing their studies.

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## **University websites**

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British University of Nicosia (BUN): <http://www.bun.edu.tr/>.

Cyprus International University (CIU): <http://www.ciu.edu.tr/en/>.

Eastern Mediterranean University (EMU): <http://ww1.emu.edu.tr/en/>.

European Leadership University: <http://europeanleadershipuniversity.com/>.

European University of Lefke (EUL): <http://www.eul.edu.tr/en/>.

Girne American University (GAU): [www.gau.edu.tr](http://www.gau.edu.tr/).

ITU Northern Cyprus Campus (ITU NCC): <http://www.kkctc.itu.edu.tr/>.

METU Northern Cyprus Campus (METU NCC): [www.ncc.metu.edu.tr](http://www.ncc.metu.edu.tr/).

Near East University (NEU): <https://neu.edu.tr/>.

University of Kyrenia (UK): <http://kyrenia.edu.tr/>.

University of Mediterranean Karpasia (UMK): <http://www.akun.edu.tr/en-US>.

## Annex 3: Agenda Workshop on Strategic Directions for the TCc Higher Education Sector

Nicosia, Court of Audit, 14 June 2016

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- 9.00–09.15      Welcome and introduction to the topic of the workshop  
*Representative of the TCc Administration and EUCC*  
*EC Representative*  
*Nina Arnhold, Senior Education Specialist, The World Bank*
- 09.15–10.15      The TCc higher education sector – status quo and options  
- Main features of the TCc higher education sector  
- Status quo of the strategy discussion  
Presentation: *Olgun Çiçek, Board Member, YODAK*  
Comments:  
- *Necdet Osam, Rector, EMU*  
- *Turgut Tümer, Campus President, METU, Northern Cyprus Campus*  
Discussion
- 10:15–10.30      *Coffee Break*
- 10.30–12.30      Key developments in European higher education
  - Universities and economic impact: *Hans Vossensteyn*
  - Governance and quality assurance: *Andree Sursock*
  - Financing of higher education: *Frank Ziegele*
    - PBF, diversification of income streams (incl. through internationalization)
  - Teaching, learning, recognition: *Andy Gibbs*
    - Student-centered approach
    - How to make sure that programs are relevant for the labor market
    - Recognition issues
  - Research and contribution to regional development: *Melita Kovacevic*
  - Q&A

12.30–13.00	<i>Light Lunch</i>
13.00 – 14.30	<p><u>Discussion in break-out groups</u><sup>56</sup></p> <ul style="list-style-type: none"> <li>• SWOT TCc higher education by subsector</li> <li>• Linking TCc status quo to European developments</li> <li>• Input for strategic directions</li> </ul>
14.30–15.15	<u>Reporting back</u>
15.15–15.30	<p><u>Conclusion/next steps</u></p> <p><i>Nina Arnhold, The World Bank</i></p> <p><i>TCc Administration and EUCC</i></p> <p><i>EC Representative</i></p>

*There will be simultaneous interpretation.*

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<sup>56</sup> There will be five breakout groups, covering (1) universities and economic impact; (2) governance and quality assurance; (3) financing of higher education; (4) teaching, learning, recognition; and (5) research and contribution to regional development.

## Annex 4: Bios of Authors and Workshop Contributors



Dr. **Nina Arnhold** is a Senior Education Specialist at the World Bank, leading higher education operations in various European countries. She has worked for the World Bank since 2006, among others as Human Development Sector Coordinator for Central Europe and the Baltics, and as Program Leader for Higher Education and task team leader for lending operations and Technical Assistance programs in the Middle East and North Africa region.

Before joining the World Bank, Dr. Arnhold worked as a Senior Program Manager for the European University Association (EUA) in Brussels, Belgium, among others on Bologna reforms, quality assurance, and higher education financing, and for the German Center for Higher Education (CHE) and the Boston Consulting Group. She holds a DPhil and a Master's degree in Comparative and International Education from the University of Oxford, United Kingdom, and a Master's degree in the humanities from the Technical University of Berlin, Germany. She has authored and co-authored books and reports on higher education and competitiveness, including in the context of the Europe 2020 agenda.



Professor **Olgun Çiçek** has been a Board Member of the Higher Education Planning, Evaluation, Accreditation and Coordination Council (YÖDAK) since January 2014. From 2011 to 2014, he was Vice-Rector of the Girne American University.

Professor Çiçek completed his Master's degree at the University of Surrey in the United Kingdom in 1992, and his PhD at Dokuz Eylul University in Turkey in 1998. Since then he has been continuing his academic career both as an administrator and faculty member in the fields of business, management, and tourism at different universities, namely in Turkey, Singapore, the United Kingdom, Switzerland, Dubai, and the Turkish Cypriot community. During his service at various universities in different countries, he has been in managerial positions, including Head of Department, Deputy Director for the Social Sciences Institute, General Manager for the Training Hotel, Dean of Business School and Dean of Research and Development, and Vice-Rector. He has been providing services to universities, industry associations, and other institutions with his 24 years of teaching, research, and managerial experiences, as well as his multinational and broad outlook from his experience gained in Europe, the Middle East, and the Mediterranean region.



**Andy Gibbs** is a Senior Lecturer in Nursing in the Department of Nursing and Community Health at the Glasgow Caledonian University, United Kingdom, and a distinguished expert on European higher education. As a former UK Bologna Expert active in different working groups and committees, he has extensive experience with European higher education reforms, especially in the areas of recognition, qualification frameworks, and learning-outcomes-based curriculum development.

Having obtained a Master's Degree in International Nursing and Education from the Edinburgh Napier University, United Kingdom, he was Head of the university's School of Community Health and President of the Florence

European Nursing and Midwifery Network. Mr. Gibbs has been involved in a range of events and projects with ministries and universities related to higher education reforms, and has been engaged in the Institutional Evaluation Program of the European University Association and in reviews of national quality assurance agencies for the European Association for Quality Assurance in Higher Education (ENQA).



Professor **Melita Kovačević** is a full professor in the Department of Speech and Language Pathology of the University of Zagreb, Croatia, where she also served as Vice-Rector for Research and Technology. She has been active in various international and European higher education bodies and committees dealing with the Bologna Process and, among others, research and doctoral education.

Having obtained a Master's degree from the University of Eastern Washington in the United States, and a PhD from the University of Zagreb School of Medicine, she held various research and visiting positions in universities in Europe and the United States, and founded and heads the Laboratory for Psycholinguistic Research as well as the interdisciplinary doctoral program Language and Cognitive Neuroscience.



Professor **Necdet Osam** has been the Rector of the Eastern Mediterranean University (EMU) since 2014. A professor of English Linguistics, he has been teaching, researching, and publishing in the field for more than 20 years. He is the editor and academic advisor of a range of journals, has chaired several conferences, and is a member of various academic societies, including the European Association of Language Testers and the Linguistic Society of Turkey. Since 2012, he has been the Founding Director of the Rauf Raif Denктаş Research Center of Turkish Cypriot History.

Before becoming rector, he worked at the Middle East Technical University and the Çankaya University in Ankara, and already held various posts at EMU, including Dean of the Faculty of Education and Advisor to the Rector. Professor Osam holds a Bachelor's degree from Selçuk University, Konya, and a Master's degree from Hacettepe University, Ankara, both in Turkey. Having completed Teacher Training at Cambridge University in the United Kingdom, he obtained his PhD from the Department of English Linguistics at the Hacettepe University Faculty of Letters.



**Vitus Puttmann** is a World Bank Consultant working on projects in the field of higher education funding, governance, and strategy development. An educationalist by training, he previously was Project Manager at the Centre for Higher Education (CHE) in Guetersloh, Germany. At the CHE, he investigated the relationship between higher education and the world of work, the higher education entrance of nontraditional students, and professionally oriented education programs.

He holds a Master's degree in Educational Science from the University of Muenster, Germany, where he also obtained a Bachelor's degree in sociology and philosophy.



**Andrée Sursock**, PhD, is a Senior Adviser at the European University Association (EUA). A distinguished expert in the field of higher education quality assurance, she is involved in a range of EUA projects on the topic, recently conducted a study on internal quality processes in universities, and serves as a board member of quality assurance agencies in the French Community of Belgium, Switzerland, and Dubai. As Deputy Secretary General at the EUA between 2001 and 2009, she was responsible for developing the EUA's quality assurance policy positions and activities. She holds a first degree in philosophy from the University of Paris I, Panthéon Sorbonne, in France, and a PhD in social-cultural anthropology from the University of California, Berkeley, in the United States. Before joining the EUA, Dr.

Sursock was Director of Development at the Centre for Higher Education Research and Information of the Open University, United Kingdom, taught at a variety of institutions in the United States, and held an administrative post at Stanford University.



Professor **Turgut Tümer** is the President of the Northern Cyprus Campus of the Middle East Technical University (METU) and a professor of Mechanical Engineering. During his academic career, he published actively in his main research fields of biomechanics, machine dynamics, and weaving machinery, and conducted various research and industrial projects. He has been teaching in Turkey and Saudi Arabia, among others at METU where he received three awards for his teaching and thesis supervision activities.

In addition to his academic functions, Professor Tümer has held different high-level posts in the field of higher education governance and management. These include being a Member of the Faculty of Engineering Steering Board at METU, an Advisor at the Turkish Higher Education Council (YÖK), and the Associate Vice-President of the Scientific and Technical Research Council of Turkey (TUBITAK), where he had a leading role in the Vision 2023 Project designing the science and technology policy of Turkey. Having obtained a first degree from the Middle East Technical University in Ankara, Turkey, he received his Master's degree and his PhD in Textile Technology from the Institute of Science and Technology (UMIST) at the University of Manchester in the United Kingdom.



Professor **Hans Vossensteyn** is Director and Senior Research Associate of the Center for Higher Education Policy Studies (CHEPS) at the University of Twente, Enschede, Netherlands, and Professor and Program Leader of the MBA Higher Education and Research Management at the Osnabrück University of Applied Sciences, Germany. In his mainly international comparative quantitative and qualitative research, he has concerned himself with various higher-education-related topics, including institutional policy and strategic management.

Having joined CHEPS as a Senior Research Associate in 1991, he was seconded as an External Advisor to the Dutch Ministry of Education, Culture and Science, The Hague, from 1998 to 1999. Professor Vossensteyn serves on various advisory boards and strategic committees, including the Committee on the Future Sustainability of Dutch Higher Education and the editorial boards of several journals. He is a frequent speaker at international conferences and engaged in a range of international consultancies. He holds a Master's degree in Public Administration and a PhD in Higher Education, both from the University of Twente.



Professor **Frank Ziegele** is the Executive Director of the Centre for Higher Education in Gütersloh and Professor of Higher Education and Research Management at the Osnabrück University of Applied Sciences, both in Germany. In Osnabrück, he is in charge of the MBA Higher Education and Research Management and of the Erasmus Mundus Master in Research and Innovation in Higher Education. In his work on higher education he covers a wide range of topics, among them higher education funding, governance, and controlling.

An economist by training, Professor Ziegele gained his PhD from the Ruhr University Bochum, Germany, with a thesis on “Universities and Financial Autonomy.” He worked as a research assistant at the Chair of Public Finance in Bochum, held various lecturer posts in Germany and Austria, and is co-editor of a journal on higher education and research management. He held several board positions, including on the board of the German Society for Higher Education Research, and worked as researcher, consultant, and trainer in the field of higher education policy and management for almost 25 years. Professor Ziegele has extensive experience in international higher education development, among others, via his leading involvement in the development of the multidimensional ranking U-Multirank and his various consultancies for the World Bank.

## Annex 5: List of Workshop Participants

Name	Surname	Institution
MOHAMMAD	SHIKAKHWA	MIDDLE EAST TECHNICAL UNIVERSITY
S.TURGUT	TÜMER	MIDDLE EAST TECHNICAL UNIVERSITY
ALI	YILDIRIM	MIDDLE EAST TECHNICAL UNIVERSITY
HASAN C.	ENGELKIRAN	TURKISH CYPRIOT CHAMBER OF COMMERCE
AHMET	PEHLIVAN	YODAK
MUSTAFA	KURT	NEAR EAST UNIVERSITY
NEZAKET	DOGAN	BRITISH UNIVERSITY OF NICOSIA
OZGE	GUNER	INTERN-EUCC
AYKUT	HOCANIN	EASTERN MEDITERRANEAN UNIVERSITY
OZGUR	ALDEMIR PASTIRMACIOGLU	“STATE PLANNING ORGANISATION”
BAHADIR	MAHMUTOGLU	TURKISH CYPRIOT CHAMBER OF SHOPKEEPERS AND ARTISANS
DUDU	OZKAN YAVUZ	NEAR EAST UNIVERSITY
UTKU	ALTINKALEM	“MINISTRY” OF EDUCATION
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BERNA	BERBEROGLU	EUROPEAN COMMISSION
MEHMETALI	EGEMEN	EUROPEAN UNIVERSITY OF LEFKE
SADIK	ULKER	EUROPEAN UNIVERSITY OF LEFKE
DUR SUN	KOC	ISTANBUL TECHNICAL UNIVERSITY
ESER	GEMIKONAKLI	KYRENIA UNIVERSITY
NECDET	OSAM	EASTERN MEDITERRANEAN UNIVERSITY
AHMET	SOZEN	EASTERN MEDITERRANEAN UNIVERSITY
ORHAN	KORHAN	EASTERN MEDITERRANEAN UNIVERSITY
CAHIT	EZEL	EASTERN MEDITERRANEAN UNIVERSITY
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