

**National Report
on the Implementation of the Objectives of the Bologna Declaration
in Hungary**

Budapest, July 2003

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Introduction

One of the greatest challenges to Hungarian higher education that is of strategic importance is the active participation in the formation of the European Area of Higher Education. In the past period and especially since the signing of the Prague Declaration several measures have been taken at governmental level, and at the level of the bodies representing the field and the institutes of higher education to ensure that Hungarian higher education fulfils its requirements. As a further step in the modernisation process and structural reforms that have taken place in Hungarian higher education the Ministry of Education plans comprehensive legislation at the beginning of next year in order to give authority for the suitable transformation of the educational structure, the more rational and efficient distribution of state resources, the support of excellence, the expansion of university autonomy and the formation of institutional structures more suited to the new requirements. Concept formulation for the act has been completed in June 2003.

In the preparation process that has accelerated last year the national bodies of higher education have played an active part – among them the Hungarian Rectors' Conference (MRK), the of College Directors' Conference (FFK), the Higher Education and Scientific Council (FTT) and the Hungarian Accreditation Committee (MAB). With the participation of the above bodies and the Ministry of Education (OM) the National Bologna Committee was formed in autumn 2002. The higher education section of the Ministry of Education provides information on the main steps of the process on a separate web page. In the past months several studies, background materials have been prepared to analyse the process, several meetings have been assigned to the discussion of the changes connected to participation. The following report was prepared with the involvement of all the bodies concerned.

I. Hungarian higher education in the past decade

One of the most important characteristics of Hungarian higher education is the dramatic increase in the number of young people wishing to study. In 2001 – with 125 thousand 18-year old students - 149 thousand people, in 2002 165 thousand people have applied to higher education institutions. Between 1998 and 2002 the number of students increased significantly, by more than 30%.

One of the strengths of Hungarian higher education – despite becoming massive - is the more or less preserved high standards. The internationally recognised and accepted professor board is significant. Our students stand their place during the – unfortunately still relatively rare – international studies. The institutional system despite all its flaws and lacks has been established. The integrated higher education institutions that were formed as a result of the 2000 Higher Education Act are capable of carrying out the targeted multi-cycle education. The institutions that have to provide all those involved in higher education with the right of democratic participation in all matters of the sphere now exist and are operational.

The higher education institutions established the Hungarian Rectors' Conference and the College Directors' Conference that play an active role in the life of relevant European organisations.

The Hungarian Accreditation Committee has made a lot of efforts towards the aims of the Bologna Process. The bodies of student government are part of the higher education institutions' councils and they formed their own national organisation as well.

One of the weaknesses of higher education in Hungary is that likewise the whole Hungarian educational system it does not contribute sufficiently to an adequate balance in socially equal opportunities, neither to the strengthening of social cohesion (this lack is particularly transparent in the ratio of the participation of the total Roma population in higher education).

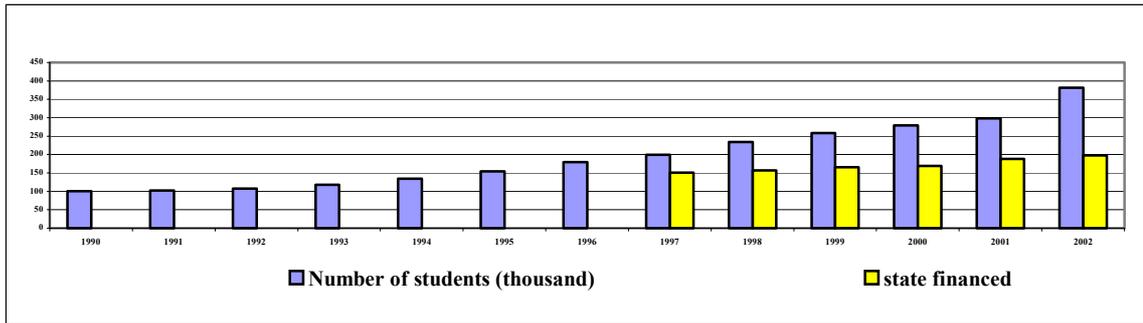
Among the problems to be solved the inadequate internal management structure of some higher education institutions, the often chaotic state of academic and financial management, the sometimes bureaucratic style of the central management – partly due to the current ownership and responsibility relations – along with the problems of financing must be mentioned. In this regard the Hungarian Higher Education Act that is currently in force defines the legal framework for an already modified system of financing, which can be viewed as a step forward. The normative financing of the institutions established the base of a system of more transparent, output oriented and calculable budget distribution. The aim of the new system was to be able to follow the changing social demands in the structure of education. However, the ratio of faculties and students studying at the faculties reflects the structure of the first years after the change of the regime. The present government wishes to change the old infrastructure of higher education and plans to raise the low salaries of lecturers.

The structural and organisational changes will provide an opportunity to benefit from Hungary's accession to the European Union. We would also like to keep the best students in their home country rather than letting them go abroad for a long period or for a lifetime.

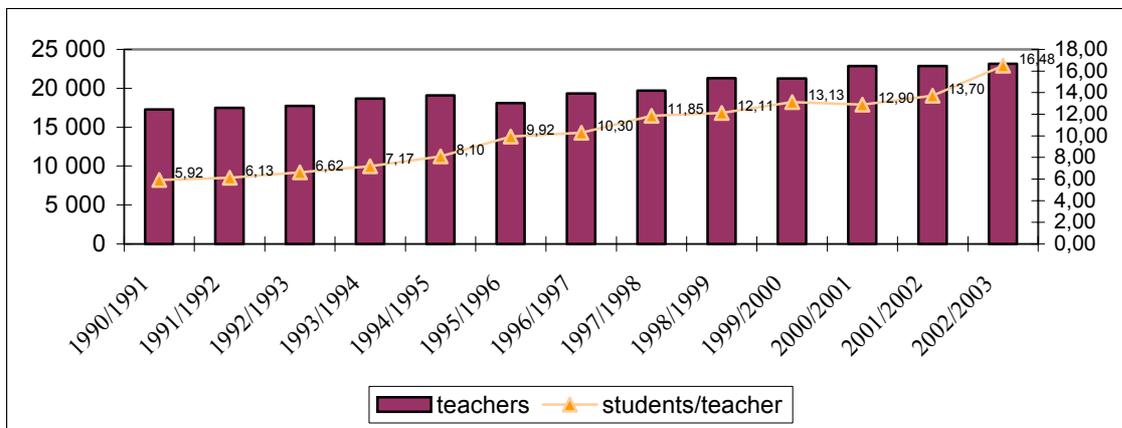
By reconsidering state involvement, state interference and structural change Hungarian higher education can fulfil its fundamental task and can promote the formation of a modern, successful Hungary.

Student and lecturer numbers between 1990 and 2002

Between 1990 and 2002 the number of students in higher education has increased from 101,000 to 382,500, which is almost fourfold. Between 1990 and 2002 the number of lecturers has increased from 16,319 persons to 23,151 persons, by 42 %. Comparing these two data it is apparent that the number of students per lecturer has increased from 6.2 persons to 16.5 persons. This ratio corresponds to the similar figures of the EU.



The total number of students and the number of state financed students between 1990 and 2002



The number of students per lecturer between 1990 and 2002

The Course Structure

As regards the distribution of students Hungarian higher education has a dual structure. In the case of full-time students the ratio of the separated college and university programmes has remained almost constant, approximately 50-50 %. The number of students in tertiary vocational training is expanding (in 2002/3 it was almost 1.5% of the total number of students). The ratio of students in the PhD schools operating in the frame of postgraduate education is similar. This institution of scholar and lecturer supply operates at each of our universities (the number of PhD students is approximately 7500, almost 2% of the total number student population). Along with the strong increase in the number of students and the realisation of the importance of lifelong learning the distribution of students between the different faculties has changed considerably. The ratio of students at evening and correspondence courses and distance learning programmes has increased strongly: The ratio of the students in these three categories was 28% of the total number of students in the academic year of 1990/91, and 47% of the admitted students in 2001. In the last category the number of students studying for a college degree is considerably higher than the number of students studying for a university degree.

Institutional Network

The Act 80/1993 on Higher Education – amended several times – grants the autonomy of higher education institutions as included in the Magna Charta of European universities. In the summer of 1999 the Parliament almost unanimously passed a bill to form the new higher education institution network of Hungary; after this on January 1st, 2000 new

institutions with several faculties were formed. The establishment of regional intellectual centres started. Considering the complete institutional system of Hungarian higher education in 2003 18 state owned universities and 12 state owned colleges are operational and the group of non-state owned higher education institutes contains 5 church-owned universities and 21 church-owned colleges, 1 public foundation university and 9 foundation colleges. The central decision to submit institution development plans was an important step resulting in the structured and complex planning of the whole higher education system. The compulsory preparation of such plans made it possible that the newly integrated institutions of higher education formulate their development objectives in a complex way, mark the way of fulfilling those objectives to be able to apply for development resources.

As a result of the dynamic increase of student numbers dormitories are not available in adequate number and quality. At the same time the strict budget does not allow for a vast state participation in the solution of this problem. The government has passed a decision that by the end of the governmental period, 2006 10,000 new student dormitory accommodations must be created, opening up ways for the institutions to involve private sources.

Quality Development in Higher Education

In the last decade one of the most important steps of (higher) education policy in the area of quality management policy was the establishment of the Hungarian Accreditation Committee (MAB). The governmental decree on the operation of MAB and the basic regulations of accreditation procedures regulates program (graduate studies, professional further education, tertiary vocational training, PhD training) and institutional accreditation activities in higher education. MAB is an active member of ENQA.

In every higher education institution the introduction of quality management/improvement systems comprising every area of activity of the institution is compulsory. The higher education quality management policy is determined by the Ministry of Education, the introduction of the quality management systems is an institutional task, and the accreditation of these systems will be carried out by the MAB. Quality assessment is the task of the market participants. Besides the application of self-evaluation models forming the base of quality prize-type systems primarily higher education institutions involved in technical education use as a basis for their accreditation international quality management standards.

Support for higher education of Hungarian Minorities living beyond the Hungarian borders

It is a special challenge for Hungarian higher education (though not a unique problem in Europe) to participate in the support and maintenance of the intellectuals of the Hungarian population (approximately 3million) living beyond the Hungarian borders. There is a significant number of Hungarian minorities living in Romania, Slovakia, Serbia-Montenegro and in Ukraine.

There were 36.063 students of Hungarian nationality from these countries studying in higher education institutions either in their home countries or in Hungary in 2001-2002. 82 % of them completed their higher education studies in their home countries. 68 % of these students studied in the official language of their home countries, this is the reason why the Hungarian government puts special emphasis on the development of higher education of Hungarian minorities living beyond the Hungarian borders.

The most important task is to harmonise the system of support of Hungarian minorities living beyond the Hungarian borders with the European norms. In order to develop higher education in Hungarian language of the accession countries and non-accession countries (Ukraine and Serbia-Montenegro) a different strategy needs to be formed in the frame of harmonisation.

The convergence in the qualification structure can give the answer to a lot of problems in those countries that signed the Bologna Declaration:

- The introduction of two-cycle structure can largely contribute to the transparency of studies and to the mutual recognition of period of studies, degrees and professional qualifications.
- The introduction of an ECTS based system of credit can facilitate student mobility and the recognition of period of studies pursued in Hungary in the home institutions. The credit system has already been introduced in many neighbouring countries (e.g. Romania, Slovakia). In the near future – the more and more common inter-university co-operations will enable the institutions to accept periods of studies completed in Hungary calculated in ECTS.
- The harmonization of course structure the mutual recognition of qualifications and further co-operation based on comparable criteria and methods can facilitate in the field of quality assurance the home recognition of faculties of Hungarian universities operating in the countries beyond the Hungarian border.

The Hungarian Ministry of Education supports periods of studies for minority students coming from countries beyond the Hungarian border. In order to facilitate the adaptation of students having completed their studies in Hungary, the Ministry of Education provides a grant of returning obtainable through application. The Ministry's aim is to support further education and after-growth of the qualified intellectuals who decide to return to their home countries. Similarly the Ministry contributes to the expenses of returning and finding a job for the students who completed their doctoral studies or obtained their PhD in Hungary.

II. Steps taken towards joining the Unified European Area of Higher Education - further challenges

The two-cycle system

Already in 1995 in its resolution on the higher education development strategy the Hungarian Parliament set the implementation of a flexible system of cyclic education as a goal, where each cycle is built on each other and several outputs can be provided. Our objective is to establish a course structure that will respond to the changing demands of the labour market, meet social expectations and follow the principles of the Bologna process. In order to achieve this goal the present dual educational system (colleges and universities existing side by side) should be gradually dissolved and a sequence of Bachelor and Masters Degrees built on each other should be created. (PhD education has been operating for several years now). Another further goal is to bring the course structure closer to the programmes of the Bologna Declaration signatory countries and to consider the experiences of the European joint programs in developing the new structure while preserving the national characteristics at the same time. According to the plans by September 2006 only the new type of first cycle programs should be launched in Hungarian higher education institutions. In order to establish the legal framework preparations for a new, comprehensive higher education act have started, with the following principal objectives:

- Two-cycle system: (three with doctoral studies) an undergraduate cycle (Bachelor) containing approx. 180 credits (at least 3 years) leading to a degree and a professional qualification in every field of study. The successful completion of the 1st cycle is a prerequisite of applying for entering the 2nd cycle (Master). The number of the areas of study (inputs) is likely to be set at 20-25 while the number of the branches of study (outputs) would be 60-80 due to further specialisation. Higher education vocational (short cycle) programmes will not lead to a degree, a diploma can be earned by gaining 120 credits that can be partially transferred into the Bachelor degree to an extent defined by the institutions. By completing the vocational course one can enter the labour market or can enter the 1st cycle by transferring credits of former studies.

- The “Master” level of approx. 120 credits (2 years) that can be entered after completion of 1st cycle studies will be taught in branches of studies. Having successfully completed Master studies a degree and a professional qualification can be obtained and doctoral studies (3rd cycle) can be pursued.
- Doctoral studies (3rd cycle) of approx. 180 credits operating in branches of studies means a 3-year taught doctoral program. The output can be either a scientific dissertation or a work of art that is to be defended before a professional body.
- Higher education will become an organic part of adult education based on the mutual transfer of credits as a large part of the age cohort will gain higher education qualification and lifelong learning will become accentual.
- Access to higher education (with institutional constraints) in 1st cycle studies for all having passed a secondary maturity examination (the current entrance examination procedure will cease to exist from 2005 due to the modification of the Public Education Act).
- A new, national qualification framework describing a much more flexible system based on three cycles along with competence based qualification requirements will be designed and set by law. Further increase is planned in the number of students in higher education vocational programmes and in doctoral education

Teacher education with a revised content and structure will become part of the new qualification structure.

The system of accreditation will be modified by separating the classical accreditation (recognition) on the one hand and quality assessment and quality assurance on the other involving the final beneficiaries in the process.

Over the past few months a vast national discussion has started with the representatives of different professional fields on the basic characteristics of future higher education programs also studying the results and experiences of international joint development programs.

The Hungarian Rectors’ Conference and the College Directors’ Conference each established their own Bologna Committee that have prepared various analyses and recommendations on the possibilities of introducing the multi-cycle system in Hungary. The committees drafted recommendations on decreasing undergraduate programmes and on the harmonisation of qualification requirements with a linear course structure.

The Bologna Committee of the Hungarian Accreditation Committee has already elaborated recommendations on the accreditation of the new qualification requirements.

Several of our higher education institutions have applied for participating in European mobility and other joint development programs (Tuning Program, Phase II.), in other areas the preparation of experimental programs of a new structure and context has been started.

This year’s modification of the Hungarian Higher Education Act provides the possibility for higher education institutions to launch experimental first-degree programmes in some fields of study. The basic criteria are that those programmes should follow patterns that are in line with the requirements of the Bologna process. Next year we plan to launch special development programs for supporting the modification of degree structures. We would like to prepare the whole society, particularly secondary school children before they leave school for the possible changes in their career paths arising from the new qualification structure. We are also planning information campaigns on the new possibilities and study requirements, the conditions for studying and for obtaining a degree. At the same time the Ministry has made arrangements to launch a new dialogue with employers’ organizations on the new degree structures and professional qualifications in order to promote a positive response particularly to the new first cycle professional qualifications.

The Credit System

The decree of the Hungarian government decided on the establishment of a credit system in higher education in April 1998. The aim of the decree was to extend support to curriculum modernisation as part of student mobility and educational reform. The task is the

introduction of the credit system in the state institutions and institutions recognized by the state from September 2003.

The present task is to support the successful introduction and adjusting of the credit system in the institutions. The credit system was introduced in approximately 50% of the institutions already in September 2002, other institutions are ready to start its application in September 2003. Adequate preparation is ensured by the activity of the National Credit Council and the Credit Office established in the past few years. According to set guidelines a software was developed by the Ministry of Education to keep record of the personal and educational data of the students. The software was free of charge to the registrar's departments.

The Ministry regards the professional and technological support of the institutions as a primary task in order to ensure the introduction of the credit system as successfully as possible. To this end the Ministry organises problem-solving workshops for the institutions of the regions. The transformation of the qualification requirements in the spirit of flexibility towards the individual study plans of students on the basis of cumulative credits is also an important task.

Government Decree 77/2002 defines the requirements for each group of related degree programs. The requirements harmonise the credits laid down in the Credit Decree with the compulsory credits for obtaining a degree in each group.

- the credits of the main study fields and the ratio of all credits compared to the credits to be obtained
- the ratio of the credits to be obtained for the compulsory subjects , for subjects that can be chosen but compulsory and subjects that can be freely chosen
- the credits of practical training
- the credits put to the common phase of the group of related degree programs
- the minimum and maximum credits of material that can be requested during the comprehensive examination
- the requirements of the language examination to be obtained in order to pass the final examination

The creation of the necessary information technology capacities, the installation and adjustment of the student record software in the institutions and the professional preparation of the registrar's office and department personnel assigned for student consulting within the frame of the credit system are on the way.

With regard to the relatively low student mobility in Hungary, the use of ECTS is not introduced in every higher education institution. Our intention is to increase international mobility of students in the following years, which is facilitated by Hungary's near accession to the European Union and the spreading institutional use of the ECTS.

Lifelong Learning and Adult Education in Higher Education

In graduate studies the number of those receiving a second diploma after the first degree or diploma increases. The career tracing of the students after receiving their first diploma showed that even one year after graduation the number of those starting studies to receive a second diploma is significant.

The Adult Act entered into force in 2001 (Act CI /2001). The Adult Act creates new opportunities in the field of adult education. The Act provides for the accreditation adult programmes obligatory which facilitates adequate quality assurance. In order to further support of lifelong learning, since January 2002 a significant amount of annual tax has been available for all those participate in accredited lifelong learning programmes. In order to strengthen equal opportunities a new regulation of secondary maturity examination will be introduced by 2005. The entrance examination of higher education institutions will be replaced by the secondary maturity examination.

- *Obtaining a second qualification*

The Adult Act from the point of view of financing regards the educational people aiming at obtaining a second qualification as an adult education activity.

The additional degree or diploma is not financed by the state but mostly by the employers or the employer and the employee jointly; however the students receive tax allowance.

- *Further vocational training*

The system of further vocational education is one of the most important innovations of Hungarian higher education regarding lifelong learning. In Hungarian higher education several hundreds of accredited programs exist that those possessing at least a college degree can select from throughout their life. These programs generally last for 1-2 years including specialised, practice-oriented and competence based courses.

The education is financed mainly by employers therefore employer needs play an increasing role in the formation of these programs.

- *Vocational training in higher education*

According to the present Higher Education Act and to the government decree regulating vocational training higher education institutions can organise vocational trainings figuring in the National Qualifications Register and they can issue certificates.

Higher education vocational training has a growing importance. It strengthens the relations between education and the participants of economy, at the same time it creates direct co-operation between higher education institutions and vocational secondary schools. There are 260 institutions participating in the operation of higher education vocational training among which 216 secondary schools.

Higher education vocational training is popular in the neighbouring countries, it contributes to increase mobility in Hungary.

- *Part-time studies, distance learning*

The proportion of participants in part-time studies and distance learning has been increasing for some years. The accreditation of distance learning is regulated in order to assure the quality of this type of training.

- *Extension of the system of vocational training contribution to higher education*

An important part of financing lifelong learning is the possibility that economic organisations are legally given the right to spend 1.5% of their gross salary called "vocational training contribution" on higher education.

Quality Management in Higher Education

The accreditation of higher education institutions and the programs launched by them was initiated by the higher education sector and was codified by the Higher Education Act of 1993. The practice of accreditation in Hungary resulted in a serviceable accreditation model and a body functioning at a high standard. The activity of the Hungarian Accreditation Committee is not closely related with quality assurance nevertheless the body serves as guardian of the quality of Hungarian higher education.

The implementation of institutional quality management is part of the institutional autonomy. The Ministry of Education has elaborated a three-level model, as a recommendation, for the sector, with its highest level being the total quality management. An important feature of the model is that it can be tailored to the institutions' endowments and organizational culture as regards the method and pace of implementation. The aim of the recommendation is to make higher education institutions capable to provide a high level of education, training and services. Quality assurance systems based on international standards, if adapted to higher education, can also be interpreted within the frameworks of this sectoral model.

The most important tasks to be implemented include the elaboration of a self-evaluation system for higher education (based on the model of European Quality Award). Elaborating and operating this system makes possible to spread the practice of self-evaluation in the Hungarian higher education. This model is used throughout Europe, thus can serve as a base for comparison. As this method is based on the involvement of higher education staff, the organization as a whole can become acquainted with the essence and importance of quality management.

Mutual Recognition of Diplomas

European mobility has been increasing due to the 1989 political changes and the opening of the borders. Consequently, a growing number of people in Hungary ask for recognition of their degrees and professional qualifications obtained abroad.

The Hungarian Equivalence and Information Centre was established in 1993; its primary task is the recognition of certificates certifying foreign qualification and the aiding of the increase of student and lecturer mobility. The Centre has been member of the NARIC (National Academic Recognition and Information Centres) network since 1997 established upon - the initiative of the European Committee The HEIC was an active participant in the development of the Diploma Supplement and contributed to its introduction in Hungary by promoting this European initiative. The valid Higher Education Act makes it possible for higher education institutions to issue a diploma supplement in a foreign language to their students when there is such a request.

In 1997 Hungary signed the Lisbon Convention on the recognition of higher educational degrees and diplomas in the European region. The agreement was announced and made an organic part of the Hungarian legal documentation in Act 99 of 2001.

The commitment to fulfil legal harmonisation tasks arising from accession to the EU necessitated the regulation of recognition issues. The Parliament passed Act 100 of 2001 on the recognition of foreign advance reports and diplomas in December 2001 (Recognition Act) whose regulations became effective on January 1st, 2002.

The Act of Recognition regulates the recognition of degrees and professional qualifications obtained abroad in full harmony with the terminology of the Lisbon Recognition Convention.

The Act accepts secondary education reports received abroad justifying the completion of at least 11 grades as an entry requirement into higher education provided that the certificate entitles the owner to higher education in the given country. Its regulations also include the recognition of partial studies and the acknowledgement of the certificates of refugees.

In case the certificate does not meet the above requirements, the "fundamental difference" articulated in Article I/IV of the Lisbon Recognition Convention can be found between Hungarian secondary school maturity exam and the certificate obtained abroad. Therefore entrance to higher education in Hungary can be refused. The force of the Act covers the recognition of all elementary, secondary and higher education degrees and qualifications and scientific degrees issued either in the European Union or outside the Community.

The Act of Recognition regulates the recognition of periods of studies and the qualifications of refugees as well.

The third part of the Act, which regulates the recognition of diplomas justifying the education received in some member countries of the European Union becomes effective on the same day as the Treaty of Accession. Due to the above two statutes and the established ENIC/NARIC office the legal and organisational frames of the proper recognition of advance reports and certificates in Hungary are completely operational.

Diploma Supplement

The transparent and transferable training system requires both in the national and international practice that the higher education act contains a provision about the institutions' obligation to issue the Diploma Supplement. On June 17, 2003, the Parliament adopted a proposal on the amendment of the higher education act, which regulates the conditions for issuing the Diploma Supplement.

In pursuance of the law, the higher education institution must, upon the student's request, issue a Hungarian-language Diploma Supplement designed according to European Commission and European Council guidelines. Upon the student's request, and at the student's expense, the Diploma Supplement must be also issued in English.

For the time being, the Diploma Supplement is issued on an experimental basis by one Hungarian higher education institution, the Trade, Catering and Tourism College Faculty of the Budapest College of Economics.

Joining the European Research Area

The realisation of the European Research Area (EKT), an initiative passed by the Lisbon session of the European Committee in 2000 is a key element of the European research and development policy. By 2010 Europe should become the most competitive knowledge-governed economy. The joining of Hungary into the research and development policy efforts of the EU has been realised in the following fields:

- We entered the work of the scientific and technology policy meetings of the EU, our priorities in the forming of scientific and technology policy (joining the Council of Competitiveness, assuring the representation of scientific and technology diplomacy, participation on different levels in committees and forums)
- The objectives of the European Research Area, the priorities of research and innovation appear in the National Development Plan (we developed our national innovation system by applying best practices of EU countries)
- We participate successfully in the 6th Framework programme for European Research and Technological Development.
- The placement in the governmental structure the functions of governing and execution of scientific and technology policy decisions in a way to strengthen the principles of PPP and international relations.

The competitiveness of Hungary in the EU must be based on a research, development and innovation activity built on strong and balanced knowledge base, the partnership of research and development and the financial sector and innovative company engagement. The tool for joining the European Research Area is the elaboration of legal framework helping the effective operation, security and co-ordination of the national innovation system. The act under preparation can contribute to the fulfilment of the basic objectives of the EU in the following ways:

- It helps in increasing the research and development expenditure of the national economy gradually approaching the objectives set in the European Union-
- It represents the interests of national research, development and innovation in the international organisations especially in the research and technology development frame programs of the European Union and in the formation of the European Research Area-
- It helps in the development of the human resources of research, development and innovation, in the mobility required for the operation of the national innovation system, develops the operative and executive organs of science and technology

policy and creates new opportunities for the co-operation between publicly financed and non profit research labs and the financial sector.

Mobility

Promoting the development of various arrangements for financial support for mobility, and in particular:

- the portability of grants and national aids to another country,
- the facilitation of the transfer of grants to a foreign country,
- the better utilisation of national auxiliary resources.

In addition to the general practice of funding mobility actions the following measures were taken in the period under review:

Hungarians show great interest in pursuing studies abroad by means of scholarships, therefore additional national resources must be mobilised in addition to the community support to assist the increasing number of scholarship holders. In addition to the basic Erasmus scholarship, the Government has provided the following auxiliary support to those leaving Hungary in the context of the Erasmus students' mobility projects: Additional support for socially disadvantaged grantees of the Erasmus programme: Since the 2001-2002 academic year, the Ministry of Education has provided additional support for social purposes so that talented but socially disadvantaged students be not excluded from the Erasmus programme. Students are free to use the additional support during their stay abroad to cover any expenses necessary for their studies. The appropriation for the support is defined in the annual budget of the Ministry of Education, its order of magnitude being HUF 100-150 million (EUR 400-600 thousand) a year. This allows for additional support to about 1000 students a year. The additional support is granted via application, on the basis of the income of the student's family. An essential condition is that the total amount of the basic Erasmus grant and of the additional support cannot exceed EUR500 a month.

Grant supplement for Erasmus students pursuing studies related to the special field of IT: In the 2001-2002 academic year, the government body in charge of IT gave grant supplements to Erasmus students who were pursuing their studies in special fields related to information technologies. The support was aimed at helping students realise their work plan submitted and approved in advance. Students were free to use the grant supplement during their stay abroad for anything they find necessary for the implementation of their work project. The total appropriation is HUF 23 million, which allowed supporting 80 students. The supplement was granted via applications. The supplement's amount, together with the ERASMUS grant, did not exceed EUR500.

Erasmus students were also given the opportunity to use the student loan disbursed in Hungary for the completion of their studies pursued in a foreign country, during their stay in said country.

For the 2003 round of the Leonardo da Vinci programme, the Ministry of Education earmarked an amount of HUF 105.000.000 (about EUR 420.000) for additional support from the development and training part of the Labour Market Fund, in order to increase the number of beneficiaries in the mobility projects. The additional support is intended to ensure, from national resources, increased participation of beneficiaries in transnational placements and exchange programmes in the context of Leonardo mobility projects. The additional support could be given to projects that are already granted Leonardo support involving young people undergoing initial vocational training and university students as well as teachers and trainers. The additional support, which totalled HUF 105 million (around EUR 420,000), provided for the support of nearly 300 students and teachers. The additional support was granted upon the same process as the Leonardo support.

Upon the initiative of the Norwegian Leonardo National Agency, from 2002 on the support from the Norwegian Ministry of Education and Research opened the possibility to run bilateral, exchange-based mobility projects between the establishments of Norway and those of the twelve candidate countries, including Hungary. The exchange programme Linking Up is designed to enable the institutions of non-EU countries to participate in bilateral vocational co-operations (the projects implemented in the context of the Community's vocational training programme, i.e. the Leonardo da Vinci programme, require the participation of at least one institution from an EU member state).

In December 2002, the Hungarian Ministry of Education was the first from the associate members to assign HUF 12.5 million (around EUR 50,000) to support the participation of Hungarian establishments in Norwegian-Hungarian exchange projects. The support is designed to cover the costs of project administration and the participants' travel expenses. The costs of cultural and linguistic preparation and subsistence in Norway are covered from Norwegian resources.

The programme is open to vocational training establishments, training centres, companies, higher education institutions and other institutions involved in vocational training that intend to realise transnational placements for young people undergoing initial vocational training, higher education students, young workers and recent graduates, as well as to the exchange of experience of teachers in Norway.

National complementary funds:

Socrates/ Leonardo	151,5 M HUF
CEEPUS	21,5 M HUF
<u>ESF</u>	<u>55,0 M HUF</u>
Total:	228,0 M HUF

The Balassi Bálint Institute has worked out a special programme for scholarship holders (foreign nationals or ethnic Hungarians) coming to Hungary to participate in a Hungarian studies placement programme.

In addition the institute runs Hungarian language courses and Hungarian language and culture courses for those interested.

In order to facilitate the adaptation of non-Hungarian speaking youth that opt to study in Hungary, the institute organises one-year preparatory courses, where in the first semester the students are primarily taught Hungarian, and then subjects required by the university are gradually integrated in the curriculum. The students take a final exam at the end of the academic year, which substitutes the entrance exam at most higher education institutions. A similar preparatory course for university studies is also run for ethnic Hungarians residing beyond the Hungarian borders, with the aim to prepare scholarship holding or fee-paying ethnic Hungarian students for higher educational studies at Hungarian universities or colleges

The institute also runs further training courses for teachers. The institute teaches the general and special skills of teaching Hungarian as a foreign language within the framework of practical teacher training.

The Leonardo mobility projects lay especially great emphasis on preparatory programmes organised before transnational placements. The programme provides separate resources for this activity. The sending or the host establishments organise linguistic, technical language, cultural, professional and psychological preparatory programmes prior to the start of mobility projects.

In the Erasmus programme, students coming to Hungary may separately apply to participate in a 1 or 2 month intensive language course organised by the host institution before they start their placement in Hungary. The preparatory course is designed to make students acquainted with the basics of the Hungarian language, and facilitate their adaptation to the new environment while they stay in Hungary. 50 foreign students attend the intensive language preparatory courses organised in Hungary each year.

World Language Program

In 2002 the Ministry of Education worked out its comprehensive language teaching policy strategy named "World – Language", which fills a gap that had existed for several decades, and thus may effectively enable language teaching in Hungary to become a standard and efficient system. The strategy aims to bring Hungary up to the level of European countries whose citizens speak foreign languages.

The tender program linked to the strategy supports the widening of language teachers' language and methodology abilities by initiating new components in initial and further teacher training. It helps higher education students of languages to go abroad and further develop their language abilities. The World Language Program will highly contribute to increasing mobility by overcoming language difficulties.

Participation of handicapped students in the Erasmus program

In 2002 a supplementary tender was announced for handicapped students and students with serious illness within the frame of the Socrates program. The tender received a total of ten applications; each of these received aid. In the academic year of 2002/2003 the students in concern received supplementary aid to their Erasmus student scholarship, which helped them with covering the costs arising abroad that were considerably higher or of different nature than their costs at home.

Teachers' Mobility

In the field of teachers' mobility the number of foreign trips has increased continuously since 2000/2001, when the European Committee placed realisation into a national framework. In the academic year of 2002/2003 a total of 186,139 euro is available from Erasmus sources to individual lecturer trips organised by institutions.

CEEPUS Program

The organisation of summer universities is supported by several organisations that invite mobility applications.

The CEEPUS¹ programme supports summer universities organised by the member institutions of any CEEPUS network. These summer universities provide opportunities for the students and teachers of partner establishments of the network (or, in certain cases, for so called free mover students and teachers applying from institutions outside the network) to acquire knowledge in a subject related to the work of the network within the framework of a minimum 10 day or 60 hour course.

The Hungarian Scholarship Board supports the organisation of summer universities on Hungarian culture and civilisation. The partner countries send students to these summer universities through application, on the basis of quotes specified in bilateral international agreements.

Student Participation

In Hungary the Higher Education Act and the act on institutional integration determine student participation in higher education decision-making. The basis of the participation of students in decision-making is granted: The students of the institutions delegate their representatives into the faculty and university councils, the principal decision making bodies of the institutions, in a democratic way. 25-33% of the voting members of these bodies must come from students. The type of the election (direct or indirect) is determined by the regulations of the institutions. The students of the institution are members of the student self-government of the institution. Through election they can delegate representatives into the institutional and faculty councils, can participate in the work of admission committees; they

form opinion on lecturers' work and participate in the handling of educational, scholarship and support matters of the students.

The national representation of students in higher education institutions is carried out by the National Conference of Student Self Governments (its delegates also participate in the work of the other national bodies of higher education, the work of the Hungarian Accreditation Committee, the Hungarian Scholarship Board, the Higher Education and Scientific Council, the Hungarian Rectors' Conference and the National Bologna Committee).

Development of Information Technology

The most important objectives, whose fulfilment is partly on the way, partly happens in the future are:

The continuation of the establishment of the management information system (VIR) and its subsystems (educational, financial, central), within its framework the establishment of a unified student and lecturer registry, the preparation of a unified requirement specification, the development of the information technology infrastructure of institutions especially through the establishment and expansion of network connections, the further expansion of the student information system through information technology devices, the support of e-learning initiatives of higher education, the support of information technology research and providing access to free computers.

European Studies Programmes

Hungarian universities and colleges established 14 Centres of European Studies in 1996 that research and teach the areas of European integration on a wide scale. Besides they provide opportunities for the acquisition of knowledge on the European Union consisting of compulsory and optional subjects at various levels from undergraduate education to post graduate programmes. Within the frame of professional and further education they provide secondary school teachers, public employees, media experts, business people and lawyers with the opportunity to increase their competence. University lecturers, recognised experts and PhD students participate in their research projects and publish their achievements. Their libraries and information centres help not only the work of the course participants and researchers but in most cases are also open to the public.

Financing Higher Education

Similarly to other European countries along with the planned changes in the qualification structure, the increasing social demands and expectations force Hungarian higher education to reconsider state involvement, the possibility of covering certain expanses from public sources while still fulfilling the commitment to mass and elite education at the same time. With the expending of the resources being slower than the increase in demands the state functions in higher education must be reconsidered. Emphasis must be placed on sector independent customer role to the detriment of service functions. This requires the formation of a new financing methodology. Parallel with this the possibility of the involvement of alternative resources must be widened and institutions must be prepared to be able to make use of such resources. The first step is the gradual introduction of elements of a more entrepreneurial financing system in the currently strict state treasury system:

The objectives of the new strategy under preparation are:

- to provide universities with sufficient public financing giving guarantees for the quality of education at every level and considering budget limitations and democratic (equal) access rights,
- to create a system that makes the accounting of public money transparent,

- to increase the research funding of universities and improve their independent, transparent usage.
- in order to achieve the above to make university management structures capable of reacting to both the variable needs of the given institution and the expectations of the society. This means that effective decision making and advanced administration and financial management capacity are required
- to create incentives for the improvement of the excellence of universities under circumstances that make the combination of autonomy and effective management possible

III. Summary

Universities play a unique, very complex role in the creation and transfer of knowledge indispensable for the development of the society. Every effort is made to enable higher education institutions to play this role in a more effective way, under adequate circumstances.

The development strategy of Hungarian higher education – in harmony with the European tendencies – is aimed at supporting the management of higher education institutions to become more effective; promoting institutional autonomy as well as the introduction of professional methods both in academic and administrative management; at the concentration of resources to support excellence and the regional and research & development role of the institutions, at the improved economic and social utilisation of their achievements and the promotion of closer contact with the players of the economy. Accordingly the new higher education strategy will be submitted to the Government this autumn and relevant legislation will follow in spring 2004

It is our common aim that by the end of the decade a compatible, coherent and competitive European Higher Education and Research Area is formed as the result of the Bologna Process and that higher education becomes an effective tool for strengthening social cohesion.