Strengthening Integrity and Fighting Corruption in Education

SERBIA

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BETTER POLICIES FOR BETTER LIVES

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Foreword

Education matters. Integrity in education matters too – corrupt schools and universities hinder prosperity, cause long-term damage to societies and raise the cost of education at the expense of equity and quality.

Following discussions on the issue, the members of the Steering Group of the OECD Anti-Corruption Network for Eastern Europe and Central Asia requested the OECD to elaborate an evidence-based approach for targeting and eradicating corruption in their education systems. In response, the Directorate for Education developed the Integrity of Education Systems (INTES) methodology – a novel approach to preventing corruption and strengthening integrity in education.

The Republic of Serbia is the first country to request an integrity assessment of its education system. This publication outlines the assessment findings and formulates recommendations for the way forward. The report is a first step towards a broader body of work on the topic which aims to produce a reliable map of the origins of corruption in education, identify effective ways to address them and quantify risk and corruption incidence. The objective is to also raise awareness about the destructive consequences of malpractice and the urgent need to prevent it.

The INTES methodology was developed within the Programme for Co-operation with Non-member Economies of the OECD Directorate for Education by Mihaylo Milovanovitch, in co-operation with Simone Bloem and under the overall supervision of the Head of the Programme, Ian Whitman. The work was carried out in consultation with the Anti-Corruption Division of the OECD Directorate for Financial and Enterprise Affairs and the Public Sector Integrity division of the OECD Directorate for Governance, in partnership with the UNESCO International Institute for Educational Planning and the United Nations Development Programme – Regional Office for Eastern Europe and the Commonwealth of Independent States.

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Acknowledgements

Table of contents

BOXES

FIGURES

TABLES

STRENGTHENING INTEGRITY AND FIGHTING CORRUPTION IN EDUCATION: SERBIA

Acronyms

ACAS   Anti-Corruption Agency of Serbia

ACF   Anti-Corruption Framework

ACN   Anti-Corruption Network for Eastern Europe and Central Asia

ACSNSEE   Anti-Corruption Student Network in South East Europe

CFAQA   Commission for Accreditation and Quality Assurance

CPI   Corruption Perception Index (Transparency International)

DILS   Delivery of Improved Local Services

ECTS   European Credit Transfer and Accumulation System

ESCS   Economic and Socio-Cultural Status (of students participating in PISA)

EIS   Education Information System

ERI SEE   Education Reform Initiative of South East Europe

GCB   Global Corruption Barometer

GRECO   Group of States against Corruption

IIEP   International Institute for Educational Planning

IMF   International Monetary Fund

INTES   Integrity of Education Systems

LSMS   Living Standards Measurement Study

MoES   Ministry of Education and Science

NCHE   National Council of Higher Education

NEC   National Education Council

NQF   National Qualifications Framework

OECD   Organisation for Economic Co-operation and Development

PISA   OECD Programme for International Student Assessment

PPP   Purchasing Power Parity

PRINTS   Preliminary Integrity Scan

RSD   Serbian dinar

RZS   Statistical Office of the Republic of Serbia (*Republicki Zavod za Statistiku*)

SEE   Southeast Europe

TI   Transparency International

UN   United Nations

UNDP   United Nations Development Programme

UNESCO   United Nations Educational, Scientific and Cultural Organization

UNODC   United Nations Office on Drugs and Crime

VET   Vocational Education and Training

ZUOV   Institute for the Promotion of Education (*Zavod za unapredivanje obrazovanja i vaspitanja*)

Executive Summary

This first Integrity of Education Systems (INTES) country assessment was undertaken at the request of the Ministry of Education and Science of Serbia, following presentations of the assessment methodology to the Steering Group of the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN), and discussions with the OECD Secretariat at regional meetings of the Education Reform Initiative of South Eastern Europe, which Serbia is currently chairing.

The objective of the present report is to support the Serbian government in its effort to prevent corruption in education and strengthen the integrity of the sector. The Serbian authorities were quick and efficient in responding to a number of findings in the report. Annex B provides an overview of reforms already undertaken to address them.

THE INTES APPROACH

Corruption is a violation of the law. The most effective prevention measures are those that target the motives of individuals or entities to initiate – or agree to – corrupt transactions and break the law. In education, the perpetrators are seldom criminals. They are mostly regular participants in the system. Their motives to bend or break rules are, often enough, rooted in a perception that education is failing to deliver what is expected, and that bypassing rules is a possible, sometimes even the only available, remedy. Participants in an education system that addresses their needs in the course of its legitimate operation will not have much reason to engage in corruption. Provided there is an effective system of monitoring and control, they will also have little opportunity to do so.

The assessment framework of INTES groups stakeholder expectations into three overall categories – access to education, quality of education, and sound management of staff and resources – and adds capacity for corruption detection and prosecution as a fourth policy aspect. INTES assesses the education system in Serbia in the light of these four dimensions of education and anti-corruption policy, discusses its strengths, and reconstructs key parts of an otherwise hidden landscape of root, systemic causes for corruption risk and incidence.

Wherever applicable, the chapters of this report are divided into sub-sections with analysis of factors contributing to demand for corrupt practices and of factors that hinder detection of malpractice or corruption, with a tentative forecast of corruption incidence for the respective policy area. Chapter 5 contains analysis of detection and prevention capacities, and Chapter 6 contains recommendations and suggestions for follow-up.

POLICY AND INTEGRITY CLIMATE

Serbia is classified as an upper-middle income country. The growth rate of GDP in 2010 in relation to the previous year was 1.0% and the average household budget amounted to RSD 16 114 (USD PPP 409 per month).

In 2010 Serbia ranked 78th of 178 countries on the Transparency International's Corruption Perception Index (CPI). Education was not considered to be among the most corrupt sectors, but corruption within the sector was perceived as very prevalent: at a scale from 1 (lowest) to 5 (highest) Serbia scores 3.6 in the Transparency International's Global Corruption Barometer. The complaints recorded by the Ministry of Education and Science (MoES) in 2011 most frequently targeted university procedures and administration, the central authorities, the school management, and hiring and firing procedures for staff.

Driven by a strong commitment to EU integration, the education authorities have announced and launched numerous reforms to initiate a move from traditional to new approaches to classroom practice and system management, and to address a growing demand for better and equitable education and for university access. The goals of reform are commendable and ambitious, but the OECD assessment team observed that, in several education policy areas, the integrity of the system is being challenged by their fast pace and wide-reaching scope, and by inevitable societal changes. In many cases the traction between reform efforts and the realities of life in schools and universities still appears to be weak or missing.

Change is inevitable, but it takes time. Its careful management over the next years will be crucial for the integrity of the education system, and for the future of education in Serbia overall.

FAIR ACCESS TO EDUCATION

Serbia is confronted with integrity shortcomings in the areas of university admission and academic assessment practice. Both prospective students and faculties have strong, mostly financial incentives to misuse the admission and assessment mechanisms, and there are indications that in these points the system is frequently too weak to resist the pressure. In an undetermined number of cases, rules and regulations are being bypassed for the sake of access to study places, public financial support and progression during studies.

The OECD assessment team recommends increasing the transparency and accountability of assessment procedures; standardising admission to tertiary education; diversifying sources of private investment in the tertiary system; attaching more weight to the socio-economic background of students in the criteria for accessing public support; and improving the academic standards against plagiarism and cheating.

BETTER QUALITY OF EDUCATION

The quality of learning outcomes in pre-university education in Serbia is improving, but is still far from satisfactory. Inefficiencies in learning during regular school hours create a need for remedial lessons and fuel the proliferation of private tutoring as a widespread, commonly accepted solution for difficult subjects, before exam sessions and in preparation of admission exams. Recent household survey data indicate that more than a quarter of Serbian households with children in primary or secondary schooling use the services of at least one private tutor.

Not all private tutoring is illegal or unethical, but its prevalence in Serbia demands urgent attention and well-considered action to prevent existing practices from sliding into a "shadow" system, in which tutoring becomes a pre-condition for passing exams or progressing to higher levels of education. Learners in Serbia often seem to be trapped in a vicious circle of limited learning during regular schooling hours, which creates need for tutoring and stimulates reliance on out-of-school remedial work; this in turn limits the effectiveness of learning in class. The integrity of the system on this point is further jeopardised by the absence of professional codes of conduct (also discussed in the section on staff policies) and by weaknesses in the inspection system; at the time of assessment the inspection system did not have a mandate to monitor the phenomenon or its impact on the quality of regular schooling, and lacks the manpower capacity to do so.

The assessment team recommends further investigating tutoring practices and directing the attention of policy thinking and interventions to questions that really matter: how to motivate students to learn, how to modernise teaching and the curriculum, and how to better connect what is taught in schools with what is required by universities for access to tertiary education. The lack of alignment between these two is another important reason why parents and students turn to private tutoring to fill the gap.

SOUND MANAGEMENT OF STAFF AND RESOURCES

Staff policies

Despite widespread public opinion that teaching is "not what it used to be", teachers, especially good ones, are very well respected and their services sought after. Regularity of salary payments, a degree of security that cannot be found in the private sector, reasonably good vacation breaks, flexibility with working hours and opportunities for supplementing personal income with out-of-school activities, such as private tutoring, make teaching an attractive professional option. Due to cuts in teaching hours and positions, however, obtaining and keeping a job as a teacher is growing increasingly difficult. Complaints about hiring staff and principals are among the most frequent types made to the Ministry of Education and Science.

The integrity of policy and practice in the area of staff policies is weak. Loopholes in the legislation allow for bypassing staff redundancy lists through temporary employment, the current rules make staff and school principals depend on each other for their respective (re)appointments, and there are potential problems with the independence of school boards. The absence of transparent guidelines for hiring and firing staff contributes to a perception among stakeholders that appointments and promotion of teachers and school staff are routinely based on political affiliation or favours, and not (only) on competence.

These shortcomings call for urgent and focused attention to prevent instances of malpractice from being hardened into a public perception of endemic corruption in the education system. The OECD assessment team recommends that the authorities clarify the procedures and criteria for selection of staff and increase the transparency of the recruitment process; mitigate the current mutual dependency circle between principals and school staff by delegating hiring and firing to selection committees; introduce clearer criteria for short-listing jobs; offer redundant teachers a possibility to obtain qualifications in a second teaching subject; and explore possibilities for introducing redeployment schemes.

Management of resources

Many primary and secondary schools in Serbia struggle to cope with tight budgets. Public funding is insufficient and volatile, tradition-bound inefficiencies in the network of schools are fairly resistant to change, there is competition between schools for diminishing numbers of youth which is costly, and the school infrastructure is oversized and old. Funding shortages affect mostly items related to school operation, such as expenses for maintenance, classroom equipment and professional development of teaching staff.

In coping with the combined challenge of heightened needs and lowered means, the school system in Serbia has developed a high level of dependency on private investment, a fair share of which (18%) stems from revenues generated by the schools themselves through economic activities such as renting out-of-school facilities, mostly without legal permission.

The regulatory framework in Serbia needs revising to allow for transparent school operation in the economic domain: financial control over school revenues does not seem robust enough to handle the level of private resources poured into the system, and schools have incentives to under-report revenues. Until the removal of such incentives, and the introduction of adequately functioning financial control mechanisms, the economic activity of schools should be treated as a potential integrity concern.

This report recommends that the authorities determine a list of permissible sources of school revenue and remove the currently existing incentives for under-reporting; consider making principals and school board members accountable under the Law on Public Service; urgently process and register all lease contract requests currently pending with the Republican Directorate for Property; strengthen local capacities for financial control and consider a revision of the current system of distributing equalisation grants to the local administrations.

PREVENTION AND DETECTION

Even the most comprehensive prevention, detection and follow-up mechanisms will have a limited effect if there is no understanding of the underlying causes of corruption in a given sector. The reverse is also true – even after successful elimination of all potential causes, opportunities created by weak monitoring and control will always be an open door to temptation, even in the best of education systems.

The chapter on prevention and detection complements the preceding discussion of factors that fuel corruption demand. It analyses the opportunity dimension of the corruption problem by assessing the capacity of the state and of the education sector to ensure detection, prevention and punishment of malpractice.

The education sector

The current capacity in the education sector for detection and prevention of corruption is low. There are serious gaps in the quality, availability and use of evidence and data, in particular for budgeting purposes, and lack of administrative transparency. The traditionally high fragmentation of the university landscape in Serbia is an impediment to the accountability of faculties *vis-à-vis* authorities and students, and to the transparency of academic and economic practices in the sector. The higher education quality assurance and accreditation system has a comprehensive mandate, but it needs more human resources, and time to gain traction and credibility with stakeholders. The lack of codes of professional conduct for teachers is a concern, despite a solid but somewhat limited (in terms of mandate) system for licensing of teachers. Procurement and textbooks remain areas where opportunities for corruption exist. In the longer run it will be vital that education institutions themselves start to internalise and maintain integrity standards.

Sector relevance of the state-level anti-corruption framework

The section on relevance of state-level prevention and detection mechanisms looks into criminalisation of corruption and the work of specialised bodies and mechanisms such as the National Anti-Corruption Council and the Anti-Corruption Agency. It also discusses the judiciary and explores the availability of complaint and whistle-blower protection mechanisms, the efficiency of parliamentary control, and civil society involvement.

International evaluations attest to Serbia's general compliance with the standards on criminalisation of corruption. Serbia has criminalised active and passive bribery of public officials (which includes teachers and professors) and private corruption and trading in influence and has clear rules on conflict of interest in the exercise of public office. Trading in influence and private corruption, however, are rarely prosecuted, although they appear to take place in the sector of education.

The legal framework provides clear procedures for addressing a wide variety of grievances. There are, however, limited data that would allow an assessment of the effectiveness of these avenues of complaints. No corruption incident in the education system is known that would have been reported by a whistle-blower in the classical sense. Although significant improvements have taken place since 2010, Serbia still has limited provision for the protection of whistle-blowers. Civil society organisations appear to be active in promoting transparency, but anti-corruption expertise and projects seem to be concentrated in a few dedicated non-governmental organisations only.

The institutional framework for corruption prevention (*i.e.* National Anti-Corruption Council and the Anti-Corruption Agency with its largely preventive mandate) is adequate, but its links to the sector of education, in particular on the technical level, are weak and limited. On the law enforcement and prosecution side, the capacity to detect and prosecute corruption crime has been on the increase, but its efficiency in dealing with cases of corruption in education is remarkably low. The judiciary too is experiencing difficulties in handling cases, particularly the more complicated ones. In contrast, Serbia's parliamentary governance seems to have all institutional means necessary for effective oversight of the executive.

INTES and Report Rationale: Linking Integrity, Outcomes and Corruption

To develop in children and students the ability to become responsible citizens, capable of living in a democratic and humane society based on respect for human and civil rights, the right to be different and care for others, as well as the basic values of justice, truth, freedom, honesty and personal accountability....

(Law on the Foundations of the Education System of the Republic of Serbia, Article 4)

BACKGROUND

This assessment was requested by the Minister of Education and Science, Zarko Obradovic, following presentations of the Integrity of Education Systems (INTES) project to the Steering Group of the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN), and discussions with the OECD Secretariat at regional meetings of the Education Reform Initiative of South Eastern Europe. Serbia is the first country to request a peer review based assessment of the integrity of its education system.

The Serbian education system is going through major changes. A process of transition between traditional and new approaches to classroom practice and system management, a changing legislative framework, and the realities of the existing school and university system put considerable pressure on numerous weak points. In light of the forthcoming education sector strategy in Serbia and the continuing and challenging changes in the education system, particularly while money is tight, it was thought worthwhile to review the system as a whole to see where its integrity was challenged, how this leads to corruption, what it means for the delivery of quality education services, and what can be done. Serbia is not alone in its wish to confront these issues, but it has the merit of being the first country to request a comprehensive integrity review of its education sector by the OECD.

Integrity assessments are a regular feature of managing institutions and systems, both in the public and the private sectors, but to date have rarely been done in education. The sector is complex, making the analysis of causes and policy interventions difficult, and direct education corruption issues are often overshadowed by problems in other sectors. Education is not free from integrity issues or direct corruption. The Ministry of Education and Science in Serbia has received complaints of varying kinds regarding improper behaviour, and there have been high profile examples that have come to court (*e.g.* the 2006 corruption case at the law faculty of the University of Kragujevac[1] which is still not closed and is linked to the 2006 corruption case in the ministry itself[2]). There are also many perceptions, rumours and media reports of poor practice and corruption, perhaps indicating a sense of unease in stakeholders, but also pointing to deeper problems in the system.

The OECD started work on a pilot framework for assessing the integrity of education systems (INTES) in 2010 to support governments in their effort to detect and prevent corruption in key public sectors. The INTES methodology includes a scan of system indicators and survey data (*e.g.* from the OECD Programme for International Student Assessment – PISA), on-site visits and stakeholder interviews combined with qualitative analysis to identify areas of concern and reconstruct the landscape of root, systemic causes of malpractice and corruption in education. It also provides recommendations on how to close the integrity gaps.

It is important to emphasise that the INTES assessment is not an auditing process. The OECD assessment team did not seek to identify individual cases of corruption or pinpoint individuals whose professional behaviour might cause concern. INTES is a sector level, integrity assessment tool focusing on the causes of corruption, on ways to prevent it and on measures to improve the detection capacity in the system. It provides an evidence foundation for targeted policy action to "heal" vulnerabilities, and thus establish and strengthen a "culture of integrity".[3]

For Serbia the current assessment undertook the following:

- A review of both Serbian and international documents, including: *a)* legislation related to the performance of the education system in terms of quality; *b)* legislation pertaining to the performance of municipal governments; *c)* legislation pertaining to specific anti-corruption issues; and *d)* a range of documents on the Serbian education system outlining how the system is expected to function and highlighting known or new issues related to that.
- Analysis of responses by the government to a structured request for information and data on key areas of system operation, submitted by the assessment team prior to the visits (see Annex C, Preliminary Integrity Scan [PRINTS]).[4]
- Site visits and interviews. Interviews were carried out in groups and information cross-checked among team members.[5]

This assessment aims to:

- Assess the integrity of the education system, identify areas of concern, and provide targeted recommendations for improving system management and output delivery in view of eliminating integrity risks, preventing corruption and improving capacity for its detection;
- Provide pragmatic recommendations for enhancing the sector relevance of anti-corruption mechanisms and policies;
- Deliver an assessment report to the government as an evidence tool and basis for follow-up, including focus groups and sector-specific training for anti-corruption specialists;
- Support the dissemination of findings and recommendations, including expert input at trainings.

ASSESSMENT METHODOLOGY

Integrity is a founding principle of public administration (Article 101 of the UN Charter) and describes the consistent application of generally accepted actions, values, methods and principles to deliver intended outcomes. According to the OECD, integrity refers to the application of values, principles and norms in the daily operations of public sector organisations. Achieving a "culture of integrity" requires coherent efforts to update standards, provide guidance, and monitor and enforce them in daily practice. It also requires countries to anticipate risks and apply tailored counter-measures (OECD, 2005).

With some exceptions[6], previous work on integrity has mainly concentrated on the public sector as a whole. In 2005 the OECD unfolded this vision of integrity in a publication entitled *Public Sector Integrity: A Framework for Assessment* which develops a broader methodology for integrity assessments in the public sectors. While the framework points toward assessments in specific public organisations and sectors, it does not provide specific guidance or methodology for sector-specific integrity assessments.

Corruption is a violation of the law. The INTES approach assumes that the most effective prevention measures are those that target the motives of individuals or entities to initiate or agree to corrupt transactions and break the law. As with any offence, some of its perpetrators would be individuals with criminal motives who are driven by prospects of personal gain. In education, however, the perpetrators are mostly regular participants in the system (teachers, parents, students and principals), and their motives to bend or break rules to their own or their children's advantage are seldom criminal. Often enough they are rooted in a perception that education is failing to deliver what is expected and that bypassing rules is a possible, sometimes even the only available, remedy; e.g. for failure to improve learning in class which forces parents to bribe teachers for marks or additional lessons; failure to maintain poor school infrastructure which makes principals admit children in exchange for renovation of classrooms (which might sometimes be combined with personal favours); failure to create fair working conditions for school inspectors who might be on the payroll of those whose work they are supposed to inspect; failure to ensure fair competition for scarce university funding, which motivates students to cheat to get scholarships; failure to outlaw corruption when drafting the laws, etc.

Participants in an education system that addresses their needs in the course of its legitimate operation should have no reason to engage in corruption and provided there is an effective system of monitoring and control, they should also have no opportunity to do so.

The assessment framework of INTES groups stakeholder expectations in three broad categories – access to education, quality of education, and sound management of staff and resources – and adds capacity for corruption detection and follow-up as a fourth, transversal policy aspect. Consequently, INTES defines integrity in education as the consistent application of such actions, values, methods and principles which, within a country, lead to:

- More equitable access to education;
- Better quality of education;
- Fair and professional treatment of staff, and sound management;
- Successful prevention and detection of malpractice and corruption.

These should be (and in most cases are) the intended outcomes of any national education system. These are also the four dimensions of education system integrity, which INTES assesses. Participants in a system that delivers on these four goals should have no motive and also little possibility, for engaging in corruptive practices.

Certainly not all shortcomings in the education system must lead to corruption, and not all dissatisfied stakeholders are corrupt. Considered in reverse order, however, the origin of any incidence of corruption in education can be traced back to a failure in one of the four outcome areas described above.

INTES traces corruption back to its origins – specific shortcomings of education and anti-corruption policy – that create demand and provide opportunity for malpractice and thus provide stakeholders with a reason to engage in corrupt transactions. In the initial stages of assessment, the methodology uses, *inter alia,* a matrix framework that includes a sample of key areas of education policy

and their sub-dimensions, with a request for detailed information for each sub-dimension. The proper operation of the system in these areas is considered decisive for preventing mismatch between expectations and deliverables in all four integrity dimensions – quality, access, staff and resources, and prevention and detection capacity. The aim is to identify weaknesses that might lead to poor quality services, which in turn generate incentives (and create opportunity) for corrupt practices.[7] The education system here is taken to be the public and private service delivery system, the latter in case it grants recognised academic credentials and/or benefits from public financial support.

Areas covered by the qualitative section of the preliminary integrity scan (PRINTS)

Level I covers areas of key importance to outcomes and management of education.[1]	
Level I – System level demand analysis	
I.A Pre-university education	**I.B Tertiary education**
I.A.1 Teachers	I.B.1 University admission
I.A.2 Quality of learning environment	I.B.2 Academic work
I.A.3 Assessment	I.B.3 Quality assurance
I.A.4 Funding	I.B.4 Staff career management
I.A.5 Provision of education	I.B.5 Financial management
I.A.6 Governance: system management	I.B.6 Governance

Level II covers elements in education and adjacent sectors which are of significance for corruption prevention and detection (including anti-corruption institutions, mechanisms for financial control, legislation, strategies and policy documents, and other sector and non-sector specific preventive measures).
Level II – Enabling factors and preventive framework
II.0 Overall integrity climate
II.1 Regulatory framework
II.2 Accountability mechanisms
II.3 Financial control
II.4 Human resource management
II.5 Transparency: civil society and media

Note: The selection of areas is based on OECD analysis of features shared by high performing education systems assessed by PISA and analysed in peer reviews of education policies.

Certainly, no integrity assessment can fully encapsulate the level of integrity of the entire education system. It can nevertheless help identify key strengths and weaknesses of specific policies and instruments and help with the development of strategies to eliminate the need for corruption and avert corruption risks.[8]

A system in which the parts do not function according to their design and to the ends for which the system was created, lacks integrity. Such a lack predisposes poor behaviour, both professional and personal, to compensate for these weaknesses or to exploit them. Staff and/or other stakeholders are then operating in a climate which causes or predisposes to corrupt practice and in turn these corrupt practices undermine the system. This can lead to a vicious circle of poorer performances in education. In this phase of its development, INTES is focused on determining what causes corruption and how to prevent it and less on uncovering corruption and analysing or measuring corruption impact. Hence, INTES can be described as a preventive integrity assessment.

Through the analysis of causes, the assessment also allows for mapping possible corruption incidence and areas that might be affected. Lack of systemic integrity can manifest itself in different ways, the most extreme of which is direct corruption such as the misuse of funds or the acceptance of bribes and gifts for personal gain. However, a lack of integrity also leads to the use of position for personal gain through power and favouritism and to a lack of action when these kinds of behaviours take place. Each of these is a strand in the process from weak systemic integrity to corruption, and often there are grey areas between the corrupt and the non-corrupt.

▪ Figure 0.1 ▪
The vicious circle of corruption in education
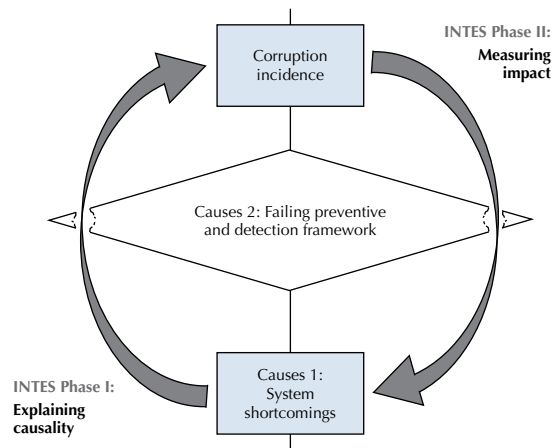
Source: OECD (forthcoming).

ABOUT THIS REPORT

The present report deals with overall integrity issues in the Serbian education system and discusses the relevance of the current regulatory and anti-corruption framework in which this system operates. The report is intended to be a diagnostic and preventive tool to assist the Ministry of Education and Science in pinpointing areas in need of attention and to help relevant institutions raise the relevance for education of the national corruption prevention framework. The report does not claim to encapsulate fully the level of integrity of the entire education system. However it covers key areas of education policy in all dimensions of the INTES assessment and includes Serbia in a still emerging base of (comparative) evidence on education integrity and anti-corruption policy practice; it sends a strong signal to the outside world about the commitment of Serbian authorities to better policies; and it offers a basis for national consensus on follow-up action in Serbia in an otherwise sensitive policy area.

It should be also noted that the purpose of the assessment is not to identify all structural weaknesses but to identify those of major concern. It is hoped that following this exercise the recommendations will be taken up and discussed by the Serbian government. At that point further issues may arise and may need clarification. It is recommended that a third phase of this assessment take place. Having identified potential areas for concern, the MoES, together with stakeholders, should convene working groups to carry out further detailed investigation of specific issues within the areas discussed in the report, together with potential ways of addressing them. The evidence gathered by INTES and the recommendations would provide guidance for such an extensive follow-up. As some of the issues which impact the performance of the education system fall under the jurisdiction of other ministries (justice, finance) and local government, it would be vital for a broad dialogue to take place in order for the integrity of service delivery and system management as a whole to be addressed.

The report starts with a brief overview of education in Serbia and provides a note on the overall integrity climate in the country (Chapter 1). It moves on to identify issues that affect the capacity of the system to ensure fair access (Chapter 2) and deliver satisfactory quality (Chapter 3), to manage resources and staff diligently and professionally (Chapter 4), and to prevent and detect malpractice and corruption (Chapter 5). Chapter 6 contains the recommendations and suggestions for follow-up. Chapters 2-4 are divided into sub-sections on policy areas of concern, including which type(s) of corruption are likely to occur, analysis of factors that may contribute to demand for corrupt practices and, wherever applicable, factors that hinder detection of malpractice or corruption. Chapter 5 does not list demand factors, because the items covered (such as legislative framework, financial control, judiciary and civil society involvement) are of fundamental relevance for the detection and prevention capacity of the system as a whole.

Notes

1. See "Indeks", *www.blic.rs/Vesti/Hronika/179375/Afera-indeks-Osumnjicena-priznala-da-je-kupovala-ispite*, from 4 March 2010.

2. See *www.transparentnost.org.rs/ts_mediji/stampa/2007/03MART/02032007.html*, from 2 March 2007..

3. See OECD (2005) for further detail on the concept of "culture of integrity".

4. The Preliminary Integrity Scan (PRINTS) does not represent a judgement of system integrity, but delivers an indication of areas in need of further analysis.

5. The OECD assessment team met with over 100 counterparts from major educational institutions such as the Centre for Educational Policies, the National Council of Higher Education, the National Accreditation and Quality Assurance Agency, the National Institute for Education Advancement, the National Education Council, the National Centre for Teacher Education, as well as with representatives from Parliament, the Ministry of Education, provincial secretariats for education and local authorities, the Anti-Corruption Agency of Serbia, students associations, international partners, teacher trade unions and representatives from civil society, including Transparency International. It visited a range of education institutions at all levels of the education system, in the capital, in the region around Nis, and in Vojvodina and talked to principals, students and teachers.

6. Some national case studies on integrity in the health and education system have been conducted by International Organisations (or with their collaboration), notably under the direction of Transparency International (TI) and the United Nations Development Programme (UNDP) that have conducted risk assessments in the health and education sectors. In 2002 the International Institute for Educational Planning (IIEP) started a milestone programme on ethics and corruption in education, which for the first time drew attention to the need for systematic approaches to the problem and aimed, inter alia at strengthening national capacities in the use of diagnostic tools and strategies to fight corruption. Multilateral development agencies are also currently working on sector-specific approaches to corruption prevention.

7. See Annex C for more details on the INTES Preliminary Integrity Scan (PRINTS).

8. The INTES assessments use the definition of corruption agreed on in the framework of the United Nations Convention against Corruption (UNCAC). Corruption is "requesting, offering, giving or accepting, directly or indirectly, an undue advantage, which distorts the proper performance of any duty or behaviour required of the recipient of the undue advantage". Other common definitions of education corruption which are based on the Convention are "abuse of authority for personal as well as material gain (Heyneman, 2004: 637), and "systematic use of public office for private benefit whose impact is significant on access, quality or equity in education" (Hallak and Poisson, 2001: 7). The Hallak/Poisson definition relates corruption to its assumed consequences, which are adverse to what are considered to be characteristics of successful education systems.

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1

Overview

This chapter gives an overview of the general policy and integrity climate in Serbia. It takes note of the socio-economic profile of the country and the structure of the education system, and presents a brief outline of existing evidence on integrity and corruption in the education sector.

SERBIAN EDUCATION AND ITS INTEGRITY CONTEXT

Serbia is a country in Southeastern Europe which borders Hungary to the north; Romania and Bulgaria to the east; the Republic of Macedonia and Kosovo* to the south;[1] and Croatia, Bosnia and Herzegovina, and Montenegro to the west. The country is divided into 29 districts. The capital Belgrade has 1.2 million inhabitants (2011), and the three largest cities after Belgrade are Novi Sad, Nis and Kragujevac (the latter with fewer than 200 000 inhabitants).

According to the Statistical Office of the Republic of Serbia, the country's population in 2010 was almost 7.3 million. However, like many other European countries, the population of Serbia is aging – in 30 years the proportion of persons aged over 65 is expected to increase from 17% to 22%. The annual population growth rate is negative, the fertility rate is decreasing (-4.0 per 1 000 inhabitants) and the emigration rate is constantly high (13.6%), which puts Serbia at emigration rank 36 out of 181 (UNDP, 2009).

Serbia is classified as an upper middle income country, with a per capita GDP of USD 5 630 in 2010. The growth rate of GDP in 2010 in relation to the previous year was 1.0% according to Serbia's National Statistical Institute. In 2010 the average household budget amounted to RSD 16 114 (USD PPP 409 per month). According to World Bank statistics, the national poverty rate, as a percentage of the population living below the national poverty line, has declined drastically in recent years from 14.0% in 2002 to 6.6% in 2010. The unemployment rate has decreased in recent years from 20.8% in 2006 to 13.6% in 2008 and increased again to 16.6% in 2009 due to the economic crisis.

The education system

The current education system in Serbia is composed of pre-primary (from 0 to 6/7 years), primary (with two cycles: grades 1 to 4, and 5 to 8) and secondary education (either gymnasium of four years or vocational secondary for three or four years). In the first cycle of primary education, children are taught in self-contained classes. After the fourth grade, students enter a four-year second cycle of primary education where subjects are taught by subject specialists (OECD, 2003). The eight grades of primary school are compulsory. Participation in preschool programmes has been mandatory since the school year 2006/2007.

The principal language of instruction is Serbian; other languages of instruction include Albanian, Bulgarian, Croatian, Hungarian, Romanian, Russian and Slovak at the elementary and secondary levels. Children in the lower grades have one class teacher who teaches all subjects with the exception of religion or civic education, and foreign language for which there are separate teachers. Foreign language has recently been made compulsory from the first grade, and a second foreign language from the fifth.

Upper secondary schooling consists of four years of general education or two to four years of vocational education. *Grammar schools* (*gimnazija*) offer four years of general and broad education, with the option to specialise in languages, social sciences, mathematics, natural sciences (*prirodni smer*), information technology or philosophy. Students who have graduated from grammar schools can go to almost any faculty, and college students from the professional schools can continue to tertiary education in faculties and colleges that fit their specialisation. Legislation on secondary education states that students enrolled in three-year vocational education and training (VET) programmes can take additional exams to qualify for taking admission exams to university. *Matura*-type exams are being prepared for four-year general, technical or arts education and are expected to take place in 2015 for the first time (*Matura* is a standardised final exam specified for different subjects, allowing entrance to higher education).

Tertiary education is provided through faculties (*fakultet*) of several major public universities, private universities, as well as (art) universities (*akademija umetnosti*). Post-secondary education is offered also by colleges (*viša škola*) where courses usually last two to three years. Specialised university studies are also available that last an additional one to two years beyond undergraduate education and lead to a diploma with a professional title. Undergraduate studies leading to Bachelor's degrees last three and in some cases four years; post-graduate studies leading to Master's degrees last two years (one year in case of a four-year Bachelor's degree), and doctoral degrees require three years of study after graduation from a Master's programme.

Reform impetus

In following a general trend of public sector reforms, the education system of Serbia is undergoing major changes. Driven by a strong commitment to EU integration, the authorities have announced and launched numerous reforms in an effort to initiate a move from traditional to new approaches to classroom practice and system management, and to address a growing demand for better and equitable education and for university access. This entails frequent changes in legislation, and triggered also the release of the first ever national education strategy for guidance until 2020 and beyond.

A major strength is that these initiatives are broad and systemic and devised with long-term goals in mind. However, the degree of implementation varies and in some cases it is difficult to judge how effective they are because they are so new. An initial reform effort about a decade ago aimed to improve the quality of education and was wide-reaching. It concentrated on policy inputs to

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*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

■ Figure 1.1 ■
Overview of the education system of Serbia

Age	Grade	Edu. level							ISCED level of education

HIGHER (TERTIARY)

- 27 / III — Doctoral academic studies
- 26 / II — Faculties, Art academies, Colleges
- 25 / I — Academies and Universities of Applied Sciences
- 24 / VI — Master studies — Integrated studies of medicine
- 23 / V — Specialised academic studies
- 22 / IV — Specialised vocational studies
- 21 / III — Basic academic studies
- 20 / II — Basic vocational studies
- 19 / I

ISCED: 6, 5A, 5B

S&M
- 21 / II — Specialised education — Master craftsman education
- 20 / I

ISCED: 4B

SECONDARY
- 18 / IV — General education *Gymnasiums* / Art education *Art Schools* / Vocational education *Vocational schools* / Vocacational Education *Vocational schools*
- 17 / III — Vocational schools: Education for work, Vocational competence, Training
- 16 / II
- 15 / I

Secondary education / Other forms of vocational education

ISCED: 3A, 3B, 3C

PRIMARY
- 14 / VIII — Primary education Second stage *Primary schools*
- 13 / VII
- 12 / VI
- 11 / V
- 10 / IV — Primary education First stage *Primary schools*
- 9 / III
- 8 / II
- 7 / I

ISCED: 2A, 1

Primary music-ballet education

Compulsory Education

Adult Education

PRESCHOOL
- 6 / VII — Preparatory Preschool Programme, *PD* and *PS*
- 5 / VI — Kindergarten age *Preschool Department*
- 4 / V
- 3 / IV
- 2 / III — Nursery age *Preschool Department*
- 1 / II
- 0 / I

ISCED: 0

Notes: Level 4B is available after 2 years of practice after the completion of secondary vocational education, for a period of one year after 4-year educationand two years after 3-year education.

Start and duration of primary musical and ballet education depend on the department.

Source: Ministry of Education and Science (MoES).

improve quality and management such as: *a)* the introduction of standards of achievement at the end of compulsory education; *b)* standards for teachers; *c)* increased school autonomy; *d)* changes to quality assurance systems. A new Law on the Foundations of the Education System was introduced in 2003. These changes established the basis for system modernisation (Halazs, 2003). A second phase of development emerged with the Law on Higher Education in 2005 when Serbia joined the Bologna process. A Strategy for Adult Education and a Vocational Education Strategy were adopted in 2005. The latter is still in operation and focuses on experimental classes in 146 secondary schools. Mandatory pre-school education was initiated in 2006. Radical changes to the textbook publishing and procurement process were recently put in place. A major legislative change came in 2009 with the new Law on the Foundations of the Education System, which included a framework for an integrated education sector, with further revisions in 2011. The ministry continues to revise the legislative framework in response to problems that appear during implementation, or were not addressed in previous revisions.

Decentralisation of services in Serbia was another important reform step, but it also made it more difficult to maintain the integrity of the education system. Since the introduction of decentralisation reforms, commitment to true decentralisation of both power and authority has been mixed. Although most administrative decisions are de-concentrated, decision-making power in education still lies at central level, with the exception of municipal governments which (through membership in school boards) have a major funding and oversight role over the basic school system. The lines of shared responsibility for education between tiers of government are not always clear to stakeholders, who frequently bypass local and regional education administration mechanisms and attempt to resolve integrity issues at the highest level. This means that the Ministry of Education and Science is asked to deal with numerous, mostly small and very small-scale issues that should be resolved elsewhere. Problems with the decentralisation process, as will be discussed later, also have an adverse effect on the availability of resources in the system, the fairness of their distribution across and within regions, and the transparency of their use.

Many changes have taken place or are underway in terms of legislation and regulation to improve quality assurance mechanisms. For example, considerable progress has been made in creating the legal conditions for and raising awareness of inclusive education, with provisions for the integration of children with developmental disabilities in regular classrooms. Other changes underway include the development of a new Matura exam on leaving high school, training for the inspectorate, changes to the career track of teachers and training for principals. These should address some of the issues raised in this report if carried through and acted upon.

The goals of reform are commendable and ambitious, but the assessment team observed that, occasionally, the integrity of the system is being challenged by their fast pace and wide-reaching scope and by inevitable societal changes. There are cases in which the traction between reform efforts and the realities of life in schools and universities still appears to be weak or missing. Change is inevitable, but it takes time. Its careful management over the coming years will be crucial for the integrity of the education system and for the future of education in Serbia overall.

The focus on system integrity by the ministry is timely, in that it takes advantage of the opportunity opened by the modernisation process to ensure that the reformed education system forms a cohesive and supportive whole. Providing quality education for all, and managing and strengthening transparency and accountability are key to preventing corrupt activities.

However, the fragmentation amongst initiatives – and to a certain extent their dependence on external drivers such as the Bologna and European integration processes and attached donor support – pose dangers for the sustainability of these efforts. It is extremely important for the future of Serbia that the education system is coherent and based on shared values that are owned and understood by the general population. If the general population does not believe in the fairness and integrity of its own systems, it will attempt to bypass and subvert them. It is therefore important to provide more guidance and support to staff working in education for adopting and internalising the changes, and to keep the general public informed about the reforms. It is also important to work on a consensus across political party lines and between stakeholders as to the necessity of reinforcing commitment to relevant and high-standard education in Serbia. The OECD assessment team considers that pulling all initiatives together into a strong education strategy will be a major step towards strengthening the integrity of the system.

The general integrity climate

The delivery of education services does not take place in a vacuum. A number of surveys and research papers have recently been published documenting perceptions and actual experiences of corruption in Serbia (Pesic, 2007; Savic, 2011; SIGMA, 2009). Education does not always appear among the sectors that are perceived as being corrupt. Administrative/petty corruption is considered to be systemic, although perceptions of this type of corruption seem worse than actual experience (which is still high). Service delivery is the area most often hit by petty corruption, with the health sector being the main area of payment and solicitation of bribes in cash and kind. Political/grand corruption, too, is of concern, with political parties and businesses singled out, in the public's perception, as being highly corrupt. The judiciary and law enforcement – interfaces both for administrative and grand corruption – are also perceived by the public as being highly corrupt. There are concerns with more general integrity issues

across sectors, including in public administration and the judiciary, where a lack of controls and checks and balances, as well as low capacity, threaten the functioning of the system, so that substantial opportunities for corruption arise.

Transparency International's Corruption Perception Index (CPI) and Freedom House's annual Nations in Transit (NIT) report show progress with the judiciary in Serbia, but note substantial problems with its independence and functioning. As the legal system is the final recourse for addressing corruption this significantly affects all sectors, including education. At a score of 3.5 on a scale from 10 (highly clean) to 0 (highly corrupt) Serbia ranks 78th out of 178 countries on the CPI 2010. Compared to its neighbour countries, Serbia scores in the middle to bottom; Bulgaria (3.6), Croatia (4.1), Hungary (4.7), Macedonia (4.1), Montenegro (3.7) and Romania (3.7) and are perceived as less corrupt, and Bosnia and Herzegovina (3.2) and Kosovo (2.8) report higher levels of corruption.

Serbia has also taken part in various rounds of Transparency International's Global Corruption Barometer (GCB), a survey that captures ordinary citizens' perceptions of corruption.[2] The 2009 Global Corruption Barometer included a question on whether respondents or members of their household had actually paid a bribe in the previous 12 months;[3] 20% of respondents stated having done so, making Serbia the country with the highest actual incidence of bribe-paying in the region. The Global Corruption Barometer also gathers the general public's perceptions about how key institutions are affected by corruption. With regard to education, perceived corruption in the sector is high: at a scale from 1 (lowest) to 5 (highest) Serbia scores 3.6.

Results from a survey by TNS Gallup indicate that political parties (76%) and the health system (74%) are perceived as the most corrupt. According to public opinion, judges rank third and the government fourth. The least corrupt are religious bodies (28%) and the military (25%). The education sector scores twelfth out of 23 (52% of interviewees perceive this sector as corrupt). One of the questions asked was about bribes to teachers, and 7% of the interviewees reported having paid a bribe at least once in the past three months. This share may be low compared to bribes to doctors (44%), police officers (26%) and civil servants (19%) and the focus of the question was predetermined to specifically aim at teachers. Ideally, however, this figure should have been close to zero, and is a good indicator for the presence of petty-corruption in education.

Further surveys indicate some improvement but the prevalence of corrupt activities in the administration and the delivery of public services is still high (UNODC, 2011).

Existing evidence on corruption in Serbian education

In preparation of the INTES assessment, the OECD commissioned an analysis of complaints submitted via the official channels of the Ministry of Education and Science. The outcome provides an idea of what areas of education its beneficiaries (parents and students) and employees most frequently complained about, and of what kind of violations. The period under consideration was December 2010-December 2011 and Figures 1.2 and 1.3 illustrate the results.

▪ Figure 1.2 ▪
Complaints and requests to MoES by beneficiaries, by type and frequency, December 2010-December 2011

Complaints and requests to MOES by beneficiaries

	Frequency by type of complaint, in % of total
University procedures/administration	19.3
MoES procedures/work	14.5
School management	13.3
School conditions	10.8
School staff/teachers	9.6
Hiring/firing of teachers and principals	7.2
University professors	7.2
Selection of principals	4.8
Tenders/procurements	1.2
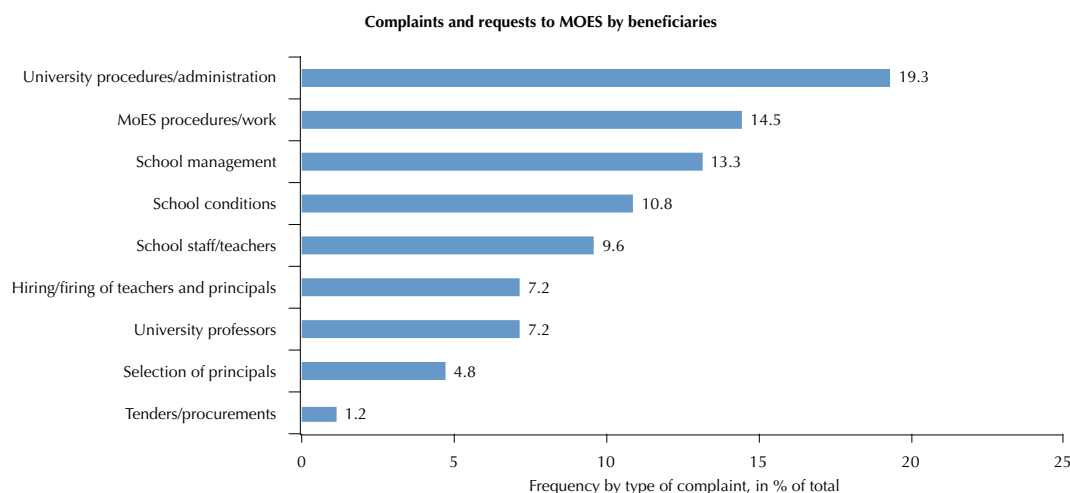
Source: Ceneric, I. (2012). Data provided by MoES.

Beneficiaries most often complained about university procedures and administration (19% of all complaints). As will be discussed in Chapter 4, this concerns for the most part the administration of examinations, including performance rankings, access to scholarships and similar. The Ministry of Education and Science itself is frequently the subject of complaints (15% of all complaints) because of slow handling of administrative requests and queries, including recognition of diplomas. Issues with school management are among the top three areas of concern (13%). This category refers to the work of principals and the school boards, and occasionally school administrations. It also includes complaints by teachers related to class time distribution or scheduling. The other categories concern the conditions in or around schools (11% of all complaints), complaints about teacher behaviour, mistreatment, violence in class, and disregard for legal procedures (11% of all complaints), hiring and firing procedures (7% of all complaints), complaints against university professors (6%) and hiring of principals (5%). Interestingly enough, procurement was the least frequent subject of complaints (1.2%), although it is commonly among the top areas to be considered in assessment of anti-corruption policies.

Staff employed in the system most often complained about hiring and firing without respecting procedures, or on the basis of personal or political affiliation (Figure 1.3). This topic was raised in 36% of the complaints. Issues with school management are the second most frequent issue (17%), followed by complaints against the MoES and fellow colleagues (12% of the complaints each).

▪ Figure 1.3 ▪

**Complaints and requests to MoES by education staff,
by type and frequency, December 2010-December 2011**

Complaints and requests to MOES by education staff

Frequency by type of complaint, in % of total
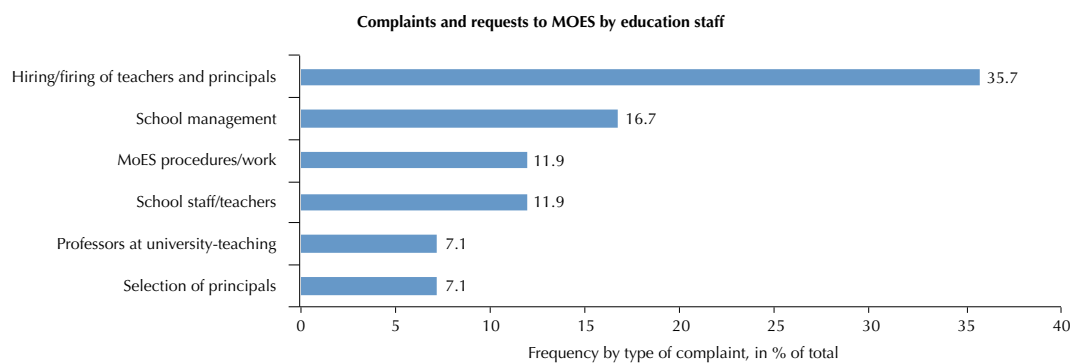
Source: Ceneric, I. (2012). Data provided by MoES.

The areas of concern identified in the present report for the most part coincide with the complaint frequency patterns discussed here. The complaint channels of the MoES merit closer consideration – they are readily available, a low-cost link to the education system, and possibly a good barometer of its problems.

Notes

1. The present report does not cover Kosovo.

2. Compared with the Global Corruption Barometer and its focus on the perceptions of ordinary citizens, the Corruption Perception Index is a composite survey that captures the views of selected strata of the population, mainly those with a private sector background.

3. This question was omitted in the 2010 GCB. The other three questions were in part modified, making the GCB unsuitable to establish a baseline or firm trends.

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2

Fair Access to Education

This chapter identifies factors driving demand for better and fairer access to education, lists those enabling malpractice, and uncovers the challenging consequences for the integrity of all points of transition in the education system that are linked to access (and success) in tertiary education.

Education brings substantial economic benefits for individuals. A person with tertiary education can expect to earn over 50% more than a person with an upper secondary or postsecondary non-tertiary education. Those who do not complete an upper secondary education could earn an average of 23% less than their counterparts who graduated from secondary school (OECD, 2011).

Serbian society traditionally attaches high value to education and families are ready to invest heavily in education and better chances for their children. The level of educational attainment of a big share of the workforce in Serbia is still low, and an outdated VET sector is nurturing employers' appetite for university graduates. Regulated and decently paid jobs in Serbia are limited and hotly contested and universities are commonly considered to be the only gateway to a promising professional future – a gateway which is very costly for the majority of Serbian students, except for the ones good or lucky enough to be granted a public scholarship.

Structurally and in terms of curriculum, certain types of schools in Serbia seem to give disproportionately better chances for access to higher levels of education, and certain faculties are considerably better connected to attractive sectors of the labour market than others, despite the fact that the quality of outcomes in all of them is less satisfactory in international comparison. Such schools and faculties are considered to be better. Placement in them is of highest priority for all those (surprisingly numerous) households in Serbia which can afford the cost and the effort, and would agree to bend or bypass rules and regulations if need be.

All these factors are putting considerable pressure on all points of transition in the system that are linked to access (and success) in tertiary education. There are indications that at least in some of these points, such as access to and progression in higher education and distribution of public scholarships, the integrity of the system is too weak to resist or manage the pressure. Recommendations on how to address these issues are contained in Chapter 6 of the report.

AREA OF INTEGRITY CONCERN #1: ACCESS AND SUCCESS IN HIGHER EDUCATION

Corruption forecast:
Failure to address shortcomings could lead to corruption in admission to university, in access to public support, and progression during studies for example in exchange for favours, bribes or institutional investments.
Source of direct/indirect forecast evidence:
Stakeholder interviews. Sociological and student surveys.
Drivers of demand affecting the integrity of this area:
High demand for university education and for scarce budget places; arbitrary distribution of public resources for faculties, which leads to unequal distribution of financial resources and financial shortages (see Factors driving demand, below).
Opportunity for corruption created by weaknesses in:
Assessment and admission criteria, and in assessment and admission procedures (see Factors creating opportunities, below).
Recommendations:
Increase transparency and accountability of assessment procedures; standardise admission to tertiary education; diversify the sources of private investment in the tertiary system, and give more weight to the socio-economic background of students in the criteria for accessing public support; improve academic standards against plagiarism and cheating (see Chapter 6 for details).

Factors driving demand

Expansion of higher education

More and more people are enrolling in tertiary education, worldwide. Between 2000 and 2009 enrolment in universities in OECD countries increased by 12% on average, and it is estimated that 59% of young adults in the OECD area will enter tertiary-type A programmes during their lifetimes if current patterns of entry continue (OECD, 2011). Data on relative earnings for the OECD suggest that labour market demand for tertiary-educated individuals is keeping up with these trends. The earnings premium for those with a tertiary education increased by 6% over the period 1999-2009, quite in line with the increasing supply from universities (OECD, 2011).

Years of isolation and subsequent hesitation with reforms have left their mark on Serbia. The majority of the working-age population has only secondary education (only the Czech Republic and Slovakia have a higher rate of people of working age without a university degree among OECD countries). Only 14% of the Serbian workforce graduated from university. This is very low by international comparison (28% for the OECD on average), but is around the average for the region (13.7%).

The shortage in higher level qualifications is mirrored in the tertiary enrolment rates. Net enrolment in 2009 was 39%, which is below the EU21[1] and OECD averages (58% and 59% respectively), and far below the enrolment rate of a regional "champion" such as Slovenia (61%).

However, Serbia is catching up with global trends, and the past few years were marked by a real thirst for university level education. Driven by raised expectations of employers, stronger competition for access to the labour market, and a shortage of professional alternatives after secondary education,[2] since 2007 the tertiary sector grew by more than 11% – considerably more than in the European Union and the OECD, in particular in Belgium, Japan, Mexico, Switzerland or the United States (Figure 2.1). The effort to secure a study place starts at pre-university level, with an annual rush for placement in certain types of public secondary schools that give disproportionately better chances for university access.

Table 2.1 Education levels of the working-age population (%)

	Educational attainment: adult population (2009)			
	Pre-primary and primary education	Lower secondary education	Upper secondary education	Tertiary education
Australia	7.1	21.9	34.1	36.9
Austria	m	16.7	64.2	19.0
Belgium	12.7	16.8	37.2	33.4
Canada	3.6	8.7	38.1	49.5
Chile	m	29.9	46.9	23.2
Czech Republic	n	8.4	75.9	15.5
Estonia	1.0	10.1	53.0	35.8
Finland	8.3	9.7	44.7	37.3
France	11.9	18.1	41.0	28.9
Greece	24.6	11.4	40.5	23.2
Hungary	1.5	18.0	60.7	19.1
Ireland	12.5	15.6	35.7	35.9
Israel	10.8	7.4	36.9	44.9
Italy	12.6	32.6	40.4	14.0
Japan	m	m	56.2	43.8
Korea	9.4	10.7	41.2	38.8
Luxembourg	9.0	7.6	48.3	35.1
Mexico	43.3	21.5	19.3	15.9
Netherlands	7.2	19.4	40.6	32.8
New Zealand	m	20.7	39.2	40.1
Poland	m	12.0	66.8	21.2
Portugal	50.8	19.3	15.2	14.7
Slovak Republic	0.7	8.4	75.2	15.5
Spain	20.4	27.8	22.0	29.7
Sweden	4.9	9.3	52.7	33.0
Switzerland	3.3	8.4	53.3	35.0
Turkey	58.5	10.5	18.3	12.7
United Kingdom	n	11.0	51.9	36.9
United States	4.2	7.1	47.4	41.2
Serbia	28.6	56.2		14.3
OECD average	26.7	43.8		29.5
Albania[a]	8.9	51.1	30.7	8.2
Bosnia and Herzegovina[c]	m	64.7	11.0	
Bulgaria[b]	m	13.8	59.3	24.6
Croatia[b]	1.6	14.5	64.5	18.6
Romania[c]	3.5	17.5	64.5	13.9
Slovenia[d]	0.8	13.7	62.6	22.5

Notes: Figures do not always add up to 100% due to non-classified data.

Figures for OECD countries and non-member countries and Slovenia are not directly comparable. Data refers to adult population (15-64) in OECD area, to economically active population (15-64) in non-members.

a. Data from 2002.
b. Data from 2008.
c. Data from 2007.
d. Data from 2006.

Source: For OECD countries: OECD (2011, EAG: Table A1.1a.). Data for Serbia: Government of the Republic of Serbia, 2011 (data from 2010), for non-OECD members: Database of the International Labour Organisation (LABORSTA).

■ Figure 2.1 ■
Growth rates in tertiary education, 2007-09
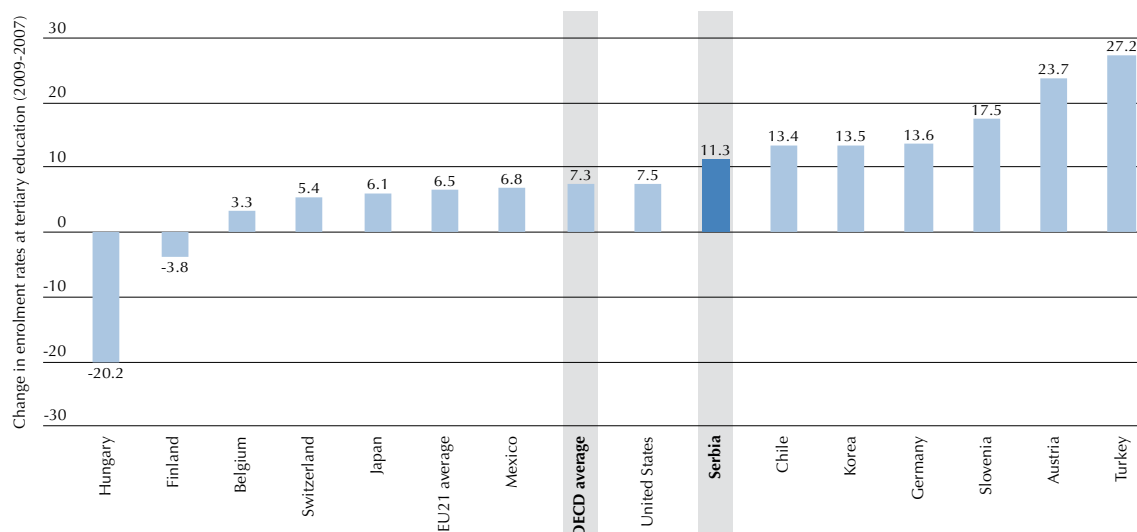
Source: OECD (2011), Serbia: Calculations based on data from the UNESCO Institute for Statistics (World Education Indicators Programme).

Competition for scarce resources

Higher education in Serbia is likely to remain very attractive, and all counterparts met by the OECD assessment team thought of it as a necessary investment for a better personal future. However, the capacity of universities and the state to support expansion is limited and a considerable share of costs is routinely devolved to students and households. In 2010 private sources accounted for 34% of the budget of public institutions – more than in any European OECD country except Portugal, where 38% of the resources invested were private (OECD, 2011).

Between 2007 and 2009 the state financed around 66% of public university cost, which allowed 42% of the student population to study for free after passing strict and rigid testing of academic performance. Individual need is sometimes also taken into consideration, in addition to performance.

The cost of university study in Serbia relative to per capita income is very high, which gives students and their families a serious incentive to apply for public support. Table 2.2 shows the share of per capita income that self-paying students are required to pay per year of study. The fees in even the cheapest Serbian faculties are considerably higher than the average in OECD countries for which there is data. In relative terms, the median cost of the top ten areas of study in Serbia is almost two times higher than average tuition fees in Korea, and more than four times higher than the median of tuition fees in the OECD countries listed in Table 2.2.[3]

Hence, families and prospective students are willing to invest considerable time and effort to gain access to public support in the form of scholarships, loans and/or dormitory places, and competition is severe – mostly at the point of entry in the system, but also throughout the duration of studies because well-performing, but fee-paying students could in theory change their status and be granted a scholarship. Public support is the only existing form of support and is granted according to the principle of "the winner takes all" – loans and dormitory places are reserved only for students who have been granted a scholarship.

Scholarships are tied to study places and are the main channel of state funding for universities. According to data from the MoES for 2010, 90% of these resources are earmarked for salaries of university staff. Faculties have to rely on student fees to make ends meet or to improve their study offer, which provides a strong incentive to have as many fee-paying students as possible, or, in other words, to be highly restrictive when granting access to public support.

At the same time, the state has delegated to public universities the full responsibility for deciding which students are suitable to receive this support. Faculties are free to set their own criteria for access, and negotiate with the ministry year by year the quotas for scholarship students. To sustain quality and expand their capacity, universities would understandably try to gain the best from both worlds – as many budget places as possible to secure a bigger share of the public budget, and as many fee-paying students as possible because public resources are not sufficient for satisfactory operation.

Table 2.2 Average annual tuition fees relative to GDP per capita, 2008 (OECD) and 2009 (Serbia)

Serbia			International comparison		
Faculty of	Rank in terms of cost	Cost relative to GDP/capita	Country	Cost relative to GDP/capita	GDP/capita in USD PPP
Architecture	1	64.8	Korea	19.1	27 858
Stomatology	1	64.8	Ireland	15.7	40 744
Electrotechnics	2	39.7	Japan	13.9	33 115
Sports and physical ed	2	39.7	United States	13.7	46 125
Pharmacy	3	36.7	Slovak Republic	12.6	21 555
Organisational sciences	4	34.8	New Zealand	11.2	26 948
Medicine	5	33.7	Australia	10.8	38 493
Veterinary medicine	6	32.4	Canada	9.8	38 527
Philology	7	32.1	*Median*	*7.6*	
Philosophy	8	32.0	Portugal	5.4	22 899
Theology	9	28.9	Netherlands	4.5	40 682
Median for top 10 most expensive areas of study		*36.0*	Italy	4.3	29 657
Security	10	28.7	Spain	3.4	30 252
Mathematics	11	27.5	France	2.2	33 598
Construction	12	27.0	Austria	2.2	39 241
Economics	12	27.0	Switzerland	2.1	41 045
Political sciences	13	25.4	Belgium	1.6	35 812
Traffic control	14	24.3			
Teacher training	15	21.6			
Biology	15	21.6			
Special education	16	21.0			
Chemistry	16	21.0			
Agriculture	17	20.8			
Geography	17	20.8			
Machine building	18	16.2			
Technical metallurgical	18	16.2			
Forestry	18	16.2			
Physics and chemistry	18	16.2			
Technical faculty in Bor	19	13.5			
Geology	20	12.1			
Median for all areas of study		*27.0*			

Notes: 1. Calculations based on USD equivalents converted using PPPs, by type of institutions, based on full-time students (for OECD).

2. Tuition fees and associated proportions of students should be interpreted with caution as they result from the weighted average of the main tertiary-type A programmes and do not cover all educational institutions. However, the figures reported can be considered to be usable proxies and show the difference among countries in level of tuition fees charged by main educational institutions for the majority of students.

Source: Calculations based on data from MoES, RZS (2011), and OECD 2011.

By having financial incentives that contradict their mandate as gatekeepers of public support, faculties are trapped in a serious integrity dilemma and often enforce rigorous requirements for admission or change of student status (from fee-paying to budget) by using procedures and criteria that are not always transparent. The considerable power over access and success in higher education currently vested in faculty examination commissions and faculty members goes without a matching system for oversight and control, and can be misused for purposes other than identifying academic excellence and socio-economic need. Despite the adherence of Serbian universities to the Bologna Process, there appears to be a lack of shared standards of academic quality and achievement. The section below on *Factors creating opportunity* discusses the issue in greater detail.

The conflict between the financial incentive and structural opportunity of universities to fail students, and the strong motivation of students and families to obtain scholarships to avoid paying fees creates a high level of readiness for engaging in corrupt transactions on all entry and transition points in the system, not only higher education.[4]

Box 2.1 **Higher education in an era of booming enrolments and tightening belts**

At a time when most OECD countries are grappling with rising enrolments and constrained budgets, how can they continue to promote access, equity and completion in higher education while also looking after the bottom line?

The second issue of the OECD's new *Education Indicators in Focus* brief series tells how some countries do this by combining a reasonable level of tuition fees with strong financial aid systems that provide both means-tested grants and loans with income-contingent repayments.

While countries differ in their beliefs about charging tuition fees, many countries with strong university entry rates have one thing in common: robust student financial aid systems. For example, four countries that have particularly advanced systems – Australia, New Zealand, the United Kingdom and the United States – all have above-average university entry rates, despite having very high tuition fees. Meanwhile, four low-tuition countries that also support students with housing and other education-related expenses – Finland, Iceland, Norway and Sweden – have high entry rates as well.

The *type* of aid countries provide is also critical. OECD research suggests that combining means-tested grants with income-contingent repayment on loans not only promotes access and equity at the front end of higher education, but also leads to better outcomes for students at the back end. For example, Australia and New Zealand have used this approach to mitigate the impact of high tuition fees, encourage disadvantaged students to enter higher education, and reduce the risks of high student loan indebtedness.

Source: "Education Indicators in Focus", OECD, www.oecd.org/document/46/0,3746,en_2649_39263238_49401006_1_1_1_1,00.html.

The following section looks at structural weaknesses related to integrity concerns that give opportunity for malpractice in the area discussed so far. Recommendations for action are contained in Chapter 6 of the report.

Factors creating opportunity

Shortcomings in admission policy procedures

The analysis of complaints submitted via the official channels of the Ministry of Education and Science shows that the most frequent complaints in 2010-11 were about university procedures and administration. This category includes unscheduled examinations, issues related to admission, ranking, changes in student status from fee-paying to budget-supported, course examinations, etc. (see Figures 1.2 and 1.3).

Every student who completes four years of secondary schooling is allowed to access higher education provided he/she has success at the enrolment exam organised by the individual faculties.[5] The admission examination is administered by the university or faculty, depending on the intra-university organisation. There are no general regulations concerning by whom and how the entrance exam should be prepared, nor what its content should be. Consequently, test difficulty and subject knowledge requirements vary greatly

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Box 2.2 **The organisation of faculty entrance examinations**

For example, in the case of medicine, the Association of Medical Faculties in Serbia organises a common entrance exam. Some faculties, such as the Faculty of Art, evaluate student performance only in particular subjects. In general, at least five months before the start of the academic year, universities and colleges should announce a competition for student admission that includes the number of study places, criteria for ranking and competition procedures, and the cost of tuition for self-paying students. The selection of candidates takes into account two major criteria: the scores obtained in high school and on the entrance exam. Subject areas assessed during the exam are those that pertain to the study programmes for which students apply and are determined by the higher education institution concerned. Candidates who have obtained outstanding results in national or international school competitions can be awarded additional points – and even be exempted from the entrance exams. Entrance examination scores are made public. Students often apply for several faculties and prepare for several entrance exams but usually focus on one area. Preparation to get into university starts early, often half a year in advance or longer and entrance exams are very competitive. To increase their chances of achieving satisfactory scores, many students enrol in preparatory courses offered by the faculty for which they apply, and take private tutoring.

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among faculties. The absence of overarching regulations regarding the content of admission examinations is a concern. It limits the credibility of the admission system, allows universities to define admission requirements that are detached from the secondary curriculum, and increases possibilities for fraud.

During the site visits the OECD assessment team was repeatedly told that bypassing the official admission process is relatively common. This statement is further supported by findings from a survey by the Anti-Corruption Student Network in South East Europe[6] which leads the team to believe that illegal admittance to universities is in fact a serious issue. There are several forms of illegal practices that seem to occur in Serbia's higher education institutions:

- Subsequent addition of a student to the ranking list; fraudulent changes in the quotas of those who pay and those who do not pay;
- Advance receipt of entrance exam questions after being tutored by the relevant university professor, or by direct purchase of entrance exams;
- Fraudulent changes of test scores;
- Cheating during the entrance exam.

The assessment team was also informed of the practice of "donation contracts between parents and faculty", whereby parents would give financial contributions to the faculty (prior to university admission) that binds the student to the faculty before the examination has been taken, which allows for bypassing the procedures and consequently creates pressure on the faculty members to admit the student regardless of results. However, the team lacks hard evidence of this practice.

Parents are not blameless in the cases listed here, as they apparently try to influence professors and induce them to take what are effectively bribes for placement of students in faculties. Several stakeholders also mentioned that well-connected applicants could find the means to guarantee university admission and access to a public scholarship. The assessment team heard divergent opinions about actual cheating in entrance exams. Some stakeholders stated that cheating in entrance exams was rare, others said it was common. Again this seems to differ among faculties.

Serbian authorities are aware of these problems and are doing their best to regulate access to higher education institutions in a better way. At the level of secondary schools, one option under consideration is the introduction of a standardised final exam between secondary and tertiary education. The Matura, although envisaged for the end of the school year 2014/15, has not yet been designed.[7]

A second measure under consideration is the organisation of a standardised university entrance exam, following the examples of other countries which experienced similar problems, such as Azerbaijan, Georgia, Russia and Ukraine. Not surprisingly, there is a great deal of resistance to this idea by faculties – for the reasons outlined above, but also because the organisation of preparatory courses and entrance exams represents an important source of income for faculties and faculty members.

Box 2.3 **Admissions to tertiary education: international practice**

In this context, there is much to be learned from the experience of countries like Australia, the United Kingdom and the United States in terms of admission procedures for university enrolment. In Australia, for instance, state and territory authorities regulate admission to undergraduate study programmes. States have established centralised processing units in the admissions process, and use a system that assigns an Equivalent National Tertiary Entrance Rank to applying students. In the United Kingdom, a centralised system of admissions to higher education has also been established at the undergraduate level. It is responsible for processing more than two million applications for full-time undergraduate courses every year, and for helping students find the right course.

Universities base their decisions on a variety of factors, including the results obtained at the General Certificate of Secondary Education or standardised Advanced Level examinations. Many students also go through an interview process. In the United States, high school grades (particularly the last two years), extracurricular activities, entrance essays and standardised test results are the main factors evaluated in the student enrolment process for universities. In the United States and the United Kingdom some students are also interviewed in person. Most universities require the results of one or more standardised tests, such as TOEFL, SAT or ACT for admission, the scores of which typically must fall within a certain high range which varies based on the university. However it is to be noted that the introduction of standardised tests can also result in excessive teaching to the test and to an increase in tutoring. Both of these side effects can counteract to some degree the effectiveness and fairness of entrance procedures; this is why many countries use more than one approach to judging the suitability of a student for higher education.

Shortcomings in academic assessment practice

Despite the reforms of recent years and the changes triggered by the Bologna Process, study in Serbian universities is still built around a mostly pre-determined curriculum with a majority of subjects being mandatory (Smirnov, 2010). Some examinations are still taken orally, and most examinations have a strong focus on memorisation of definitions, theories, concepts, and less on an analytical approach to knowledge. The OECD assessment team was repeatedly told that students often fail over statements in examinations that do not correspond to what they perceive are arbitrarily chosen details from the examiners' own writings. Occasionally there is also a mismatch between what is required on exams, what students believe is relevant knowledge, and what is taught in the lecture room.

There are few administrative verification checks to ensure the accuracy of procedures; there are no unannounced supervision visits to examination centres; there is no analysis or comparison of scripts (to identify identical mistakes, etc.); there is an insufficient number of examiners; and there is no centralised marking system. Students often take one-on-one exams with the professor, and the assessment team was told that requirements for transition to the next year in a particular subject commonly change during the course of study. In other words, students sometimes fail to achieve because assessment criteria change shortly before the end of the academic year. For students with public scholarships this might mean the loss of a place in a dormitory. Sometimes it might even mean loss of scholarship and a transfer to the group of fee-payers, or even lead to drop-out if the fees are too high to pay. On the other hand, for well-achieving but fee-paying students a change to or a (possibly arbitrary) failing of an exam means one more year of waiting time and additional cost.[8] What counts for keeping benefits is the average academic success in a given year, and not the number of obligatory exams taken. This means that, in practice, cancelling an exam or transferring it to the next year is sometimes better (and certainly easier) than making the effort to take it.

For students, a compromised examination and assessment environment – and widespread doubts about the relevance and quality of some or many of the subjects taught – create an atmosphere of tolerance for cheating and fraud. Control against plagiarism in coursework seems weak, as many students who took part in the recent Student Network survey report behaviour which goes against the code of academic work, such as adding unread books and articles to reference literature, paraphrasing a section of text, and copying a section of text without quoting the source (Belgrade Open School, 2011). Lack of awareness and understanding that any form of academic fraud is unacceptable, is widespread. In a student survey carried out in 2003, 45% of the students found it fully acceptable to cheat, and seven out of eight admitted readiness to cheat should there be an opportunity (Mihajlovic, 2004). Sometimes plagiarism is also due to a lack of confidence in the student's own skills and knowledge. In any case, academic fraud is a serious threat to integrity and the reliability of certificates in higher education and can lead to scepticism about the validity of results and suspicion about actual performance. It has real consequences for the quality of educational institutions, because students who have faked their results might not be suitable for university-level work, which in turn would degrade the quality of study programmes. It also has consequences in the job-market when employers find discrepancies between official qualifications and the knowledge and capacity of new entrants in the workplace.

Every country discovers cases of malpractice in exam-taking every year. However, in most countries they are the exception rather than the rule. Continuing reliance on oral examinations at higher education levels increases the potential for unacceptable practices as they are difficult to regulate and mark according to objective standards, especially if there is only one professor present at the assessment of the student. Furthermore, the current lack of transparency in this procedure leaves little scope for appeals by students over outcomes.

These examples are not cited as proof, but as an indication of the range of possibilities and the scope of discretion that faculties and individual faculty members have in the domain of examination and assessment, and thus over the distribution of public resources for student support, the number of fee-paying students, and generally over access to higher education. When combined with understandable but clearly wrong incentives to secure resources (see also next section), this creates a serious integrity issue. There is no hard evidence on the extent and prevalence of these problems, but continuing reports from students, information from surveys, discussions with counterparts during the assessment visit, and pertinent coverage by the media add up to undeniable signs of problems that should not be ignored.

Poor versus rich higher education institutions

There is competition for funding not only between students, but also between faculties. The prestige, size and level of income of faculties vary significantly from one higher institution to another and within institutions. Faculties of Law, Art, Architecture, Medicine and Engineering, which prepare students for attractive and highly paid jobs, are traditionally popular and can charge high fees. The Faculty of Law, for instance, the oldest in Serbia, has trained most of the judges, prosecutors and state officials of the country, and benefits from a strong reputation. Such faculties encourage the young winners of local or national competitions to enrol and their own students to participate in international contests. Some of the renowned institutions also function as entrepreneurial organisations, generating their own incomes which are often used to increase salaries.

The situation is quite different in other higher education institutions with relatively modest market appeal. These institutions have had difficulties attracting students, particularly because, due to the economic downturn, there have not been enough extra-budgetary students to generate the necessary income. Some private entities report the same problem, such as the private Faculty of Economics, Finance and Administration, whose enrolment figures decreased during recent years.[9] A number of people mentioned that some public faculties have so few students that they were not able to cover their running expenses (in particular heating or electricity).

While not an integrity issue *per se*, in a higher education system that largely relies on public investment, such differences between rich and poor institutions are an indication of problems with the distribution of public resources, and can have implications for the integrity of the system. Faculties that are poorer (an adjective which seems to apply to most of the faculties except the top 15) have an incentive to lower academic standards in order to attract students. At the same time, since even the poorest public institutions dispose of a certain number of public scholarships, less successful student applicants are often willing to enrol in a field of study in which they have no interest, just to obtain access to public financial support, dormitory placement and other benefits. This is detrimental to academic integrity. It has a negative impact on the motivation of students to learn and invest effort, and further contributes to the general atmosphere of tolerance for taking shortcuts during examinations.

Notes

1. All EU countries prior to the accession of the ten candidate countries on 1 May 2004, plus the four eastern European member countries of the OECD, namely the Czech Republic, Hungary, Poland and the Slovak Republic.

2. Non-tertiary degrees are of declining value for employment. In Serbia unemployment rates among secondary education graduates increased by 3% between 2008 and 2009, and by 6% for the population with only primary educational attainment (ETF, 2010). Between 2003 and 2007 the unemployment rate for people in the age range 20 to 34 with low educational attainment was 5% higher than for people of the same age group with tertiary education (Eurostat, 2009).

3. Table 2.2 also shows that relative cost and levels of per capita GDP are not necessarily connected. This means that student fees depend less on whether a country is wealthier or poorer, but more likely on systemic factors.

4. It also damages the perceived fairness of the system, and invites prospective students to choose their field of study on the basis of economic consideration and not interest.

5. Legislation on secondary education envisages the possibility that students enrolled in three-year VET programmes take additional exams in order to obtain a four-year VET degree, and then be allowed to take entrance exams in faculties.

6. The survey of the Anti-Corruption Student Network in South-Eastern Europe (ACSNSEE) was conducted in 2003 (Mihajlovic, 2004). It used a quota sample method to survey 1 200 students, which allows for representative results. A second survey was conducted from 2007 to 2011 and preliminary findings were presented in September 2011. Except for some faculties, at the time of preparation of the INTES report the aggregated results were not yet available (Belgrade Open School, 2011). Consequently, the OECD could not verify the reliability of survey data but the results are a good indication of predominant perceptions in various faculties.

7. Most countries in the former Eastern bloc traditionally had a Matura type of examination, and a number of countries have re-introduced it, e.g. the Baltics, the Former Yugoslav Republic of Macedonia, Poland, Slovakia and Slovenia, as well as Albania, Armenia, Azerbaijan and Georgia. The design, testing and implementation take five years on average.

8. Students' funding status in a given academic year is determined on the basis of achievement in the previous year. They may change their status from fee-paying to scholarship students if they acquire a certain number of European Credit Transfer and Accumulation System (ECTS) points for the academic year and receive good grades, and subsequently move up a ranking list. Similarly, budget students can lose their status and become paying students if they earn a low score, do not complete the intended amount of ECTS points for the academic year, or are sick or on leave (for work, etc.). In some faculties there are many students who meet the requirements for receiving a scholarship but, due to quotas negotiated in closed sessions between the MoES and individual faculties, are not granted one. Student protests requesting higher quotas are not uncommon, and sometimes are crowned with modest success.

9. In fact, as in many other countries from the sub-region, private institutions continue to suffer from a bad image. A dean of a major private university said, "There is a lot of work to do to get rid of the negative image private universities used to have and still have; that's why we work on creating a positive image, and invest in alumni clubs".

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3

Better Quality of Education

The chapter discusses inefficiencies in classroom learning and stakeholder distrust, which create the need for remedial lessons and fuel the proliferation of private tutoring as a widespread, commonly accepted solution for difficult subjects, before exam sessions, and in preparation of admission exams. It notes that private tutoring practices at pre-university level are motivated by a wide range of factors that are, for the most part, not illegal and underlines the inherent integrity risk they carry, fuelled also by the absence of professional codes of conduct and weaknesses in the inspection system.

Quality is at the core of expectations towards the education system. National and international evidence suggests that the quality of learning in Serbian classrooms does not meet stakeholder expectations. The reasons are various and include overloaded, often too academic curricula, especially in mathematics and natural sciences; deficits in the pedagogical preparation of teachers (in particular secondary school teachers) and a predominantly ex cathedra approach to teaching; a lack of parental involvement and likely subsequent problems with student motivation, especially true for students from a higher socio-economic background due to stronger reliance on private tutoring in certain subjects. Last but not least, there are indications that what is taught in secondary schools differs, sometimes considerably, from what is demanded for access to university.

These are quality related issues, but they also create a strong need for remedial teaching and fuel the acceptance and proliferation of private tutoring as a widespread, commonly accepted remedial measure. The OECD assessment team was frequently informed of regular and predictable pressure from parents on teachers to provide private tutoring – for difficult subjects, before exam sessions, and as preparation for university admission exams. For around a quarter of Serbian households with children in school age, this is a predominant form of private investment in education. Learners in Serbia often seem to be trapped in a vicious circle of limited learning during regular schooling hours, which creates need for tutoring and stimulates reliance on out-of-school remedial work, which in turn limits the effectiveness of learning in class.

Not all private tutoring is illegal, but its prevalence in Serbia demands urgent attention to prevent existing practices from sliding into a "shadow" system for passing of exams or progression to higher levels of education.

AREA OF INTEGRITY CONCERN #2: QUALITY OF TEACHING AND LEARNING IN SCHOOL

Corruption forecast:
Failure to address shortcomings could degenerate the existing practice of private tutoring to a pre-condition for passing exams or for graduation.
Sources of direct/indirect forecast evidence:
Data on expenditure. Stakeholder interviews. OECD PISA 2006 and 2009 Database.
Drivers of demand affecting the integrity of this area:
Limited learning in class due to shortcomings in curriculum design, teacher preparation, limited parental involvement and possibly lack of motivation of students to learn; lack of trust in the capacity of schools to prepare students well, at least in selected subjects. Vicious circle of limited learning in class which creates demand for tutoring and stimulates reliance on out-of-school remedial work, which in turn limits the effectiveness of learning in class.
Opportunity for corruption created by:
Weaknesses in the inspection system; absence of codes of professional conduct (see Chapter 5); widespread practice of out-of-school lessons.
Recommendations (Chapter 6):
Analyse the phenomenon of private tutoring in Serbia in greater detail for the sake of directly determining its prevalence and impact on teaching and learning in class; facilitate better parental involvement; initiate curriculum reform and improvements in teacher training and professional development; increase the number of pedagogical inspectors and improve the collaboration between municipal and pedagogical inspections; introduce teachers' codes of conduct.

Factors driving demand

Curriculum and learning time

The primary curriculum in Serbia includes mother tongue classes (Serbian or minority languages), Serbian for minority students, a foreign language, mathematics, biology, physics (from Grade 6), chemistry (from Grade 7), social sciences, arts and physical education. The curriculum in secondary schools is in essence a continuation of the compulsory education curriculum, but with as many as 15 additional subjects (OECD, 2003).

The curriculum has remained essentially unchanged since the last OECD review of education policies in Serbia in 2003. The 2003 report notes that most of the current primary and secondary education curricula were designed and approved by the MoES in a highly centralised procedure and design with most of the syllabi dating back to the late 1980s or early 1990s, and assessed them as old-fashioned and paying tribute to curriculum practices harking back to the 1970s or 1980s (OECD, 2003). Some of the problems still not addressed at the time of the INTES assessment include: little or no communication or horizontal co-ordination across different groups drafting curricula for different areas of study; a narrow subject-based approach that excludes any inter-disciplinary or cross-curricular connections; minimal participation of teachers in the process of drafting and subsequent setting of syllabi; syllabi that consist mostly of lists of content items without reference to the learning process in the classroom; a curriculum that contains only compulsory subjects that must be completely covered in the classroom, although it is not really possible to teach and/or learn all the information covered (OECD, 2003) due to insufficient teaching time.

Regarding the last point, PISA provides information on how much time Serbian students spend in regular lessons in Serbian language and mathematics. While in Serbia language lessons are given 145 minutes on average, students in the OECD area spend 217 minutes. In mathematics, the average time spent in lessons per week is 155 minutes in Serbia but 214 minutes in OECD countries.

This might explain why Serbian students spend more time in out-of-school lessons than students in other countries. Twenty percent of students attend out-of-school lessons in Serbian language and 30% in science. Almost every second student in Serbia attends out-of-school lessons in mathematics (45%) (OECD, 2010). This is particularly high.

The ministry acknowledges problems with the curriculum and has initiated work on developing a new one. Funds for this were, however, not included in the budget. Envisaged changes in the curriculum would in any case need to be synchronised with changes in the university entrance examinations.

Quality of teaching

The teacher-centred model (the frontal and directive *ex cathedra* approach, and lecturing) still predominates in Serbian classrooms, carried on and replicated through a system of initial teacher preparation and professional training that should be improved.

Initial teacher training

The OECD assessment team received varying opinions on the suitability of initial teacher preparation. Overall teacher preparation at the primary level does not appear to have kept up with the changing demands of the education system for more creative and innovative teaching methods. Teachers from Grade 5 upward and teachers in secondary schools (subject teachers) are taught in their respective subject area faculties, and have received very little, if any, initial preparation in the foundations of education (psychology, sociology and didactics) or in teaching practice. Programmes for pre-school and primary teachers have been provided at the Teacher Training Faculty, Belgrade University, since 2007. Until then teachers were trained in vocational colleges. The Faculty has 30 staff and 1 500 students and is accredited to provide undergraduate, Master's and PhD programmes. The subjects offered are organised into four groups: *(1)* philosophy, psychology, sociology; *(2)* pedagogical and psychological subjects – didactics; *(3)* subjects on the school curriculum, mother tongue, mathematics, etc; *(4)* teaching methods and teaching practice.

Electives comprise 20% of the overall programme and are offered in a broad range of areas, including the philosophy of education, early literacy, arts and music. Teaching practice starts in the first year with the students teaching their own lessons in school in year four. It is reported that one and a half out of eight semesters are devoted to teaching practice. Intake to the programmes comes from both gymnasia schools (one-third) and vocational schools (two-thirds), averaging a grade of B+. The majority (95%) are female. Entrants to primary teaching show better achievement than those for pre-school, but the position is reversed later with pre-school graduates achieving higher grades than their primary counterparts.

Entry into the pre-school and primary programmes at the Belgrade University totals 140 each, with additional 80 students in other towns. The 280 students at the faculty in Belgrade are selected out of 600 candidates. An oral test of literacy and physical and music skills is administered. The overall failure rate at this stage was said to be 1%-2%. Those who are successful are then assessed on a combination of their school grades and a test designed by the faculty based on Serbian language and general knowledge. Although it is possible to enrol 110 fee-paying students for every 100 budget students, the share of fee-paying students in the faculty is only 39%.

The curriculum determines the content of the assessment, and a variety of techniques is used to assess students including written tests, practical examinations, independent research projects and teaching practice. The teaching practice mark is based on 12 lessons and is agreed by teachers from the faculty in association with teachers from the school class in which the practice is held. The overall pass rate is 90%, with 40%-50% passing within four years, increasing to 80% at the end of year five. The reasons given for late graduation included financial difficulties resulting in students having to work, and family commitments. The dean was not sure how many graduates went on to teach but estimated it at 70%. There are six Faculties of Education in Serbia and they exchange experiences.

A former student described the programme as "not hard" and added that having experienced teaching practice, which was arranged towards the end of the programme, many of the students realised that they did not want to pursue a career in teaching. Arranging teaching practice in the schools at an earlier stage in the programme would help to minimise this and help students to change direction. The student also suggested that the students and teachers would advocate selection at the point of entry.

Reports obtained from a small sample of students, both current and past, presented a mixed picture on the existing programmes, and this was also the case among the principals and teachers who commented on this issue. Provision for the preparation of preschool and primary teachers was viewed as relatively satisfactory in comparison with that for subject teachers. Initial programmes for subject teachers are largely conducted in the faculties and the quality of the programmes offered varies considerably across faculties. It was reported that the subject curriculum (*e.g.* physics, biology) covered in some faculties was not a suitable preparation for teaching that subject at school level, while the proportion of the overall programme dedicated to teacher education was seen as particularly weak in the foundations of education theory, methodology and teaching practice.

Another visit to the Faculty of Education, Belgrade University, confirmed the general situation with regards to the training of teachers, in this case subject teachers. Subject teachers are recruited from the faculties in the universities and some of these faculties offer short courses in basic subject didactics as an option on their programmes. However, provision in this area is generally deemed quite inadequate and a new one-year full-time Master's programme for subject teachers is now being developed at the Faculty of Education, Belgrade University. Of the 36 credits for the programme, six will be assigned to teaching practice.

It was not possible to obtain reliable data across all programmes about the proportion of staff that have prior training in the theoretical foundations of education and in the range of methodologies relevant for teaching in schools, as well as prior experience of teaching at the relevant school level. The current approach to teacher training has resulted in some school staff being unprepared to meet the modern-day challenges presented by the students.

Professional development

Once appointed, teachers are obliged to engage in relevant professional development programmes in order to improve and enhance their pedagogical competences (Article 129 of the Education Act). To this end, a teacher is entitled to three days annual leave to attend in-service courses. The school principal is required to prepare a professional development plan for the school in accordance with the priorities included in the institution's development plan. The Ministry prescribes areas to be included in the professional plan for a three-year period. Responsibility for the area of professional development rests with the Educators' Professional Development Centre which is located in the Institute for the Improvement of Education. Oversight rests with the Institute for Education Quality among other functions; the Centre's task is to promote the continuous improvement of competence and development of the professional staff in the schools, including approving programmes of professional development and the preparation of handbooks and additional materials for teachers. At the school level, the teachers' council agrees on the schedule for professional development for the obligatory three days of study. According to the law, teachers are required to collect 120 European Credit Transfer and Accumulation System (ECTS) points of professional development over a five-year period in order to have their teacher licence renewed. However, this requirement has thus far not been imposed.

In-service programmes are provided by a range of organisations, including Regional Teaching Training Centres and Competence Improvement Centres, as described in Article 38 of the Education Act. One such centre visited by the OECD assessment team provides a range of seminars and programmes for teachers and principals. There is no evident link between the choice of training courses and actual demand from the schools. The local municipality finances the courses offered and these courses account for about 20% of the centre's budget. The remaining costs are covered by income from commercial activities (*e.g.* courses for doctors, pharmacists and the NGO sector) and from projects (*e.g.* the Delivery of Improved Local Services project), while some of the less expensive courses are self-funded by the teachers. The allocation from the municipality can be further reduced in view of other, more urgent commitments which have to be met. The Primary School Teachers' Association of the Republic of Serbia also provides a range of programmes for teachers of Grades 1-4, some of which are provided free of charge and others at modest costs, through its 50 local branches.

The ministry, through the Institute for the Promotion of Education (*Zavod za unaprediivanje obrazovanja i vaspitanja – ZUOV)*, publishes a catalogue of approved programmes annually (921 for the year 2011). Providers submit programme details, including the topic, target group, length of the programme the author(s), for accreditation. However, many of the programmes are never provided. Schools are also given a modest grant for professional development purposes but this is regarded as quite inadequate to meet the needs specified, and some questions were raised in interviews in relation to the distribution of these funds among the teaching staff in the schools. Allegations were made, again without any specific details, that some principals retained most of the funding for their own professional development needs, often for courses located in what was described as exotic places. This practice, if confirmed, can have important implications for the teaching staff as opportunities for promotion are determined by a points system linked to engagement in professional development. On the other hand, teachers who engage in professional development, well beyond any minimum requirement and often at their own expense, receive neither acknowledgement nor compensate for their accomplishments.

An example of linking both professional development initiatives and curricular innovation can be seen in the work undertaken following the publication of a report on *The Strategy for the Development of Vocational Education and Training in the Republic of Serbia* (Government of the Republic of Serbia 2005). A range of curricular modules was developed and in 2011-12 piloted in 201 VET schools (which is more than 60% of VET schools in Serbia). According to the MoES, the process of transferring the pilot programmes into the regular system is ongoing. Alongside this innovation, between 7 000 and 8 000 teachers were trained in teaching the modules and the pilot schools received equipment. So far no evaluation has taken place, so it is not possible to gauge its success. A further example of linking wider changes in the system with professional training of teachers is to be found in the recent implementation of the examination at the end of the primary education cycle.

On the negative side, many teachers have been reluctant to engage in professional development activities for a number of reasons. First is the lack of recognition both at school and national level for engaging in professional development and the lack of financial

rewards for taking courses. Second, teachers are reluctant to commit private time to going on courses, and in some cases they need this time to earn additional income. The OECD assessment team also received a number of comments which indicated that some of the existing courses are of poor quality. This lack of engagement in professional development is especially regrettable given the many social changes that have implications for schools, as well as the changes that are in progress in the education system. It is even more regrettable in the case of those teachers whose initial training may have been inadequate to meet current challenges.

Stakeholder distrust

Students in Serbian classrooms are not encouraged to express their opinions. There is little evidence of debate, problem solving, interaction, group or project work in classrooms. In addition, a lack of needed quality in-service training prevents many teachers from changing their teaching and learning practices, even in cases where there is the will to do so.

These and other problems foster a general sense of distrust in stakeholders in the capacity of pre-university education to deliver good outcomes and prepare students for life. Among Serbian students, 65% said "school has done little to prepare me for life", compared to the 25% OECD average, and 93% considered that what was learned in school will be less useful in a job (88% OECD average) (OECD, 2010). In interviews many stakeholders confirmed they lack trust in the public education system to deliver on needs and expectations.

The amount of household investment in education and, partially, further data from PISA on out-of-school lessons can be interpreted as an indicator for the need felt by parents and students to compensate for inefficient classroom teaching and learning.

In terms of expenditure, the figures in Table 3.1 suggest that private tutoring is the most common form of remedial education investment. The 26% of families with children of school age that invest in this form of out-of-school teaching are spending more than 60% of their average household budget on this. Table 3.1 provides aggregated figures for primary and secondary education. If there were data for secondary schools alone, the share of the school population taking private tuition would probably be even higher because of preparatory tutoring for end-of-year exams before university.

Table 3.1 Household expenditure on primary and secondary education, 2006/07

Item	Per student/year (RSD)	In % of total household expenditure for education	In % of average household expenditure
Textbooks and books	4 302	11.3	12.4
Other educational materials (notebooks, bags, pens)	2 104	5.5	6.1
Meals at school	3 588	9.4	10.4
Transportation to school	2 030	5.3	5.9
Excursions	4 044	10.6	11.7
Assistance for repair, maintenance of schools	98	0.3	0.3
Memberships in children/youth organisations	88	0.2	0.3
Gifts to school staff	57	0.1	0.2
Other	434	1.1	1.3
Private tutoring	21 463	56.2	61.9
Share of total primary and secondary student population taking private tuition, in %	*26.2*		
Total	**38 210**	**100.0**	**110.2**

Sources: OECD assessment team calculations based on data from RZS (2008), Professor A. Baucal (Philosophical Faculty of the University of Belgrade) and RZS database.

PISA defines out-of-school lessons as lessons in which students spend extra learning time outside of normal school hours, in subjects they have at school. The lessons may be given at the school, at home or somewhere else. In terms of frequency of out-of-school lessons, PISA 2009 offers the possibility to distinguish between two categories of out-of-school lessons: remedial and enrichment lessons. Remedial lessons are any additional lessons designed to help students with learning difficulties ("reinforcement"), whereas enrichment lessons are designed to extend the abilities of more capable students. PISA 2006 contains more detailed information on the institutional setting of out-of-school lessons – with school teachers or with non-schoolteachers, alone or in groups.

In Serbia the share of students attending out-of-school lessons in 2009 is relatively high – higher than on average in OECD countries and considerably higher than in well-performing systems such as Canada, the Netherlands and notably Finland. More than one-third of Serbian students attend enrichment lessons and more than one-quarter of students attend remedial lessons. Figure 3.1 provides a comparison of attendance of enrichment or remedial lessons for countries in South East Europe and selected OECD and non-OECD economies (OECD, 2010).

■ Figure 3.1 ■

Share of students that attend either enrichment or remedial lessons in any of the three subjects, for selected countries
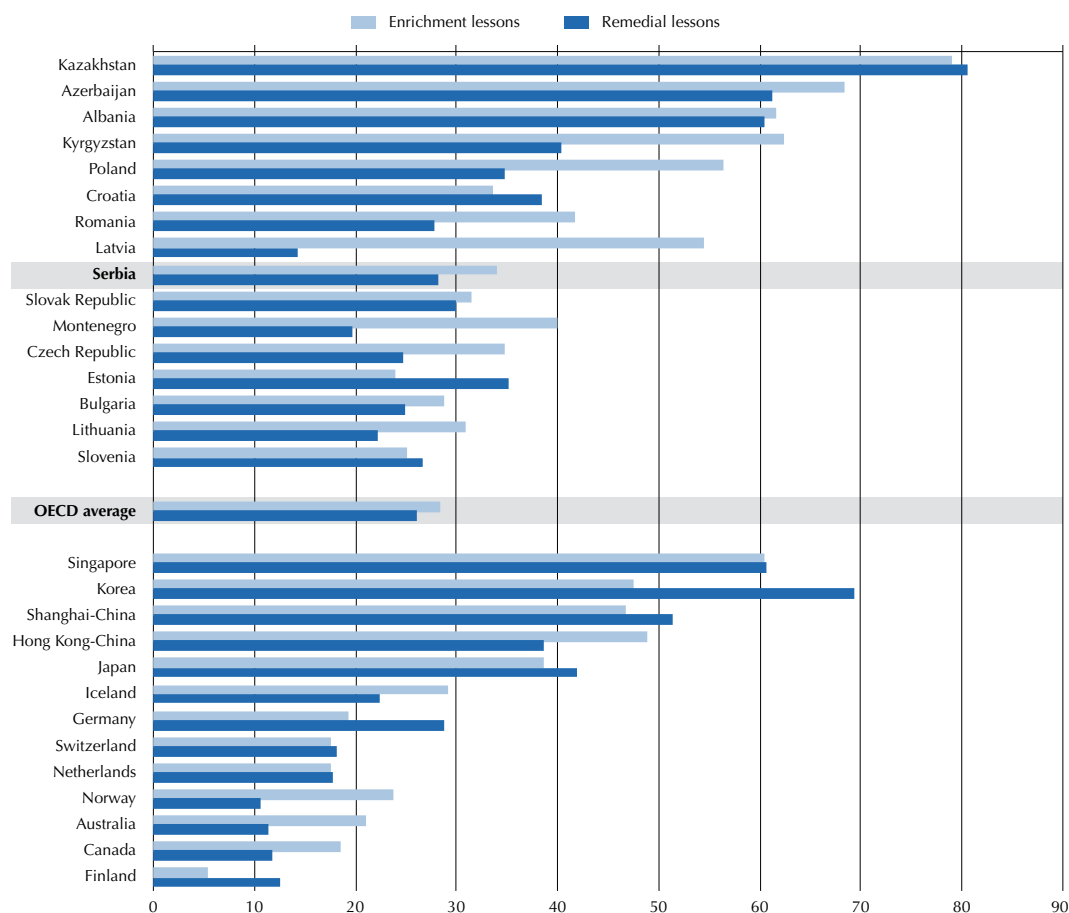
Source: OECD PISA 2009 Database.

The figure shows that some high-performing systems, notably Hong Kong, Japan, Korea, Shanghai and Singapore, have very high shares of students attending out-of-school lessons. Yet, these systems are known to have a "private tutoring problem" and concerns have been raised about the rising trend of private tutoring in South East Asia. Caution is recommended before considering those countries as best-practice examples. Other high-performing systems such as Australia, Canada, Finland, Norway and Switzerland have the lowest shares of students taking out-of-school lessons. Further analysis from PISA sheds light on the relation between performance, classroom learning and additional out-of-school learning.

A recent OECD report (2011) *Quality Time for Students: Learning In and Out of School,* based on results from PISA 2006, shows that 15-year-old students in countries that perform well in PISA spend less time on average in after-school lessons and individual study, and more time in regular school lessons, than students in countries that are poor performers in PISA. This is particularly true when the time students spend in regular school lessons is counted as a share of total time spent on learning. For example, in high performing countries such as Australia, Finland, Japan and New Zealand, over 70% of students' science learning happens in regular school lessons. In all of these four countries except New Zealand, the total number of hours of science learning is lower than the OECD average. This, again, clearly implies that the quality of regular school lessons has a bigger impact on student performance than the total number of learning hours. Given these findings, simply adding hours to the school day or encouraging students to spend more time in after-school lessons or individual study seems unlikely to help improve low performance.

Looking at how many students attend out-of-school lessons in Serbia by individual subject reveals that the share is particularly high in mathematics. Conversely, out-of-school lessons in Serbian are less common. Taking into consideration the low amount of time Serbian students spend in regular mathematics lessons, there is reason to assume that out-of-school lessons may be seen as an option to compensate for the little time devoted to mathematics in school, despite traditionally high requirements and standards for this subject.

■ Figure 3.2 ■
Share of students attending out-of-school lessons in Serbian, mathematics and science
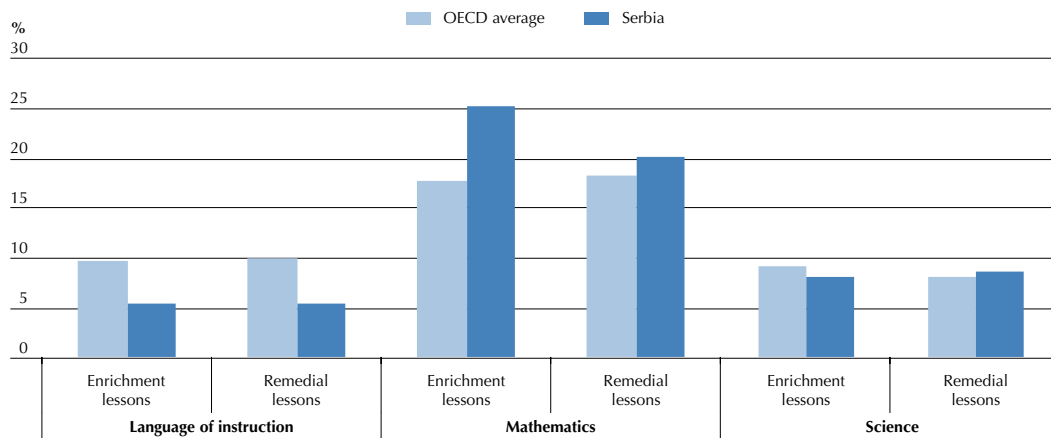
Source: OECD PISA 2009 Database.

Out-of-school lessons can become an equity concern, if attendance is reserved for better-off students, and the need for out-of-school lessons is imposing high private costs for economically deprived students and their families. This appears to be the case in Serbia, where students from higher socio-economic backgrounds participated more often in out-of-school lessons than their peers from lower socio-economic backgrounds. While 46% of students in the bottom quarter of the index of socio-economic status participated in out-of-school lessons, 62% of students in the top quarter of this index did so in 2006. This pattern was less pronounced in OECD countries where the difference between top and bottom quarter students was only 7% on average, compared to 16% in Serbia. When looking at one-to-one lessons with non-school teachers – the classical private tutoring situation – this

■ Figure 3.3 ■
Share of students attending one-to-one lessons with non-school teachers for selected countries, by quarter of the PISA index of economic, social and cultural status
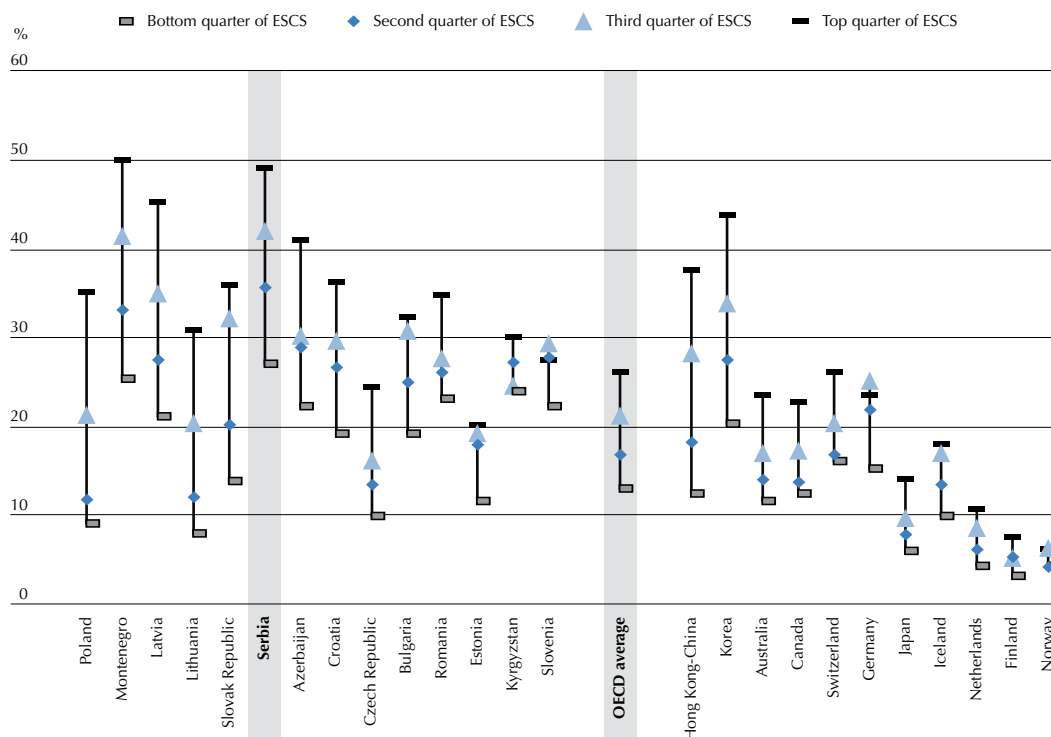
Source: OECD PISA 2006 Database.

difference is even greater. Almost half the students in the top quarter of the index of economic, social and cultural status attended one-to-one lessons, compared to less than one-third of students in the bottom quarter of this index (27%). The difference is larger in only 13 countries, including Poland, Montenegro, Latvia, Lithuania and the Slovak Republic (OECD, 2011).

The PISA results from 2009 for Serbia also show that the attendance at enrichment lessons is more closely associated with higher socio-economic profile than the attendance of remedial lessons. This pattern holds true for all subjects in all streams of secondary education. Looking at the share of students who attend out-of-school lessons by type of school, the results reveal that students in general programmes attend them more often than their peers studying in vocational tracks. A larger share of students in general programmes attends enrichment than remedial lessons in mathematics, science and other subjects, whereas students in vocational tracks attend more often remedial lessons. Serbian language does not fit this pattern, but one could say that the higher share of students in general programmes who attend out-of-school-lessons in Serbian may be widening the performance gap between these school types even further.

■ Figure 3.4 ■
Share of students attending out-of-school lessons, by subject and type of lesson
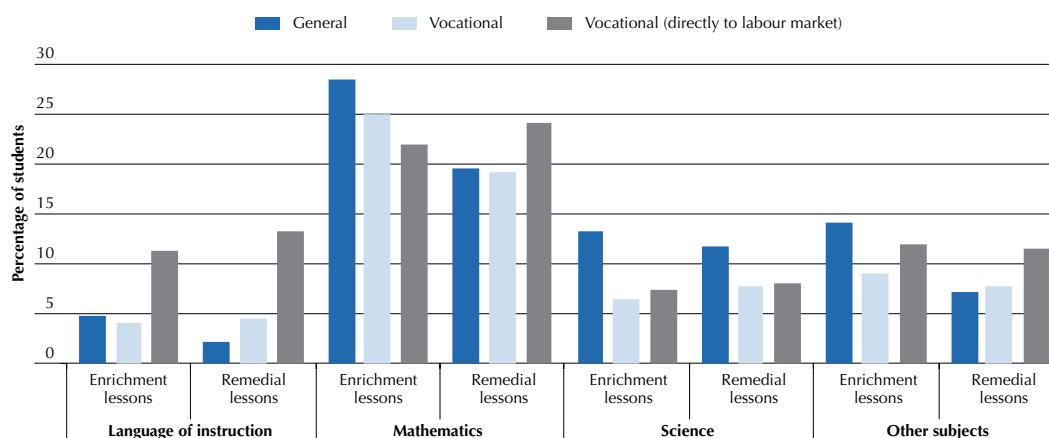
Source: OECD PISA 2009 Database.

In 2006, the number of students from general secondary schools who attended one-to-one lessons with non-school teachers was higher than the number of students from vocational schools – 46% compared to 36%. The opposite could be observed for one-to-one lessons with schoolteachers – 7% of students attended such lessons in general secondary schools, 11% in vocational schools. One-to-one lessons with schoolteachers, which may cause a particular integrity concern, have been attended by more students in rural than in urban areas; 12% compared to 8% (OECD, 2011). However, PISA does not provide information about where lessons take place, how students are selected for out-of-school lessons, whether they happen regularly and whether students pay for these lessons. Updating the analysis concerning these issues would thus be worthwhile.

Parental involvement

The general sense of distrust in the public education system might in turn be an explanation for the overall lack of interest and involvement of parents in their children's schools.

Parental involvement and representation in Serbia, as in all countries of the Southeast European region, is limited mostly to school activities. Parents seldom, if ever, participate in education policy making on municipal, regional or national levels (Kovacs-Cerovic *et al.*, 2010). Parental involvement in secondary schools is low. According to PISA, 52% of students are in schools where the principal reported that only very few parents put pressure on the school; 42% of students are in schools where a minority of parents exert pressure and only 6% of students are in schools where the principal reported that many parents put pressure on the school (OECD, 2010). The lack of involvement might sometimes be mutual. The effort of many schools to involve parents is limited to communicating the marks of pupils,[1] and the need for financial or in-kind support for school operation and extra-curricular activities such as excursions.

These observations are confirmed by a survey on parental involvement in schools in South Eastern Europe published by the Center for Educational Policies in Ljubljana in 2010. It reveals that Serbia, next to Bosnia and Herzegovina and the Former Yugoslav Republic of Macedonia, has the lowest mean number of school invitations to parents to participate and that, of all countries surveyed, Serbian parents are least satisfied with the opportunities offered for participation. Serbian parents also see less benefit than parents in other countries in participating in activities the school is inviting them to and, together with parents in Croatia, are more skeptical than elsewhere in the region about their capacity to influence school decision-making processes (Kovacs-Cerovic *et al.*, 2010).

Is private tutoring a problem in Serbia?

Private tutoring appears to be common at all levels in Serbian education. This is not specific to Serbia. Not all private tutoring is illegal and there are rules regarding teachers tutoring children studying in their own class or school. However, when it becomes a "shadow" system, detracting from teacher classroom performance, when it is limited to wealthier students, when it is undertaken by education system staff in exchange for better grades, and/or to the detriment of their regular classroom teaching, then tutoring becomes an integrity concern, a hindrance and not a help to the quality of education.

Recent work on what has been called "shadow education" by Bray (2010) and Silova (2010) has broadened the discussion about policies that can mitigate the possible consequences of a shadow system overpowering the formal system of education.

> Shadows can of course be useful. Just as the shadow cast by a sun-dial can tell the observer about the passage of time, so the shadow of an education system can tell the observer about change in societies. However, in some countries, parents, educators and politicians are highly critical of the way in which private tutoring has come to dominate the lives of families and pupils. Tutoring commonly creates and perpetuates social inequalities, and it consumes human and financial resources which perhaps could be used more appropriately in other activities. Critics add that private tutoring can distort the curriculum in the mainstream system, upsetting the sequence of learning planned by mainstream teachers and exacerbating diversity in classrooms. In this sense, unlike most shadows, private supplementary tutoring is not just a passive entity but may negatively affect even the body which it imitates (Silova, 2010).

There is no formal study on the prevalence and type of tutoring in Serbia. The assessment found that in pre-university education, increased competition for places, a high societal demand for academic excellence based on the knowledge of specific curricula, with few acceptable educational alternatives and a need for qualifications in order to access limited job opportunities, all put pressure on students to achieve and parents to help them. Factors other than poor classroom teaching/learning that are likely to affect the prevalence of private tutoring are: *a)* poor parental engagement in student learning; *b)* a need for further income on the part of teachers and faculties in the case of preparatory courses for universities; *c)* poor synchronisation between the secondary school and higher education curricula; and *d)* poor motivation of students to learn.

Tutoring takes many forms: *a)* tutoring by teachers after school, particularly at the secondary levels; b) tutoring by teachers and professors for university entrance examinations (taking the form of almost compulsory pre-university courses for specific faculties); and *c)* private individual tutoring on specific subjects such as languages. In general, private tutors seem mainly to be teachers themselves and university staff, rather than other students or private companies, although it would not be unusual if privatisation of the tutoring market were to become more prevalent. It is important to note that some interviewees emphasised that it was parents who insisted on private tuition.

It would seem therefore that demand for private tutoring at the pre-university level is motivated by a wide range of factors that are, most of the time, not illegal. However, as has been stated earlier, the overuse of or dependence on tutoring can undercut the quality of publicly funded education and be an indicator for, or exacerbate, poor quality teaching and learning. It is also clearly a detriment to equal opportunities for learning if classroom teaching does not adequately address the needs of students of differing abilities and income levels. To repeat, not all private tutoring is illegal or unethical, but its prevalence in Serbia demands urgent attention and well-considered action to prevent existing practices from sliding into a "shadow" system, in which tutoring becomes a pre-condition for passing exams or progression to higher levels of education. Learners in Serbia seem to be often trapped in a vicious circle of limited learning during regular schooling hours, which creates need for tutoring and stimulates reliance on out-of-school remedial work, which in turn limits the effectiveness of learning in class.

This assessment comes to the conclusion that tutoring is largely a response to a demand for better quality education, and for access to higher education (see Chapter 2) which is now constrained for a large number of students. The quality-related issues discussed in this section create a need for remedial teaching, and fuel the acceptance and proliferation of private tutoring as a widespread, commonly accepted remedial measure. For around a quarter of Serbian households with children of school age, this is a predominant form of private investment in education. Demand for private tutoring is further fostered by the opportunities generated by the admissions process and the university entrance system (see section on higher education) and might be somewhat changed by the introduction of the proposed Matura exam.[2] It must be noted however, that reliance on the Matura alone might as well backfire, as was the case in some countries (Russia) where its introduction, isolated from other reforms, resulted in a proliferation of private tutoring (Balzer, Klein, Silova 2011).

The OECD assessment team recommends further investigation of the phenomenon of private tutoring to the extent to which it would help direct the attention of policy interventions to those questions behind it that really matter: how to motivate students to learn, how to modernise teaching and the curriculum and improve the quality of educational provision, and how to make access to universities more equitable.

Factors creating opportunity

Problems in the inspection system

A well-functioning inspectorate is key to preserving the integrity, quality and efficiency of education services. Without these checks and balances, there is no mechanism for ensuring high standards of professional performance and good results. At present in Serbia the inspectorate is split between two branches and two different managing authorities, the municipality and the Ministry of Education and Science. In particular the regionally based pedagogical inspectorates of the Ministry are undermanned.

The Institute for Education Quality and Evaluation monitors and evaluates the attainment of educational objectives and standards across the system. Specifically in relation to pre-schools, elementary, secondary and vocational schools, quality assurance is carried out through a combination of internal and external evaluations. In-school evaluation is incorporated into the school development planning system. This is designed to review performance against stated objectives, and to agree and implement priorities for development in ways that promote a culture of continual renewal and improvement through small-scale incremental changes.

In-school evaluation is then complemented and validated by a system of external inspection, conducted in relation to the school development plan. Parallel with the above evaluations, national examinations of student achievement taken at the end of the elementary and secondary cycles are reviewed by the Institute as an integral component of its obligations in setting and monitoring standards of achievement at crucial stages in the system.

External evaluation is conducted by two branches of the inspectorate. Administrative inspectors, also called municipal or lay inspectors, conduct reviews of the implementation of the relevant laws related to funding, buildings and general administration of the schools.[3] These inspectors are law graduates, have passed the civil servants professional examination and have at least five years' work experience in government service, local government or education. They are appointed at municipal level and are required to visit each school at least once a year, usually at the beginning of the academic year, and thereafter as necessary. Because they are appointed at local level and are on the payroll of local governments, they are sometimes perceived as political appointees and thus as being susceptible to pressure from their employers. The overabundance of rules and regulations related to school management, many of which are obsolete or contradictory, give administrative inspectors considerable leverage *vis-à-vis* schools and school principals.

Expert pedagogical supervision is provided by another branch of the inspectorate. These inspectors are variously titled educational or pedagogical inspectors.[4] They are required to have four years of higher education, including psychology, pedagogy and teaching methodology to a total of 30 credits, and six credits for practice in an institution. Their main function is to evaluate the quality of the programmes and instruction in the schools, and to offer advice and assistance to the staff. Their visits to schools are generally announced in advance. They visit classrooms, observe the teaching and learning taking place, and offer advice to the staff. A report is issued following the visit. If shortcomings have been noted, corrective action has to be taken and a follow-up meeting is organised to monitor progress.

It is not common internationally to have two separate branches of the inspectorate. Splitting the responsibilities leads to an artificial distinction between the administrative and pedagogical capacities of a school and its leadership. It would appear that a different set of criteria at the recruitment stage could provide candidates capable of fulfilling all of the functions currently being performed by the dual system.

The pedagogical branch of the inspectorate is said to be understaffed and overstretched and to have only a minimal presence in the schools, except when dealing with complaints and conducting general inspections. According to PISA, 40% of the secondary students in Serbia in 2009 attended schools that did not receive any lesson observations by inspectors or other external staff during the past 12 months (OECD, 2010). The assessment team was told by schools that, if at all, inspectors visit the school at the beginning of the school year but often there is no follow-up visit.

Furthermore, issues of confidence and credibility can arise both for the inspector and the inspected in cases where the inspector is not a subject specialist in the area being supervised, and in these circumstances the advice given is often dismissed.

Box 3.1 **Lack of confidence in inspectors**

Teachers met by the OECD assessment team reported distrust in the subject matter knowledge of inspectors. Dismissal of advice provided by inspectors is not unusual, especially when it concerns subject matter issues. Inspections are frequently only pro-forma or take place irregularly or, in some cases, never. One teacher described how, during a visit by a pedagogical inspector, he was offered advice on his teaching, but refused to take it because he did not consider it relevant or credible. Another teacher of some eight years' experience stated that he was granted his licence on the basis of a pre-arranged lesson. Yet another teacher told the assessment team how in the beginning of his career he was visited by a pedagogical inspector who observed his teaching over a three-day period, but was never visited by an inspector since then.

Notes

1. As PISA results indicate, 95% of students are in schools where the principal reported that student's assessments are used to inform parents (OECD, 2010).

2. It is to be noted that this demand is also fostered by a tradition of seeing all post-secondary education other than universities as second rate. The European Commission report of 2011 states: "it is important to learn to what extent tutoring is supplementing mainstream education and addressing specific student needs or whether it substitutes for it". University education is only one valid form of higher education and it is not clear that traditional university courses are always relevant to the job market. The current excellent initiatives to expand quality vocational education in Serbia should be continued as part of the system improvements much needed to provide an educated and motivated workforce.

3. Article 147 of the Law on the Foundations of the Education System of the Republic of Serbia.

4. Article 151 of the Law on the Foundations of the Education System of the Republic of Serbia.

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4

Staff Policies and Management of Resources

The chapter directs the focus of assessment to the education institutions – to staff and resource policies which are the backbone of institutional operation and to shortcomings in these policies and their implementation that could be decisive in creating or eliminating incentives for malpractice. Particular attention is paid to education financing, financial accountability and employment policies for teachers and principals.

Staff policies and management of resources are decisive for the integrity of education institutions.

The preceding chapters considered integrity from a stakeholder perspective, and discussed system-related incentives and opportunities of education stakeholders (parents and students) to engage in corrupt behaviour. For good reasons, this chapter directs the focus of assessment to the education institutions.

Corrupt schools and universities are time-bombs which, with each wave of graduates, replicate tolerance for malpractice, causing long-term damage to society – to its integrity, social cohesion and chances of prosperity. Corruption in education necessarily involves schools and universities. But, what is it that corrupts them, makes them do the opposite of the very mission they were founded to fulfil – to instil values, promote knowledge and facilitate learning, and serve the society and its individuals? Is it only competition for scarce places or pressure from parents? Can corruption in schools and universities systematically be explained by criminal intentions and corrupt employees?

Corruption is always a crime, but it is not always motivated by prospects of personal gain. Education institutions, public and private, are "made of" staff and resources – material and financial. These form the backbone of their operation. Just like stakeholders, schools and universities too may revert to malpractice also to compensate for systemic shortcomings or shortages in policies and rules guiding the management of staff and resources, and the ways these rules are implemented in practice.

Indeed, resources matter, at least to a certain extent. Many primary and secondary schools in Serbia work in a difficult budgetary environment and are confronted with rising cost of operation. In dealing with the challenge, the school system has developed a remarkably high level of dependency on private investment. However, the current regulatory framework is not fit to ensure accountability of school operations in the economic domain which would match the amount of private resources in the system.

Teachers and school leadership matter too. Despite widespread public opinion that teaching in Serbia is "not what it used to be", teachers, especially good ones, are very well respected and their services sought after. Regularity of salary payments, flexibility with working hours, opportunities for supplementing personal income with out-of-school activities make teaching an attractive professional option. Due to inevitable public sector reforms and the need to downsize the sector, however, obtaining and keeping a job as a teacher in Serbia is growing increasingly difficult. At the time of preparation of this report, integrity in the area of staff policies was still too weak to ensure the smooth and transparent implementation of the efficiency measures designed by the government, and complaints about hiring and firing of staff and of principals were among the most frequent types of complaint made to the Ministry of Education and Science.

AREA OF INTEGRITY CONCERN #3: SCHOOL MANAGEMENT AND OPERATION: REVENUES

Corruption forecast:
Failure to address shortcomings could lead to misuse of school revenues (embezzlement or misappropriation).
Sources of direct/indirect forecast evidence:
Data on public and private education expenditure and school infrastructure. PISA database. Analysis of current legislation.
Drivers of demand affecting the integrity of this area:
Shortage of resources for non-wage expenses (school operation and maintenance, professional training); competition among schools to attract students by providing extra-curricular services (see *Factors driving demand*, below).
Opportunity for corruption created by:
Weaknesses in financial control and accountability arrangements, including school board composition and operation; unsolved public property issues and absence of regulations on the economic activities of schools (see *Factors creating opportunity*, below).
Recommendations:
Revoke the suspension of the Law on Local Public Finance; determine a list of permissible sources of school revenue; remove the current incentives for under-reporting school income; consider making principals and school board members accountable under the Law on Public Service; overhaul arrangements obliging schools to pay back revenue into the Republican budget; urgently process and register all lease contract requests currently pending with the Republican Directorate for Property; strengthen local capacities for financial control, and consider (minor) revisions to the composition of school boards (see Chapter 6).

Factors driving demand

Cost and resources for school operation

Primary and secondary schools in Serbia operate in a difficult financial environment. Public funding is limited, insufficient and volatile; tradition-bound inefficiencies in the network of schools are fairly resistant to change; there is competition for diminishing numbers of youth which is costly; and the school infrastructure is oversized and old. The most serious shortages are the non-wage costs of school operation, in particular for key current expenditure items such as maintenance, classroom equipment and professional development of teaching staff.

Since 2004 responsibility for all of these items has been devolved to the local tier of government. Since then municipalities have been in charge of the maintenance and operation of pre-school and school infrastructure, paying the wage bill in pre-schools, and covering the cost of in-service training of teachers.[1] In 2009, around 15% of the total public budget for primary education came from

municipal sources, and 99% of it was earmarked for covering non-wage expenses (Annex C, PRINTS). Local funding for education has diminished over the past years, and is very uneven across the country.

As in many other countries, the economic strength of municipalities in Serbia is unequal and influences their investment priorities and possibilities. To reduce the inequalities, in 2006 the government introduced a new Law on Local Public Finance which (among other things) allowed local governments to keep tax revenues, improved the mechanisms of equalisation transfers and made the transfers more predictable and commensurate with local needs. In 2009 and 2010, however, in the wake of the economic crisis, the national government decided to suspend the law, while maintaining the financial obligations of local self-governments. Pushed down by the combined force of economic slowdown and decline in income from the central budget, municipal revenues fell by 15% or RSD 30 billion between 2007 and 2009. In response, local governments focused on improving revenue generation, and on cutting expenditure in most, if not all, areas. Table 4.1 shows that secondary education was among the areas that were hit hardest, with a decline in funding of 31% between 2007 and 2009. Pre-schools were the only area where spending went up by 28%.

Table 4.1 Composition of local government expenditure by function: 2007, 2009 (in 2009 RSD)

	2007	2009	Change (2007-09)
	in thousand RSD	in thousand RSD	%
Defense, safety, health	2 094 595	1 452 255	-31%
Environment	3 651 918	4 242 111	16%
Social protection	6 583 704	8 174 938	24%
Sport	5 161 066	6 117 119	19%
Secondary education	5 611 134	3 854 594	-31%
Housing	8 502 126	7 339 756	-14%
Primary education	10 390 511	8 716 929	-16%
Culture	12 375 480	11 221 516	-9%
Pre-schools	12 673 965	16 177 760	28%
Economic activity	14 051 464	10 261 512	-27%
Transport and roads	31 880 678	22 769 877	-29%
General services	40 949 004	36 787 811	-10%
Community development	48 164 291	38 045 744	-21%
Total	**202 089 936**	**175 161 922**	**-13%**

Source: Levitas, T. (2010).

Findings from PISA 2009 give reason to assume that, indeed, around the same time many secondary schools experienced problems in obtaining sufficient educational resources; the index of quality of schools' educational resources was at -0.38 which is below the OECD average (OECD, 2010). Principals in richer and poorer schools gave similar responses regarding this index, which means that a perception of shortages was widespread throughout the secondary system.[2]

The suspension of the improved equalisation mechanisms from 2006 meant a return to the spending unevenness of municipal budgets. Data in a frequently quoted report on the finance and management of primary education in Serbia from 2006 (Levitas and Herzynski, 2006) give an idea of the magnitude of discrepancies that the 2006 law was meant to help rectify. Education expenditure between regions, as well as between municipalities within the same region, varied considerably. Table 4.2 shows that in the school year 2006/07 Vojvodina (the region that invests most) spent 89% more per class in its primary schools than Leskovac (the region that invested least). Within Leskovac in the same year the difference between the municipality with highest and the one with lowest per-class expenditure was 350%; between municipalities in Kragujevac it was 356%; in Kraljevo 352%. The lack of transparent, uniform criteria for the distribution of resources is as much of a concern as these figures.

Shortages can be caused not only by declining investments but also by high or rising costs. There is only indirect evidence of the factors which might push school operating costs upwards, and all of them fall outside the remit of school leadership and teachers. These are inefficiencies related to class numbers, competition between schools for attracting enrolment, obsolete school infrastructure and growing pressure for the provision of professional development.

Inefficiencies related to stagnating numbers of classes and people employed in the system, despite a downward trend in the size of school-age population, are among the best known; however they are also the most disputed cost factors. According to data from the Republican Institute for Statistics, between 2002 and 2010 the pre-school and school age population in Serbia has decreased by 11%. The number of staff employed in the system, however, and the number of classes in schools were reduced at a much slower pace. For example, the number of students in primary education dropped by 36% between 1990 and 2008; but in the same period the number of classes fell by only 8%.

Table 4.2 **Variation in local per-class investment, primary education: Belgrade, Vojvodina and Central Serbia, 2006**

Regional education department	Difference to national average (=100), in %	Difference between municipalities within department
Belgrade	-8.4	
Vojvodina	27.7	
Central Serbia (average):	-19.3	
Zajecar	*-14.2*	*182%*
Cacak	*10.7*	*78%*
Pozarevac	*-44.7*	*145%*
Uzice	*-7.3*	*178%*
Krajlevo	*-15.6*	*352%*
Kragujevac	*-7.3*	*356%*
Nis	*-14.2*	*242%*
Leskovac	*-61.3*	*350%*
Valjevo	*-7.3*	*201%*

Source: Levitas and Herzsynski, 2006.

There are external reports on this problem (see for example World Bank, 2008 and Babin, 2010), but also prominent voices warning against drawing conclusions too fast (see Ivic et al., 2010). The fact that for the past 50 years Serbia has not carried out its own research on how well the school network is adapted to its demographic, social or economic needs (Ivic *et al.*, 2010), means that there is no authoritative source and no consensus on the extent of the problem and on what needs to be done. The slow response to demographic and other trends impacts not only the cost of payrolls, but also the needs of schools for resources.

Indeed, demographic trends and stagnating numbers of institutions create competition among schools for diminishing numbers of students.[3] PISA data from 2009 confirms this observation. About two-thirds of Serbian secondary level students are in schools that compete with more than two other schools, and around 20% of students are in schools that compete with one other school (OECD, 2010). High competition between schools is possible also because area of residence is not included among the admission criteria in most schools in Serbia.

Competition among schools is believed to have a positive effect on quality, and OECD countries are often trying to stimulate it. In Serbia, however, competition does not seem to be connected with or focused on improving the quality of learning outcomes, and its cost goes beyond the needs of regular school operation. In discussions with the OECD assessment team, principals said that it is often items such as preparatory courses for university, enhanced security of the school grounds, extra-curricular activities, IT infrastructure and transportation services that raise the attractiveness of their schools more than anything else, and that they look for alternative sources of funding to meet these costs.

On the list of upward drivers of cost is also the school infrastructure in Serbia which often consists of large, old buildings. According to data from the National Statistical Institute, nearly half of all schools (48%) were built in or before 1960 and of this half more than 40% before the Second World War.

Table 4.3 **School buildings in Serbia by year of construction (share of total)**

Year	1800-1900	1901-40	1941-50	1951-60	1961-70	1971-80	1981-90	1991-2000	2001-04
Share of total (=4612)	4%	17%	12%	15%	18%	13%	12%	6%	4%

Source: RZS (2006).

Recognising the problem, in 2008 and 2009 the MoES invested a commendable RSD 66 million (USD PPP 1.9 million) in improving primary and secondary schools and equipment. However, recurrent costs for maintenance and operation are likely to remain a challenge for principals and municipalities alike for some time to come.

Last but not least, in-service training for teachers, the funding of which is local responsibility, is linked to accumulating points in a rigid points system that is decisive for professional survival and re-employment in case of dismissal (see first section in this chapter) – the more training, the more points and the better the chances for keeping the job as a teacher. The OECD assessment team did not gain sufficient information on the cost of professional training, but the pressure from teachers on principals to negotiate resources from local governments, and allow time for in-service training, must be considerable in schools that face staff rationalisation. The authorities should closely examine the impact of current funding arrangements on the availability and quality of professional

training, and consider ways to optimise its financing and provision. Some local authorities, for example, are already joining forces to distribute the financial burden by investing in joint regional training centres. Depending on needs, another possibility could be to consider offering school-based professional training.

Private investment

In coping with the combined challenge of greater needs and smaller budgets, the school system in Serbia has developed high dependency on private investment. According to estimates of the OECD assessment team, in 2007[4] the share of private resources in Serbian pre-university education (primary and secondary) was more than 2.5 times that of OECD countries, even without counting household expenditure on private tutoring. Private resources accounted for 23% of the budget, which is more than in countries with a well-developed private education sector such as the United Kingdom, Korea or Chile. According to recently published estimates, private schools cater for the needs of less than 0.5% of the students in Serbia,[5] which means that almost all private resources flow into the public school system.

■ Figure 4.1 ■

Distribution of annual public and private expenditure in primary and secondary education in Serbia (2007) and OECD countries (2008)
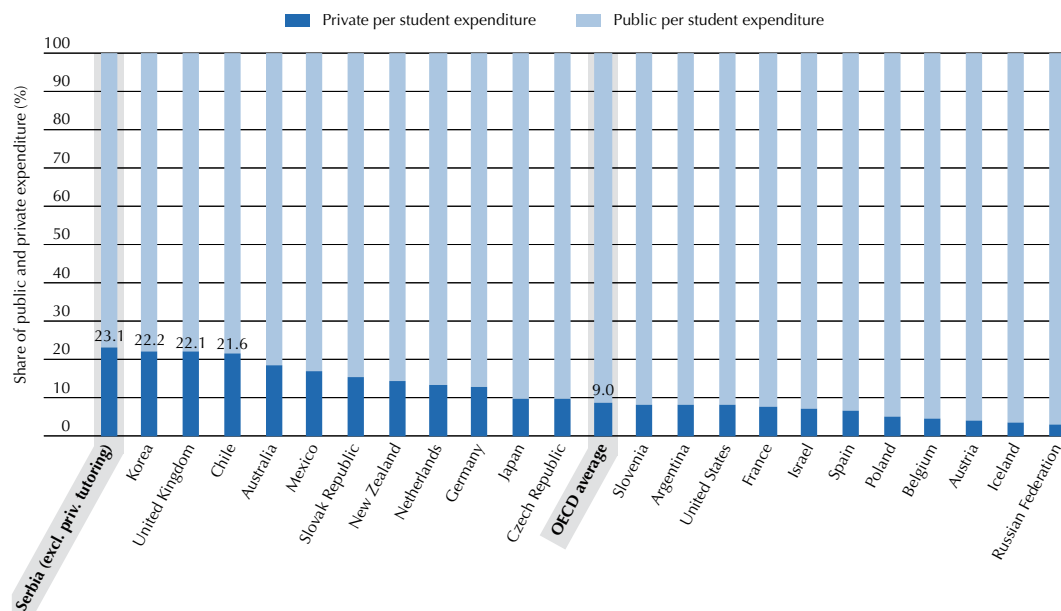
Note: For Serbia, data for public expenditure is from 2005/06 and partially a projection for the school year 2006/07 based on Levitas and Herzsynski (2006). Data on private expenditure includes household expenditure (RZS, 2008), and school generated revenues and donations (Levitas and Herzynski, 2006). For Canada, the year of reference is 2007 instead of 2008. For Chile, the year of reference is 2009.

Sources: OECD (2011). Calculations for Serbia based on RZS (2008), Levitas and Herzsynski (2006) and data provided by Professor A. Baucal (Philosophy Faculty of the University of Belgrade).

The main sources of private funding for schools in Serbia are households (which includes public support to households for schooling), and revenues generated by schools (which includes donations). Table 4.4 illustrates the distribution of private funds according to source and shows that in 2006/07 more than 82% came from households.

Serbian schools are also successful in generating their own revenues, mainly through renting out school facilities. Indeed, the capacity of school infrastructure – planned in different times for different needs and meant to host larger numbers of students – now provides principals across the country with an inefficient excess of non-classroom space, in particular sport facilities. On average, sports facilities account for 48% of Serbian school infrastructure (RZS, 2006). If true, anecdotal evidence about growing numbers of principals being former teachers of physical education would, in fact, be a reflection of economic realities on the ground. In 2006/07, 4.1% of total education expenditure (public and private) came from school revenues, which accounted for 18% of all private resources invested in the public education system. Official estimates for school revenue and donations in 2008 are, however, more than three times higher (Government of the Republic of Serbia, 2011). The discrepancy in estimates suggests some serious deficits in the reliability of data on expenditure.

Table 4.4 Sources of private investment in primary and secondary education, 2006/07, excluding private tutoring

Source	Item	In % of total private expenditure
Households	Textbooks and books	12.1
	Other educational materials (notebooks, bags, pens)	10.3
	Meals at school	17.6
	Transportation to school	10.0
	Excursions	19.8
	Assistance for repair, maintenance of schools	0.5
	Memberships in children/youth organisations	0.4
	Gifts to school staff	0.3
	Other	2.1
	Total household expenditure	*82.1*
Schools	Revenues (including donations)	17.9

Source: Calculations based on data from RZS (2008), Professor A. Baucal (Philosophy Faculty of the University of Belgrade), RZS 2011 and Levitas and Herzsynski, 2006.

Factors creating opportunity

The entrepreneurial spirit of schools is commendable, should be supported and, in many cases when resources for key areas of school operation are scarce and/or uneven, is also a necessity. The importance of private sources of funding is growing across the OECD as governments are mobilising resources and public-private partnerships to meet the cost of expanding education systems and of diversification of programmes. However, the regulatory framework in Serbia does not seem entirely fit to allow for transparent school operation and use of privately raised funds. It does not determine what the permissible sources of school revenue are, and financial control over school revenues does not seem robust enough to handle the level of private resources poured into the system. At present this makes the economic activity of schools a potential integrity concern. The main prevention and detection weaknesses are listed below.

Problems with ownership

Until the last few days of the site visits for the OECD assessment in September 2011, Serbia was among the few countries in Europe in which local self-government units do not possess property. The Law on the Means in the Possession of the Republic of Serbia prescribed that all possessions used by the Republic, by autonomous province, city, municipality, public enterprise, public institutions, and other legal entities whose founder is the Republic, autonomous province or unit of local self-government are owned by the state (SIGMA, 2011; Official gazette RS, No. 53/95, 3/96/ – Amendments 54/96, 32/97, 101/2005). According to this law, municipalities and cities must have the consent of the Republican Directorate for Property for every action regarding property.

Schools are considered to be the property of the state, which is their founder. This has two significant implications. First, in order to generate revenue – for example by renting out facilities – schools are obliged to apply for permission to the Republican Directorate for Property. Second, according to the current legislation, such approved (and any other) revenues have to be fed back into the State Treasury, a requirement that schools are known to circumvent openly (see next section). The OECD assessment team was told on numerous occasions that, in an unfortunate attempt to help schools keep revenues, the Directorate for Property never responds to applications for permission to rent out school premises, so that the schools sign lease agreements observing all regulations related to tendering and taxation on the assumption that a lack of response means implicit consent. This omission, however, prevents the regional and central tiers of government from keeping track of lease contracts and the value of contractual obligations of schools.

While the persons who met with the assessment team were able to point out which legal provisions could be circumvented, none of them appeared to be aware of the new legislation under preparation at the time of the visit, and since then passed into law. The new Law on Public Property (*Zakon o Javnoj Svojini*),[6] adopted by Parliament on 26 September 2011, might provide the basis for an overhaul of the current practice, as it revisits the municipal property issues and replaces the Law on the Means of Possession of the Republic of Serbia. However, the legal requirement for schools to submit earned revenue to the Treasury remains unaddressed, leaving the incentive of schools to under-report or hide their income.

Problems with financial control and reporting

Schools in Serbia have incentives to under-report or omit reporting of certain types of revenues, and there is evidence that they in fact do so. As budget users they are expected to return to the budget all income generated by the use of assets in their possession. Furthermore, as mentioned earlier, some of the major education expenditure items of households such as textbooks, meals, excursions and transportation can be directly transferred by parents to the school accounts[7] without being reported because under the current legislation they are not considered to be revenue. Municipalities do not have dedicated accounts for the schools under their fiscal responsibility, which leaves all revenue-related bank transfers at the discretion of schools.

Schools in Serbia can have several bank accounts. Principals turn to parents for voluntary contributions, which are collected by the parents' association of the school and are deposited in a parents' association account. Schools can also receive donations, which go to the donations account. Revenues from services and rental of facilities, and from the local government, are deposited in the regular school account. Many schools also have a fourth or fifth account for other, unspecified income and expenditure items (Table 4.5).

Table 4.5   Overview of funding sources, school accounts and reporting of schools, 2012

Sources of funding:
Donations (I)
Parental association (II)
Revenues from services and rental of facilities (III)
Local budget transfers (IV)
School accounts:
Donations account (I)
Parental association account (II)
Regular school account (III, IV)
Other (remaining) account
Reporting:
Annual reporting of principal for I-IV to the school board, with a possibility for a double check by regional education departments
Revenue tax declarations (III) to local tax authorities

According to PISA and also observations during the site visits, principals and teachers have considerable decision-making power on how resources are allocated within the school – three-quarters of students are in schools where the principal reported that allocation of the school budget is done by the principal or teachers only (OECD, 2010). Schools are not allowed to spend any of these revenues on salaries or benefits. Moreover, considering that salaries are covered by the central budget, it is unlikely that schools are under much pressure to violate this rule.

The financial accountability of the principal does not go beyond the preparation and submission of annual financial reports on school revenues and expenditures to the school board. The school board includes parents, staff and three members from the local government and commonly adopts the reports without a double check. In parallel, the Treasury Department of the Ministry of Finance keeps track of the flow of money through all school accounts. The figures from the Treasury Department do not always match the information provided by the schools to the school boards.

There are numerous problems with this system and its practices:

- The regional education departments seem to have access to the reports, but considering staff shortage and lack of preparation on accounting and budgeting rules, it is unlikely that financial reports and accounts are being double-checked.

- Reporting on revenues is done through a standardised form, but the school board seems to be the only body with control functions that receives disaggregated information on school revenue and expenditure, with all the problems that might arise from multiple identities and potentially conflicting interests of board members (well-being of their school, financial interests, staff interests, political interests, etc.).

- Schools are not being audited, for example whether the amount of revenues from services and rental corresponds to the contracts signed for them, or whether the contracts reflect the real value of services or space provided. The OECD assessment team did not find evidence of a system for external monitoring or control, and the young State Audit Agency is in need of staff and capacity before it can become fully operational and do work at the level of individual sectors (SIGMA, 2011).

It must be noted that, apart from reports during interviews, the OECD assessment team did not come across evidence on whether – and if so, how often – funds are being misappropriated. What is certain, however, is that if it does happen, the misuse goes undetected. The main question that requires follow-up and careful consideration is whether the schools should have the autonomy to operate with the money they receive, and to whom and how they should be accountable for these funds.

AREA OF INTEGRITY CONCERN #4: HIRING AND FIRING OF STAFF

Corruption forecast:
Appointments and promotion of teachers and school staff on the basis of affiliation and/or favours, not (only) competence. Misuse of the system of professional development for obtaining *pro-forma* credentials needed for obtaining or keeping employment.
Sources of direct/indirect forecast evidence:
Analysis of current legislation. Stakeholder interviews.
Drivers of demand affecting the integrity of this area:
Rationalisation process which jeopardises the employment prospects of staff working in education; attractiveness of schools as public employers; political affiliation of some of the teaching workforce; routine external pressure on principals in connection with hiring of staff, and a relatively short term of appointment of principals.
Opportunity for poor behaviour or corruption created by:
Weaknesses in legislation, which allow for bypassing redundancy lists through employment on temporary basis; mutual dependence of staff on principals and of principals on staff for their respective (re)appointment; possible problems with the neutrality of school boards; absence of transparent guidelines for hiring and firing of staff.
Recommendations (Chapter 6):
Procedures and criteria for selection of staff should be clarified and the process made transparent; The current mutual dependency circle between principals and school staff should be mitigated by delegating hiring and firing to selection committees and introducing clearer criteria for short-listing (where necessary); offer redundant teachers a possibility to obtain qualifications in a second teaching subject, and explore possibilities for the introduction of redeployment schemes.

The following section deals with the status of the teaching profession, the conditions of entry, career progression and human resource management aspects of school leadership.

Salary, career structure and attractiveness of the profession

Despite widespread public opinion that teaching is "not what it used to be", teachers, especially good ones are very well respected and sought after by parents and students. Surprisingly many of those Serbian students who performed in the top quarter of reading performance in PISA 2009 want to become teachers, despite the perception that levels of pay are modest. Indeed, the attractiveness of teaching in Serbia is due mostly to factors other than salaries, such as employment conditions and reliability of wage payments.

■ Figure 4.2 ■

Teacher salaries and career progression in Serbia (2010) and selected OECD countries (2008)
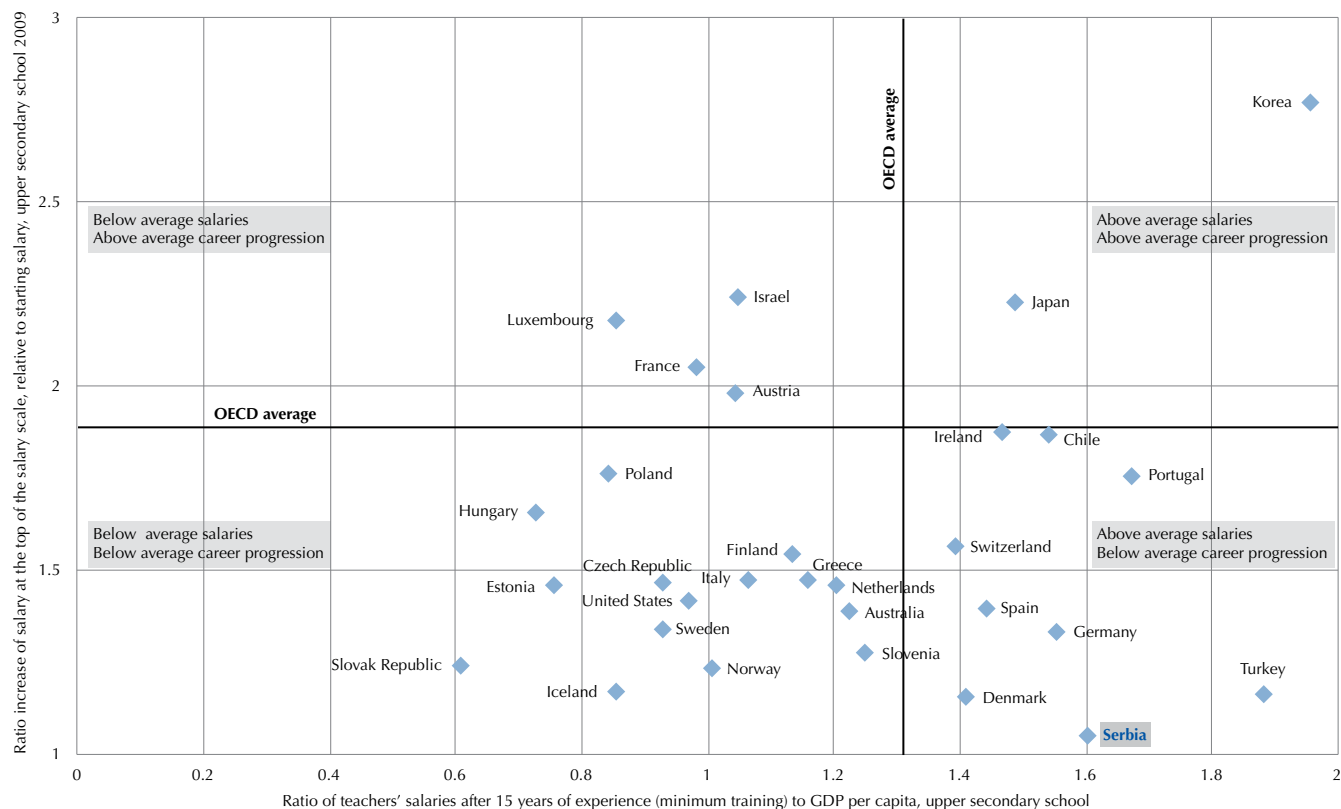
Source: MoES for Serbia, OECD 2011 for OECD countries.

This does not mean that the wages of teachers are low. Teacher salaries comprise around 84% of the total education budget (data for primary education from 2009). Data provided by the MoES about the pay coefficients in 2011 show that top salaries of teachers with minimum training in Serbia are 60% higher than per capita GDP. This is high in international comparison and puts the widespread perception that teacher wages are inadequate, into perspective (Figure 4.2, horizontal axis).

Of particular concern, however, is the lack of opportunities for career advancement within the school system (Figure 4.2, vertical axis). Financial recognition for achievement is inexistent, and rewards for tenure in terms of pay scale progression are limited (5% in secondary education) or absent (primary education). This must have a detrimental effect on the motivation of more experienced teachers, and might be affecting their professional ethos. At the time of drafting of this report, the Serbian authorities were in negotiations with the teacher trade unions about defining the steps of salary increase for career advancement categories such as pedagogical advisor, independent pedagogical advisor, higher pedagogical advisor and senior pedagogical advisor (Article 129 of the Law on the Foundations of the Education System). As of the end of 2011, there was still no agreement on the amounts (see Table 4.7 for a snapshot of negotiation positions). The criteria for salary increases, although clearly defined on paper, are apparently not being applied and it was not possible to determine the proportion of staff in each one of them.

Career advancement categories and corresponding salary increases by proposing group, 2011

Table 4.6

	Proposal of MoES working group	Proposal of trade union representatives	Proposal of independent experts
Pedagogical advisor	2%	4%	7%
Independent pedagogical advisor	3%	5%	15%
Higher pedagogical advisor	4%	6%	25%
Senior pedagogical advisor	5%	8%	50%

Source: MoES.

The perceptions of low levels of pay could not be confirmed by the data, but should nevertheless be considered carefully as in the long run they might have a negative impact on the status of the profession and on the quality of entrants. For the moment, however, the regularity of salary payments, a degree of security that cannot be found in the private sector, reasonably good vacation breaks, flexibility with working hours, and opportunities for supplementing personal income with out-of-school activities such as private tutoring, make teaching a very attractive professional option. Serbia has the twelfth highest share of PISA top quarter students who wish to become teachers of all 48 PISA participating countries for which there is data (Figure 4.3). The conditions for entering and staying in the profession therefore merit closer attention.

■ Figure 4.3 ■

Ratio of all students that want to become teachers to students in the top quarter of reading performance, PISA 2006
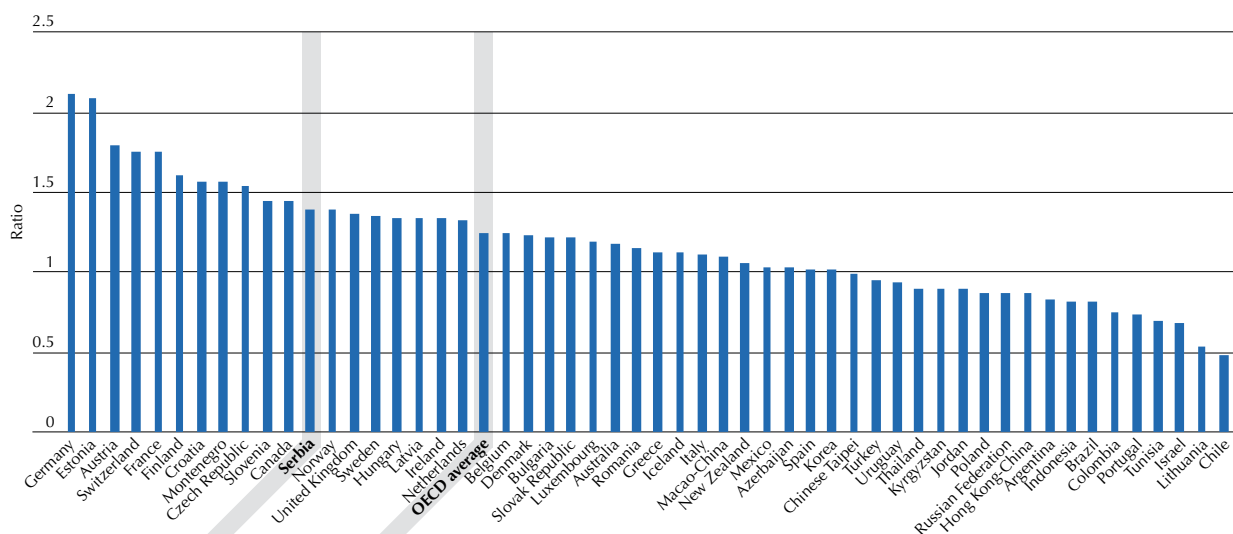
Source: OECD PISA 2006 Database.

Entering the profession: staff selection and appointment

Complaints about staff selection are among the most frequent type of complaint to the MoES by staff working in the sector. An even greater number of reports to the legal department of MoES concerns violations of procedures for selecting principals. In 2010/11, there were 50 reports about violation of procedures which were submitted and forwarded to inspection, and 5 legal charges were raised against school staff decisions of the MoES. The majority of these disputes were decided in favour of the ministry.

Procedures for the selection and appointment of teachers, preschool teachers and psychologists/pedagogues are set down in Article 130 of the Law on the Foundations of the Education System. Vacant positions have to be publicly announced by the director/principal of the institution. Applicants are required to have basic academic qualifications to degree level, obtained at a university, together with a minimum of 30 credits in psychology, pedagogy and methodology and a further six credits of practice in an institution, obtained as part of the initial degree, or after graduation. The director/principal makes the selection, having first sought the opinion of the managing body (school board). The ministry has the final approval of the appointment.

Practice in this area would seem to vary. At one end of the spectrum it is alleged that the school principal is the only person involved in the selection process, while at the other end examples of much wider consultation in selecting a candidate were cited. One such example stated that an internal school commission (teachers and the school secretary) checks the applications and sends the short list to the principal (usually one candidate) who makes the selection and then seeks the approval of the school board. In another case a recently appointed teacher described the process of her appointment as follows: the principal checked out her qualifications and her teaching record with the principal of the school where she worked in a voluntary capacity and also listed the support of the school pedagogical adviser and school secretary in the interviewing process, and subsequently had the selection ratified by the school board.

The successful applicant is then sent to the National Centre for Employment for testing. The final approval is given by the minister who generally confirms the person selected, provided the usual requirements with regard to qualifications and examination procedure have been fulfilled.

During the course of interviews it was stated that some principals and others further up the system ignore (or bypass) the standard procedures set down for the appointment of teaching staff and select teachers on the basis of other criteria, such as political affiliation. This perception was widespread but specific examples of such practices were not forthcoming. In any case, the absence of clear and transparent guidelines in this area can give rise to suspicions of malpractice, including favouritism in the selection process on the part of the principal and in other cases principals being subjected to external pressures, particularly of a political nature, to appoint certain applicants. This can be unfair to those principals who follow best practice in the selection process, and to successful applicants, the success of whose appointments may be perceived as the result of factors other than their professional qualifications and experience. Whereas previously the principal had greater autonomy in the selection of teachers, the process is now changing in view of the redundancy situation. Requiring staff to be selected from redundancy lists should ensure that some of the malpractices associated with appointments are avoided or at least considerably limited.

Keeping the job: redundant teachers

As a result of the declining pupil population (see previous section on school resources), some teachers are having their teaching hours reduced and others are being made redundant and then entered on a redundancy list. The regional authority manages the redundancy list (Article 131 of the Law on the Foundations of the Education System). Principals note which teachers in which subjects are over quota and the list is finalised for each local self-government unit by 15 August for the following year. Schools with vacancies are required to select candidates from the list.

The requirement to select staff from the redundancy list is new and is seen as restrictive by some school principals who would prefer to have greater freedom in selecting staff by open competition and recruit new people into their schools. A perception exists that the teachers are made redundant and included on the list by reason of their own ineffectiveness/underperformance rather than because of declining numbers of students, and are therefore less worthy of being employed in another school and would not be successful in an open competition. This perception of redundant teachers is not unique to Serbia and other countries that have similar redeployment rights for redundant teachers encounter the same challenges and prejudices when trying to clear their lists.

Managing the redundancy lists and maintaining close contact with the schools so as to ensure that the lists are not being bypassed in making new appointments will require a constant high level of vigilance as long as there is a need for the redeployment of teachers. Allegations were made to the OECD assessment team that some principals bypass the redundancy lists and instead employ staff on a temporary basis, but such allegations were rare. However concern about this issue is reflected in the analysis of MoES complaints. The MoES has concurred that this is an issue and is working on improved training for principals and improved selection procedures.

The school leadership: (re-)appointment of principals

Applicants for the post of principal are required to have a licence to teach, a minimum of five years' teaching experience and a university diploma. An examination and further training for teachers wishing to become principals are under development.[8] Exceptionally and under certain conditions, an elementary school principalship may be held by a person having less than the required education level.[9] The school board selects school principals, generally on the recommendation of the teaching staff from the school. However while the opinion of the teaching staff on the candidates is sought, it is not binding. The ministry has had no role in the appointment process since 2008 other than to approve the decision of the school board. However, the ministry will not approve an appointment if there is a strong objection from the teachers.[10] Where relevant, the opinion of the appropriate national council of a national minority is also sought.

The managing body (school board) decides on the rights, obligations and responsibilities of the principal and the principal is accountable to the managing body. In broad terms, the principal is responsible for the management of all matters relating to the day-to-day operation of the school. More specific details on these responsibilities are listed in Article 62 of the Law on the Foundations of the Education System. These are quite wide ranging and give some insight into the responsibilities attached to the office.

Principals are appointed for a four-year term, at the end of which the post is advertised. They can re-apply for a further term. There is no limit on the number of terms they can serve as principal but they have to apply through an open competition. The former employment status of a principal is put on hold during the first appointment period but not thereafter. Until now, no training has been provided for principals but provision is being made in a new law which is being prepared and it is expected that serving and aspiring principals will be required to undergo training when it is rolled out. The basic salary of a school principal is 10% higher than that of a teacher. The managing body can decide to increase the salary, but not more than 30% – this is a rule which applies to all public employees in Serbia. In particular the wage differentials between principals and teachers are perceived as insufficient to justify the extra responsibilities that come with managing a school.

Various criticisms were made of principals: allegations of malpractice, allegations in relation to favouritism to some members of staff, based on apparent political affiliation, and allegations of misusing facilities or funds. Principals are also said to be put under pressure to act in ways which may be contrary to what is deemed to be best practice by the appointment and re-appointment procedures which can bind them to interested parties who gave them support.

As in the appointment of teachers, various comments were raised in interviews concerning interference or bypassing of the standard procedures in this process. It was claimed that political influence is at play in many such appointments, beginning with the approval process at teacher level and thereafter through the various levels in the system. Understandably, details on malpractices were not provided.

Box 4.1 **Recruitment of principals – two cases**

One principal interviewed described the selection process he experienced as follows: seven candidates applied for the post. They each made a presentation to the school council (teachers and school pedagogical advisor and psychologist) outlining their vision for the school. The council took a secret ballot and the successful candidate's name was forwarded to the school board which normally approves the selection. The same principal, having served one term, re-applied for the post and went through the same process with two other candidates. He described the pressures on principals as multi-layered, dealing with staff, parents and the ministry, as well as political pressures from other sources. Another principal, a former physics teacher, described his experiences of the process in the following way: there was a public competition for principals. When the tenure of the previous director ended, I gathered support from the teachers Veće (assembly). Mostly teachers from the same school applied. After application, a commission (three people: a teacher, a municipal representative and a parent) created by the school board reviewed the documents, then the applicants presented a programme to the assembly of teachers (the assembly votes to express its opinion), the school board chose the principal, then the minister approved.

Some principals interviewed were critical of the terms of service for this position, arguing that in order for principals to be re-appointed it was important for them to remain popular with the staff whose recommendation would be critical in securing a further term of office. This, it was stated, severely limited their authority to manage staff, particularly those who may be underperforming. It was stated that while the teachers have contracts covering their entire career, principals are the only group with a short-term contract. They would prefer a more permanent contract, with provision for removal in the event of poor performance of their duties.

In interviews with the OECD assessment team principals noted that they are responsible for everything in the school but their hands are tied. Limiting external influence, it was stated, would be helpful, as would restricting the influence of parents in telling teachers

what they should be doing and what they want. Strong principals, it was stated, can resist pressure and be influential, bringing the school board with them. For this they need training. It was added that principals experience considerable pressure from the MoES, the municipality and from the parents and it is difficult not to give in, if they want to be re-appointed.

Many of the issues raised are not dissimilar to any education system and similar comments could probably be heard in many countries. The difference is in the degree to which a professional ethos is supported in the overall service delivery framework. Lack of clarity in rules and regulations, fragmented authorities between sectors and departments in the education service contribute to broad perceptions of malpractices even if they do not exist.

Notes

1. Constitution of the Republic of Serbia, Law on Local Self-Government (Official Gazette RS, no. 129/07), Law on Territorial Organisation of the Republic of Serbia (Official Gazette RS, no. 129/07), Law on the Capital City of Belgrade (Official Gazette RS, no. 129/07), Law on Local Elections (Official Gazette RS, no. 129/07) and Law on Local Self-Government Finance (2006).

2. Although the relationship between educational resources and student performance is weak, with more variation explained by the quality of human resources than by material and financial resources, research results indicate that a minimum resource level should be in place to enable an adequate learning environment to students, which, in turn, is tied to student performance (OECD, 2010).

3. Schools must have a minimum number of students in order to preserve their status: 4 007, or less in case there is no other school within two square kilometres.

4. 2007 is the latest year for which there is disaggregated data for both public and private expenditure.

5. See *www.novosti.rs/vesti/naslovna/aktuelno.290.html:356410-Privatne-skole-Dan-u-klupi-i-70-evra*, as well as RZS (2011). According to the PISA 2009 database, only 1.2% of secondary level students go to private schools.

6. Law on Public Property (Official Gazette RS, no. 72/2011).

7. See, for example, *www.naslovi.net/search.php?q=%C4%91a%C4%8Dki+dinar*.

8. Article 59 of the Law on the Foundations of the Education System of the Republic of Serbia.

9. *Ibid*.

10. *Ibid*., Article 60.

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5

Capacity For Prevention and Detection

This chapter analyses gaps in the anti-corruption framework of Serbia, on both sector and national levels, that could create opportunity for corruption or lead to failure in detecting it. It discusses prevention and detection capacity in education and looks also into issues such as criminalisation of corruption and the work of specialised anti-corruption bodies and mechanisms such as the National Anti-Corruption Agency, and the relevance of their work for the education sector.

Corruption is like a coin. It is an illegal currency intended to facilitate a transaction for generating or preserving an asset or value. To understand and effectively combat corruption in education or any other sector, the two sides of this coin – the one giving and the other taking, the reason to give and the opportunity to take, the act and its consequences – must be considered as inseparable dimensions of corrupt behaviour.

Following this rationale, the previous chapters discussed a selection of reasons why parents, students and education professionals might agree to and engage in corrupt transactions, and the corresponding practices. The reasons and practices were mostly (but not exclusively) related to un-addressed need for access to particular education institutions or levels of education, for better quality of education outcomes, and for better distribution and management of resources and staff. Certainly, the failures of the system to deliver on expectations do not always lead to corruption, just as not everybody who is in need will decide to bypass or break rules.

When it happens because stakeholders and professionals decide that corruption is an option and a valid remedy, one need to look not only into the underlying (systemic) reasons, but also into glitches and shortcomings in the national anti-corruption framework that may contribute to a failure to detect, prevent or punish malpractice. Even the strongest prevention, detection and follow-up mechanisms are blind without an understanding of what causes corruption in a sector. The reverse is true as well – opportunities created by weak monitoring and control will always cause temptation, in even the best of education systems. This report looks at both sides of the coin.

*Chapter 5 adds to the sections **Factors creating opportunity** of the preceding chapters, and analyses gaps in main elements of the anti-corruption framework in Serbia, on both sector and national levels, that could create opportunity for corruption or lead to a detection failure. It discusses prevention and detection capacity in education, in particular data and information transparency, reliability of budget formulation, public procurement and textbooks, accountability of higher education institutions, quality assurance and standard-setting bodies, codes of conduct, and stakeholder engagement.*

It also looks into criminalisation of corruption and the work of specialised bodies and mechanisms such as the National Anti-Corruption Council and the Anti-Corruption Agency. It discusses the judiciary and explores the availability of complaint and whistle-blower protection mechanisms, the efficiency of parliamentary control, and civil society involvement.

PREVENTION AND DETECTION CAPACITY IN THE EDUCATION SECTOR

Data and information

Assessment summary:[1] data and management of information				
Capacity	**Awareness**	**Progress to date**	**Relevance**	**Capacity shortages**
low	yes	limited	all areas	central tier

The use of evidence

Serbia is experiencing problems not only with the quality and availability of its evidence on education, but also with the use of available evidence in planning and decision making.

Currently three institutions share the responsibility for data on education: *(1)* the Statistical Office of the Republic of Serbia *(RZS-Republicki Zavod za Statistiku)*, *(2)* a department on informatics and documentation affairs and statistics in the MoES that was created to maintain the Education Information System (EIS), and *(3)* the UNICEF database on education development (DevInfo) that uses the first two and other secondary sources of data and will therefore not be discussed here in detail. The fragmentation of data is itself a major hindrance to evidence-based policy making, and has been discussed regularly by donor agencies.

Education institutions are legally obliged to regularly submit data to the education team at the RZS which issues publications on various aspects of the social, demographic and economic situation in Serbia. It appears that private education institutions, however, fail to submit information so that RZS does not publish figures on private education provision.

The foundations of an EIS system were laid down in 2002 with a loan from the World Bank for the development of a comprehensive and detailed education database. The information is entered in EIS directly by schools and regional education departments, and allows them and the MoES to aggregate and analyse the data according to individual needs. In the period 2004-06 each school was equipped with a computer and staff was trained in the entry and use of data; and in 2006 the system was expected to become fully operational.

The DevInfo database is a UN database system, and supports both standard and user-defined indicators for monitoring human development as well as progress with national framework strategies such as the Poverty Reduction Strategy, the Millennium Development Goals and Education for All. Since 2004 DevInfo is hosted by the RZS. Except for EIS, which is not publicly accessible, both the RZS and DevInfo data are available online.

Regarding the quality of evidence, the first and maybe most significant issue is the lack of control of the quality and reliability of RZS and MoES/EIS data. The capacity of RZS to control for errors is very inferior to the amount of data it processes, and the EIS system does not allow for verification which over the years has rendered it unreliable. Furthermore, schools are not obliged to supply data to EIS. According to a report prepared for MoES in 2010, in the years since 2006 the share of schools which enter information in EIS dropped from 95% to 5%. Despite a plan to strengthen the significance and determine the scope of EIS through regulations, and a reference in the Law on the Foundations of the Education System from 2009 obliging principals to collect and submit data to EIS, the ministry still has no leverage to oblige schools to use the system, as noted in a MoES report from 2010 (MoES, 2010).

Despite very good co-operation with MOES, the OECD assessment team was faced with inadequate data in preparing this report, both in terms of the lack of indicators in certain areas, and the lack of disaggregation of available data which would normally allow for international comparisons as well as for a more reliable analysis of national education policy. This issue is also prominently discussed in the 2010 MoES report. Among the missing information are indicators on pre-school education, expenditure, transition, repetition and drop-out rates, and disaggregated data on municipalities and rural areas. Of particular concern is the lack of detail on staff employed in the sector. RZS and MoES statistics do not differentiate between teaching and non-teaching staff, and between full and part-time employment (according to the RZS definitions, one hour of work per week is sufficient to count as employment (MoES, 2010; RZS, 2011). The absence of data on the number of teachers makes reliable statements on issues related to system efficiency (for example teacher-student ratios and wage versus non-wage expenditure), preparation of teachers, teacher shortage or oversupply, very difficult.

Another major impediment to the use of evidence for policy analysis and decisions is the existence of several, often differing sources of data for the same indicator. In terms of data sources, education policy makers in Serbia have several choices. They could rely on the RZS database. They could consult the data of the MoES. Or they could mobilise external support to collect and analyse evidence tailored to their task at hand, with only limited reliance on the first two sources.[2] Information from these sources can differ, sometimes both in terms of figures and underlying assumptions. For example RZS arrives at a different number of schools in Serbia than MoES, because the two institutions count schools differently. Other areas of divergence include enrolment figures for primary education, data on coverage of pre-primary school programmes, aggregation of data according to municipalities (RZS), versus regional education departments (MoES), etc (MoES, 2010). The two entities do not have a legal basis to co-ordinate their work, and the legislation does not provide any guidance on overcoming overlaps in responsibility. Last but not least, the capacity in both MoES and RZS to interpret the data and prepare analytical reports is very limited due to a serious shortage of staff.

The lack of reliable data in Serbia affects not only the domain of policy making or analytical work. It also has a negative impact on the trust among stakeholders in the system. The absence of clear and reliable data fuels the rumour mill regarding unprofessional behaviour and corruption, and is a clear detriment to accountability of institutions and the government overall. Unless the use of data is seen as having positive as well as negative consequences, stakeholders (from the ministry downwards) will have no incentive to collect, update, or use data for informed decision making. This contributes to the prevailing climate of rumour and public perceptions of wrong-doing, even when such cases may be small in number. The absence of data across all areas of education means that the ministry or other government departments do not have the ammunition they need to rectify false assumptions and address issues when there is a real concern. This is short-sighted and stems from a culture in which data have often been used negatively for punishment rather than as a helpful tool for improvement.

From the oversight point of view, the lack of operational central education management information system is a significant shortcoming. The data currently available are prepared by each individual school, gathered in paper form and then compiled at regional level. At the very least, such practice makes it cumbersome to analyse the performance of the education sector as a whole, particularly in the area of higher education where institutions enjoy considerable autonomy.

Transparency and information flows

A key issue in ensuring transparency is the availability of good-quality information and data on which decisions can be made. Lack of transparency and insufficient availability of information are common criticisms of the operation of education institutions in Serbia. In the resulting information vacuum, sporadic media reports on alleged corruption incidence serve as the only source of evidence on the prevalence of the problem, fuelling distrust between stakeholders and authorities.

The ministry is aware that policies must support transparency, that education staff needs more support for adopting changes, and that the general public has to be better informed about trends and issues in many areas, for example examinations, enrolment and progression of students, hiring staff, and school management.

Interviews conducted by the OECD assessment team give reason to conclude that, at least in some education institutions (both higher education and schools), a lack of reliable data strengthens corruption risks. While it is not possible to assess the exact scale of this problem, it does represent opportunities to resort to corrupt practices for the sake of better results. The Law on Higher Education, which was adopted in 2005 (amended in 2007 and 2008), has been praised for enhancing the transparency of particular procedures, for example standardised qualification requirements and election procedure for academic staff (Sections

64, 65). Meanwhile the law apparently does not remedy all of the transparency deficits found in institutions of higher education. In particular, neither this law nor other regulations address the problem of ambiguous study requirements and unclear assessment and examination criteria in tertiary programmes and courses. Other instances where stakeholders commonly perceive insufficient transparency are recruitment of teachers in primary and secondary schools, management of revenue raised by schools, as well as budget formulation on central and local levels. Hence, greater transparency and better dissemination of information should feature strongly in the integrity plans to be developed for education institutions.

The issue of transparency can be approached from at least two angles: the freedom of information regime operating through requests for information, and information actually available to stakeholders and used by them in the course of their regular activity. The key pieces of legislation that guarantee the right to have access to public information in Serbia are the Constitution (Section 51) and the Law on Free Access to Information of Public Importance.

Stakeholders have three options to request information from MoES or to report potential breaches of law. They can, first, address written reports to the concerned department within the MoES or to the legal department directly. In theory, requests or complaints can be treated by the specific departments or be forwarded to the legal department or inspectorates. In reality, except for complaints directed to the legal department, the MoES does not systematically register or follow up information requests received through this channel, nor does it have dedicated staff or staff time for the task.[3] The information from this channel is readily available and easy to identify, as demonstrated by the complaints analysis commissioned by the OECD (see Figures 1.2 and 1.3).

Secondly, citizens can contact the MoES using a standard web contact form provided on the MoES website. Yet, due to technical problems, this system has not been working properly. Moreover, the OECD assessment team was told that officials in charge of dealing with online complaints and requests were not informed of their duties. As Figure 5.1 shows, more than half of incoming messages could not be sorted correctly and thus were not processed by the MoES. More than 50% of messages categorised as "other" refer to technical problems, requests for information updates etc.

■ Figure 5.1 ■
Frequency of complaints and information requests to the MoES via the web
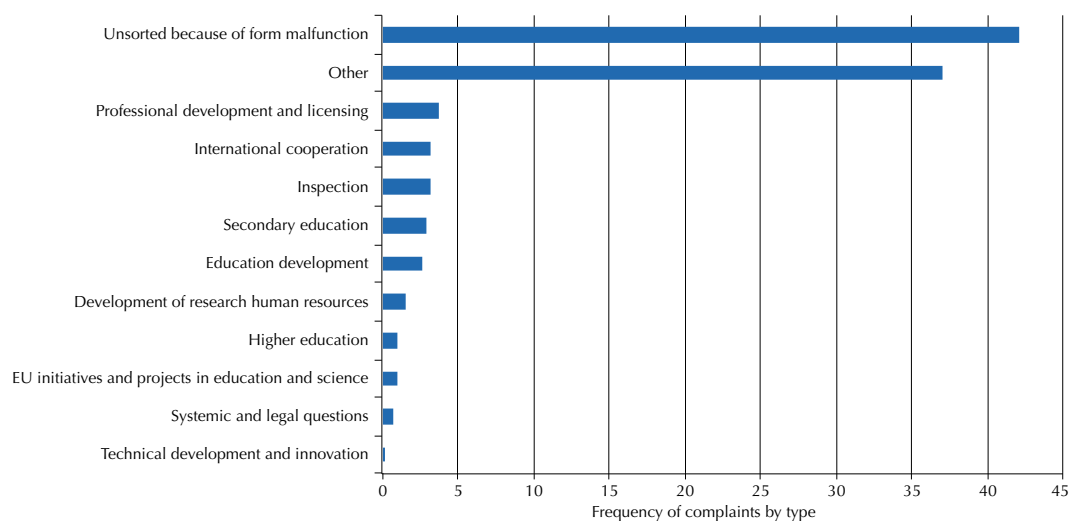
Source: Ceneric, I. (2012). Data provided by MoES.

Since the contact form does not always work properly, citizens who are motivated enough to try again to submit their concern seek another way of comunicating and often send e-mails to the addresses of ministry staff they find listed online. In such cases, the same message is often sent to several persons, including deputy ministers and state secretaries. Often messages that indicate serious violations and problems are not forwarded to those in charge.

Transparency of information given to students

Students require full, clear and accessible information to make the right choices regarding institutions and study programmes. They need information on the academic programmes offered and their quality, subsequent labour market prospects and progression routes, costs and financial support available, completion prospects, etc. The assessment team finds that at present in Serbia this information is limited, biased or missing. There is also no information on graduation and drop-out rates, course content and alumni success in finding employment.

There should also be clear and correct information on costs for administrative and other services, such as delivery of students' records and diploma certificates, enrolment on waiting lists, claiming of career guidance services, or the like. One interviewee described the situation as "constant financial pressure" to which students are exposed, as they have to pay for all kinds of services without knowing their cost or purpose. Post-graduate students spoke of cases where they would be asked for a "payment" before a member of the dissertation committee would agree to sign off on their doctoral thesis.

The Law on Higher Education stipulates that financial information should be publicly accessible. However, it seems that the law is not always being respected. Faculties would benefit from better levels of trust if they would work on introducing a culture of transparency by, for example, making annual financial reports public.

Transparency of budget formulation

Assessment summary: transparency of budget formulation				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
low	yes	limited	concern #3 in chapter 4	all

A recent OECD assessment report on *Governance and Management in Serbia* finds that, despite recent and positive amendments in the budget system law, analytical capacity and conceptual understanding of key concepts in effective public expenditure management is still weak, and that managerial capacities in the administration and accountability are low (SIGMA, 2011).

The formulation of the central budget for education is a reflection of this finding. The process includes establishment of priority areas for funding, which the MoES submits to the Ministry of Finance to prepare a fiscal strategy. The strategy is the basis for defining the ceilings on expenditure items which – in turn, together with requests from education institutions – are used for drafting a mid-term budget proposal and financial plan for the sector. In preparing the proposal and plan, the MoES uses parameters such as staff number and structure, existing and additional activities by level of education, spending from the previous year and the parameters from the fiscal strategy.

In Serbia, budgeting for education uses historical or comparative values. Its input variables consist of various proxies with limited informative value about the real funding needs in the system. The most important such variable is number of classes. None of the variables refers to actual numbers of staff and students, and resource allocations occasionally fall short of covering the actual cost of wages. In such cases the MoES is forced to reallocate funding in order to cover outstanding payroll claims, which is done ad-hoc by accessing limited resources elsewhere, for example those initially earmarked for non-wage expenditure. Such practices contribute to an already dominating feeling of resource shortage in schools and universities, and propels a heavy reliance on external sources of funding on all levels of the public system – in the MoES (donor support for projects), in the schools (revenues and parents) and in the universities (fee-based services).

In real life, the system of education works with a much larger number of people than envisaged in the staffing plans and although the OECD assessment team was not able to obtain data, it was told that the two figures – the real one and the planned one – diverge substantially. This is a concern in terms of transparency of budgeting and management, but also because it allows the MoES to avoid facing up to the real cost of employment when formulating the budget – larger number of staff than envisaged means higher overheads, possibly inefficient use of staff time and incentives to misuse the system.

The 2006 *Law on Civil Servants* was introduced to address these and other shortcomings in the staff budgeting process. It envisages that all state organs submit an annual staffing plan as a new instrument for planning and controlling staff numbers in central government institutions (SIGMA, 2011). However, part of the budgeting problem is also the absence of appropriate legal framework regulating the status of employees of public services, which includes public education. Public employees are not considered civil servants; their employment status and working conditions are governed by general labour law, and the Ministry of Education and Science has no obligation *vis-à-vis* the Ministry of Finance to include or consider exact numbers of staff in the budgeting process.

Public procurement and textbooks

Public procurement

Assessment summary: public procurement				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
average	no	average	chapter 4	all

The current Public Procurement Law[4] has been in force since 2009. The most recent SIGMA assessment describes corruption as the single biggest issue affecting the implementation of the public procurement regime in Serbia, with a deterioration observed by stakeholders over the past two years. While legislation is not yet fully in line with European Union standards, the key issue seems to be the lack of implementation of the institutional framework surrounding it. Both the Public Procurement Office and the Republic

Commission for the Protection of Rights in Public Procurement Procedures suffer, according to SIGMA, from a lack of political support and capacities.

It is difficult to know how the Public Procurement Law plays out in the education system, as beyond evidence from stakeholders met by the OECD assessment team, no specific documented cases of corruption in educational procurement are known. However, a range of stakeholders confirmed that procurement was an area where opportunities existed, and actual corruption takes place. A further complication is the lack of data on the volume of public procurement in the education system.

Procurement takes place both centrally (for capital investments) as well as at the level of the municipality (*e.g.* for services related to renovation of school premises). At least for the latter, the school principal is primarily responsible for the tender and award procedure, a process that consists of three main steps: *(1)* On an annual basis, the municipality awards schools a budget to be spent on renovation or procurement of specific items, as requested in the annual planning document by the school. *(2)* Once the municipality has approved that budget, the school announces a tender, which it then sends out to three suppliers. As the financial volume for such tenders is never above the threshold of RSD 3 175 million (for which there needs to be a publicly announced tender), this is standard procedure. *(3)* Once three offers have been received, a group, specifically nominated for this purpose at school level, evaluates the bids and selects the supplier/service provider.

While schools will make sure that, formally, the procurement procedures for public funds are respected, various stakeholders have indicated that opportunities for corruption exist at the level of pre-selection of bidders (*i.e.* the school can, in principle, favour certain companies by sending them invitations to bid, but not to others). Stakeholders also suggested that there is price-rigging among local bidders. Companies in a certain locality either have agreements in place that they all submit bids with more or less the same price/service ratio, or they divided the local market among themselves and each company would bid only for schools within its pre-determined "territory".

A legal grey zone exists for procurement undertaken with money collected privately from parents for the organisation of school trips. The Ministry of Education and Science has issued a by-law on this subject, clarifying that tenders with such funds should also fall under the Law on Public Procurement. The assessment team heard several schools describing tender procedures for such contracts being or going beyond the requirements for tenders for public funds. However, as there is no formal audit for such tenders, the opportunities for bid-rigging would seem to remain, despite formal compliance with procedures.

Textbooks

Assessment summary: textbooks				
Capacity	**Awareness**	**Progress to date**	**Relevance**	**Tiers affected**
average (higher education); good (pre-university education)	yes	good, but in need of further attention	Chapter 3	central, institutional

Serbia has undertaken important and effective steps to open up its textbook publishing sector. In 2004 private publishers were allowed to enter the market on a pilot basis, while keeping the *de facto* monopoly of the state publisher (*Zavod za udbenike*). The Law on Textbooks and Other Instruction Materials (LT) was revised in 2009 and the market fully opened. Quality standards were developed, and procedures for approval and production were established.

Private publishers are licensed by the MoES for particular subjects and grades. Pre-conditions for licensing include a publishing plan, dedicated editors for the subjects and school years for which the publisher is applying, and a company seat in Serbia.[5]

Every year the National Education Council (NEC) determines the need for new textbooks. Textbook proposals are prepared on the basis of the NEC textbook plan and, after passing through an internal review procedure set out in Article 12 of the LT, they are forwarded for approval by the MoES through the Institute for the Promotion of Education *(ZUOV, Zavod za unapredivanje obrazovanja i vaspitanja)*. ZUOV establishes accreditation committees comprising established educationalists, teachers, and textbook authors to judge the quality of the manuscript. Their expert opinion and a copy of the manuscript are then forwarded to the NEC (or – depending on the subject area – to the Council for Professional and Adult Education), for confirmation. In case of rejection, the publisher can appeal to the NEC which is responsible for arbitrage. In 2010 NEC adopted Standards of Textbook Quality which are meant to guide the work of the accreditation committees.

The Law on Textbooks stipulates in great detail what the expert opinion of ZUOV should contain – both in case of rejection or acceptance of a manuscript, including a justification for the decision and names of the members of the expert commission. Furthermore, Article 19 includes provisions on conflict of interest which envisage a declaration by members of accreditation committees that they are not authors of the book they are assessing. Article 19 further prohibits authors from assessing the manuscripts of colleagues for the same year and subject. However, the law does not envisage sanctions for infringement of Article 19.

STRENGTHENING INTEGRITY AND FIGHTING CORRUPTION IN EDUCATION: SERBIA

The lack of consequences for untrue declarations under Article 19 is a point of concern. In addition, another issue raised in interviews with the OECD assessment team is the lack of detail in justifications for the rejection of textbook proposals. Information on the opinion of the commission can be obtained only through the ombudsman, but there is no information on how successful textbook authors are in accessing information through this channel.

According to figures provided to the OECD assessment team, in 2011 there were more than 70 private publishers active in the market, and two of the bigger private companies were supplying between 60% and 65% of the textbooks for primary and around 20% of the textbooks for secondary education. The dominance of the state publisher in secondary schools is still considerable, but competition is increasing as private providers gradually expand their textbook selection. Schools are free to choose their textbooks; final decisions on which textbooks are used in class are made by the teachers, and approved by the school board. At the time this assessment was carried out, the MoES introduced a free textbook scheme to ensure that all children in compulsory education have equal access to learning materials of good quality. The scheme caused some controversy as major textbook providers and the NEC expressed concern over its negative impact on competition and quality of textbooks.

At the pre-university level, textbook choice and purchase have been recurrent issues for years, even after the recent major reforms. Although the structure of the textbook commissioning, approval and selection process has been modified, it would be useful to re-examine stress points in that process to ensure that the quality of books chosen is high, and that the way they are selected at school level is fair. The assessment team and the ministry received reports of directly corrupt practices by education staff at the school and university levels, relating to the writing and sale of textbooks. At the school level, accusations were heard that teachers received bribes from publishers to choose specific textbooks. The assessment team also heard that textbook selection is done in exchange for help for the school and the school infrastructure by the publisher. Also, according to the current version of the LT, publishers are responsible for distribution of the textbooks and learning materials to schools. However, in reality this work is done by third-party companies, whose work is not regulated.

Moreover, there appears to be an issue with regard to the interpretation of rules as they are applied to private publishers, state publishers and overseas publishers which should be regularised. In the case of inappropriate textbook procurement, it seems that failings are due more to opportunities that exist to sabotage the intended changes and to administrative weakness, rather than to any valid pressure of demand. Opportunities for poor behaviour can be created by incomplete implementation and follow-up on changes, and these opportunities should be addressed. In particular the selection of committee members for the approval of books and school-level practices determining book choice, should be re-examined and improved.

At the university level, there were many reported cases of faculty members only using textbooks they had written themselves, gearing exams to these texts and penalising students who did not purchase them. It is not clear why these accusations have not been acted upon, although the assessment team was also told that this problem has diminished in recent years as some faculties have addressed the issue. In these faculties books were provided in the library, and professors would not put pressure on students to buy books. Empirical results from the Student Network survey are in line with qualitative interviews by the OECD team. In 2003, 40% of students reported having bought a textbook written by the professor in order to pass an exam, with around one-quarter of them buying the book directly from the professor. The recent survey suggests that this issue is still relevant, although results suggest a noticeable decrease. Findings from the student survey conducted in 2011 (Belgrade Open School, 2011) confirm this picture. Students from many faculties think that textbook availability is "very good" or even "excellent"; however, students from a few faculties are dissatisfied with the situation and would like to see it improved. The assessment team did not find that poor practice in choice and procurement of textbooks is driven by a rationale of unmet education demand; it appears that the motivating factor is personal gain.

Accountability of higher education institutions

Assessment summary: accountability of tertiary institutions				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
low	yes	limited	all	central, institutional

Autonomy of higher education institutions

Historically, Serbian faculties benefit from a high degree of autonomy. The 2005 Law on Higher Education stipulates that they "shall retain the capacity of a legal entity" (Article 118) and restricts the role of universities to a few overall co-ordination functions, such as maintaining a unified standard of work of departments and services, strategic planning, creating enrolment policies, selecting teachers, upholding quality assurance and control, issuing diplomas, and managing investment planning (Article 48). This goes back to a policy under the Former Socialist Federal Republic of Yugoslavia, aimed at "decentralising the academic elite" in order to restrict the capacity of intellectuals to organise themselves. Since then, all attempts made to re-unify the system, *e.g.* in 1988, failed. Due to budget constraints the situation has deteriorated even further during recent decades. As a result, the higher education sector appears totally fragmented, with the existence of 85 faculties, grouped under seven public universities.[6] It is often referred to as a "confederation of faculties", with 228 525 students in the 2010-11 academic year.

Each faculty must belong to a university and comply with the national regulatory framework, but it is self-managed. It is governed by a council, which is responsible for the preparation of financial plans and activity reports; the distribution of financial resources; and the management of the institution's property, tuition fees and academic matters. According to Article 52 of the Law, the council is composed of the founder of the institution, representatives of the institution, and students (the latter can represent up to 20% of the members of the council). Most of the procedures pertaining to staff (including workloads and salaries) and to the generation of additional income are also decided at the faculty level. Faculties report directly to the Ministry of Education and Science. Thus, the dean's authority appears much greater than that of the rector, whose role is perceived as being mostly ceremonial. According to several interlocutors, deans negotiate directly with ministry authorities, bypassing the university level. Relations between faculties appear quite weak, due in particular to the lack of university campuses: the Faculty of Agriculture, for instance, is located 20 kilometres away from the other faculties belonging to the same university.

The autonomy of Serbian faculties raises several potential problems from a transparency and accountability perspective. First, the difficulty in collecting reliable data from them – which was mentioned by several people – can make it difficult to form a comprehensive picture of how the sector functions. Second, in the light of existing incentives to generate individual and institutional income, the diversity of criteria used (such as the differences in regulating student admissions from one faculty or institution to another) can contribute to the distortion of the selection process.

Integrity of standard-setting and quality assurance bodies

The OECD integrity assessment found that much progress has been made towards developing appropriate governance structures for the education system. However, at present the mandate and potential of these bodies are not used to full advantage. This means that they are not able to carry out their responsibilities in an efficient and helpful manner. A second phase of institutional development is needed, to link these bodies together in a coherent and transparent system that is credible to education stakeholders. This report does not recommend the setting up of any further administrative bodies, but rather a refinement and realisation of the roles of the existing ones. If they are not supported, clear gaps will appear in the structure of the education system, which in turn will have an impact on the integrity of the system and its outcomes. The next section deals with areas the assessment team considers to be of significant concern.

Higher education accreditation and quality control

Assessment summary: accreditation and quality assurance – higher education				
Capacity	**Awareness**	**Progress to date**	**Relevance**	**Tiers affected**
average	yes	moderate	all	central, institutional

Since 2000, some Serbian higher education institutions (both public and private) have engaged in a reform process to meet the standards of the Bologna Declaration. The Law on Higher Education adopted in 2005 recognised the European Credit Transfer and Accumulation System as mandatory for all higher education degree programmes (Article 28). On this basis, the Commission for Accreditation and Quality Assurance developed standards for self-assessment, external quality, and accreditation of institutions and study programmes that were approved by the National Council of Higher Education (NCHE) in October 2006. Since the academic year 2006/07, the three-cycle structure prescribed by Bologna (*i.e.* undergraduate studies, Master and Doctorate) has been progressively adopted by all Serbian higher education institutions. A first draft of the National Qualifications Framework (NQF) was also prepared, which is still under discussion at NCHE. According to the assessment made by the Bologna Follow-up Group in 2009, adequate information has been provided through the websites of the MoES and higher education institutions; the goal of making qualifications available and transparent has been achieved through the Diploma Supplement, and will be improved by adopting the NQF as procedures for recognition. However, it recommends more coherence in the decisions made at the different higher institutions and more co-operation with other accreditation agencies.

All academic staff interviewed insisted on the very positive changes introduced by the Bologna process, although they have clearly been challenging. Several public faculties (among them the most popular ones, such as the Faculty of Law) as well as private faculties (such as the private Faculties of Economics, Finance and Administration) have reformed their study programmes to comply with the new credit system. The Faculty of Electrical Engineering, for instance, offered a five-year integrated programme; as early as 2003, it adopted a 4+1 (Master) + 3 (PhD) system and welcomed 460 students for the Master's programme (among whom 50 are self-financed) and 60 PhD students. Other faculties complied with Bologna more recently. It was mentioned several times that because of Bologna, students are more motivated and engaged, show up at exams more often, and try to finish their studies on time. As an illustration, in the Faculty of Law, before Bologna, only 1.5% of the students finished within the envisaged length of study (four years); after Bologna, this share grew to 7% (and even 16% for budget students). Similarly, in the Faculty of Electrical Engineering, before Bologna, only 5% of students finished their studies on time; after Bologna, this percentage went up to 40%. This was explained by the fact that there are now more obligations during the school year (homework, computer exams, tests, etc.) that make it more difficult for students with bad working habits to succeed. However, interlocutors criticised the increased specialisation of the curriculum, and said that some employers regret that Bologna students do not study a wide range of subjects, and therefore are not sufficiently adaptable beyond their specialisation.

The introduction of the Bologna Process also favoured the development of a full quality assurance and accreditation system, with the establishment of the Commission for Accreditation and Quality Control (CFAQA). The Commission accredits three types of institution: universities, faculties and study programmes (an institution must be accredited to propose accredited programmes). The ministry only supervises the process from a legal point of view and issues work permits once an institution has been accredited. Between 2007 and 2010, CFAQA accredited 13 universities (eight state, five private), 112 faculties and 1 182 study programmes. It rejected five faculties and 56 programmes and sent warning signals to four faculties and 121 programmes. The list of accredited institutions and programmes is published on the CFAQA website. No new institution can operate without receiving this accreditation. The accreditation is granted for five years. A new cycle of accreditation will start in 2012 following similar standards.

Even though this new system has clearly helped reform higher education programmes, its reliability was questioned by a number of those interviewed. Some argued that the accreditation process is only a formality that has not helped to improve the quality of education. Others alleged that some faculties hire extra professors prior to the visit of the Accreditation Commission to ensure that the number of teaching staff meets requirements and subsequently lay them off. A few asserted that faculties cheat with the curriculum, the qualifications of teachers and the available space and that private faculties exert a lot of pressure on CFAQA to obtain their accreditation. The assessment team could not verify these allegations. However it is clear that the transparent operation of CFAQA is crucial to the integrity of the higher education system. If the accreditation system can be manipulated, it means that there are no reliable standards for judging the quality of academic performance, which in turn leaves the door open for abuse of professional and financial standards.

Licensing of teachers

Assessment summary: licensing of teachers				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
good	no for need of further action	good, but needs further attention	Concern #4; Chapter 4	central

The 2003 Law on the Foundations of the Education System establishes a licensing section (Licensing Authority) within the Ministry. Its main function is to grant "licences to practice" to teachers, pre-school teachers, psychologists/pedagogues and interns who have the stipulated qualifications as stated in Article 121, and have successfully completed a work induction programme and passed the licensing examination (Article 126). Newly appointed teachers are given a mentor during their first year in post (they are described as novice teachers) and a school commission monitors their progress. If the commission is satisfied with the work of the teacher it issues a report to the ministry, together with a request that the teacher be allowed take the licensing examination.

This examination may comprise a number of parts, depending on the teaching qualification of the applicant. If the applicant has not taken a course in the foundations of education (pedagogy and psychology) a separate test is administered. Following this, the candidate is given a topic to teach and the class is supervised by a faculty professor of methodology or of the subject specialism of the teacher, and an educational adviser. The next stage, which takes place at the ministry, involves the candidate being given a concrete situation to resolve in the presence of a psychologist or pedagogue from the institute. The final part consists of a test aimed at assessing familiarity with school laws and regulations. Application for a licence can take place after one or two years. If the candidate fails any part of the tests, he or she is given a month to prepare and then repeat. The school bears the cost of the examination (RSD 10 000 per candidate). In the case of a repeat the candidate pays the fee. The licensing section is in the process of compiling a register of members.

The licence is a pre-condition to work in the system and is given on a permanent basis. However, it can be suspended for a specified period or withdrawn in the case of violation of labour laws. Issues relating to the termination of employment in an institution and to the suspension or termination of a licence are specified in great detail in a number of articles in the Law on the Foundations of the Education System (Articles 44-46, 127-128 and 139-145). Teachers who do not complete a given number of hours of professional development may also have their licence suspended, but no case of this happening has been reported so far. The first stage in the process involves the school principal initiating and conducting a disciplinary procedure, deciding on a course of action and where appropriate, organising a formal hearing of the case at which the teacher in question can present a defence. The issue is then brought to the attention of the school board and then on to the licensing section in the Ministry. The outcome, if the case is upheld, may result in removal from the workplace, and the imposition of a fine and a temporary suspension of the licence, or in the case of more serious violations the termination of the licence.

In this process the principal plays a central role in launching and conducting disciplinary procedure and sanctions against an employee, even though the principal is not the employing authority. In other systems the school board or its equivalent on the recommendation of the principal would normally initiate this action. The findings of the board would be confined to matters linked to the termination of the contract of employment with the institution in question. It would then be a matter for the licensing authority to independently conduct its own investigation so as to determine whether the person's licence should be withdrawn, terminated or confirmed. In the latter case where the licence is retained, the person is free to apply to teach in another institution.

The establishment of the Licensing Authority to regulate professional practice and assume responsibility for promoting and upholding the highest levels of service to the public is to be highly commended. The assessment team, however, offers some important suggestions on further improvement (see Chapter 6).

Codes of professional conduct

Assessment summary: codes of professional conduct				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
low	limited	none	all	central, institutional

At present, there are no meaningful codes of conduct for staff and institutions. Developing these and enforcing them will be a necessary step towards creating a proud education system with integrity.

While there is no nationally agreed code of conduct specifically designed for teachers, Article 118 of the Law on the Foundations of the Education System states that the task of the teacher is to ensure the attainment of education principles, objectives and educational standards. The task of a pre-school teacher shall be to ensure, by relying on his/her knowledge and skills, the respect of education principles, attainment of pedagogical and education objectives, and improvement of educational and pedagogical work and activities. The main task of a psychologist/pedagogue is to co-operate with parents or caregivers in the institution, to monitor the attainment of achievement standards and support the teachers in their work. Article 141 lists 18 examples of serious violation of work that could lead to disciplinary proceedings.

Stakeholder engagement in the governance of education institutions

Three major stakeholder groups engaged in the governance of education institutions are students, parents and teachers. All of them have institutionalised channels of participation, although the practice of participation is often viewed as weak, especially in the case of students. Below is an overview of student and parental engagement.

Student engagement

Assessment summary: student engagement				
Capacity	Awareness	Progress to date	Relevance	Tiers affected
average	no	limited	all	institutional

Serbia has a variety of student organisations, such as the Belgrade Student Association and the Student Union of the University of Belgrade. Direct student engagement in the governance of education institutions is possible through mechanisms provided for in laws. Since 2007, each higher education institution should have a student parliament (Law on Higher Education: Section 50). All students of an education institution who are enrolled in the academic year of the elections have the right to elect and be elected to the student parliament (Section 56). The student parliament shall select student representatives in the bodies of an education institution; students shall account for approximately one-sixth of the seats in councils of higher education institutions, which shall have at least 17 members in total (Sections 52, 56), and for up to 20% of members of professional bodies of higher education institutions (Section 55).

Since 2009 all schools should have student parliaments (Law on the Foundations of the Education System: Section 105). Two representatives from the student parliament should attend school board meetings, in primary schools without the right to vote. In secondary schools, two students may participate in adopting decisions, excepting financial operations, human resources and appeals and complaints of students and employees (Law on the Foundations of the Education System: Section 57).

The impact of the student parliaments is weak due to the unclear definition of their functions and areas of activities. From interviews held by the OECD assessment team, it appears that the engagement of students in the governance of higher education institutions is often not substantive. Reasons for this include both inactivity on behalf of the students, and occasionally also deliberate tactics to limit their influence. Student members of the educational-scientific councils are left out of planning or solving the problems of the educational process. There is currently no common strategy regarding the models of participation of students in quality control, or the influence of students' evaluation on electing/re-electing of teaching staff, etc. (Sajlović, 2010). The lack of rules and guidance with regard to the participation of students leads to manipulation of student representatives in higher education decision-making bodies, instead of a true partnership. For example, there is anecdotal evidence of summoning pre-councils in faculties without attendance of students; a practice that allegedly influences final decisions of the council. Furthermore, the assessment team was told that activities of student organisations often lack financial means, and they do not have adequate offices and equipment for regular activities. The SIGMUS Project (Strengthening the Student Role in Governance and Management of the Universities of Serbia in line with the Bologna Process) aims to adapt the legal framework on student participation in governance and management to EU best practices and to establish and develop student services at Serbian universities.

Parental engagement

Assessment summary: parental engagement				
Capacity	**Awareness**	**Progress to date**	**Relevance**	**Tiers affected**
low	limited	limited	all	institutional

A school should have a parent council, which should be composed of one representative of the parents of each class or pre-school group (Law on the Foundations of the Education System: Section 58). The parent council should propose representatives to be appointed to the school board (Section 58). It is typical for parent councils to handle matters such as the use of funds gathered from parents and deciding on excursions for students. However, parent councils tend to be much weaker when it comes to possibilities to carry out oversight and control of the activities of the school management. There are even some claims made that principals dominate parent councils to the extent that they determine who will be proposed as representatives to school boards. It is commonly noted that parents have an intrinsic vulnerability due to the risk of retaliation against their children. Hence demands and critical opinions of parents are presumably less frequent and more moderate than would be the case without this risk.

On the other hand parent councils can constitute a restraining factor; for example, they have been mentioned as not allowing private tutoring by teachers to students in their own class, even if some teachers wished to do so. All in all it is likely that the actual role of parent councils differs widely from school to school and from region to region. There is no national parents' council.

Since there are no data that would help to evaluate objectively the participation of various stakeholders in the governance of education institutions, it is commendable that the recently developed Standards for Work Quality of Educational Institutions include criteria aimed to assess participation, *e.g.* "the students' parliament gains support for their work in school" (Item 5.5.2.) and "in the process of decision making, the principal validates suggestions of the parents' committee that improve the work in school" (Item 6.3.5.) (Institute for Education Quality and Evaluation, 2010). Proper application of this assessment framework would provide at least a limited overview of participation practices in education institutions.

NATIONAL ANTI-CORRUPTION FRAMEWORK: HOW FIT IS IT FOR THE EDUCATION SECTOR?

Criminalisation of corruption in education

The Republic of Serbia is party to the Civil and Criminal Law Conventions on Corruption, as well as the Additional Protocol to the Criminal Law Convention of the Council of Europe; Serbia participates in the regular monitoring and peer review in the framework of the Council's Group of States against Corruption (GRECO).

The Criminal Code of the Republic of Serbia criminalises active (Article 368) and passive bribery (Article 376) of public officials; teachers and professors fall under the definition of public officials. Active bribery is punishable with imprisonment for six months to five years; passive bribery is punishable with imprisonment for two to 12 years. The Criminal Code also criminalises private corruption and trading in influence (Article 366), whereby active trading in influence is punishable by six months to five years in prison and passive trading in influence by six months to eight years imprisonment. According to the October 2010 GRECO report (GRECO, 2010), Serbia practices a zero-tolerance approach to investigating and prosecuting corruption, *i.e.* even when the value of the bribe, or the advantages gained, is low or non-pecuniary, the case will be prosecuted.

GRECO, in its recent round of evaluations, has attested Serbia's general compliance with the Criminal Code, and with the standards on the criminalisation of corruption. GRECO did, however, note that, in practice, cases of petty corruption do seem to have been prosecuted, while trading in influence and private bribery are rarely prosecuted. The last two would seem to be relevant for the topic at hand: the OECD assessment team heard anecdotal evidence of school principals appointing teachers outside the rules; cases have also been reported in the media;[7] and written allegations of such practices have been made available to the assessment team by the Ministry of Education and Science. Trading in influence could also apply to procurement procedures, as could private corruption given that stakeholders have suggested that tenders are being fixed in advance by bidders in certain geographical areas.

GRECO, in its recent report, lamented the fact that there was scarce statistical information available that could provide a picture of the types of corruption cases that were prosecuted, in which sectors/areas these were occurring, and what the specifics of the cases were.

The Law on the Anti-Corruption Agency (*Zakon o Agenciji za Borbu Protiv Korupcije*)[8] specifies, *inter alia*, the rules in relation to the prevention of conflicts of interest in the exercise of public office and oversees the implementation of these rules; the agency also regulates and oversees, through a registry, the declaration of assets and income of public officials.

Detection and prevention: specialised bodies and mechanisms

What is lacking in the current system of national-level oversight that might allow a lack of integrity to escalate to actual corruption? The country has a relatively adequate institutional framework for prevention and detection. The National Anti-Corruption Council and in particular the Anti-Corruption Agency with its largely preventative mandate are placed most conspicuously within the anti-corruption system. Other institutions such as the Commissariat for the access to information of public importance and personal data protection, and the Ombudsman have been instrumental in increasing transparency in Serbia and play a crucial role in the ongoing anti-corruption effort.

On the law enforcement and prosecution side, the capacity to detect and prosecute corruption crime has been on the increase. While the police have the ability to carry out basic investigations, a key role is played by the public prosecutor for organised crime, whose office intensified its activities in 2011 and by the time of visit of the OECD assessment team (mid-September) has launched investigations of 330 corruption cases (European Commission, 2011).

In relation to the education sector, in the few known prominent corruption cases, respective proceedings have been delayed either at the stage of prosecution or court review. In the case of bribery detected in the University of Kragujevac in 2007, 87 individuals have been charged (including 33 students for purchasing their exam results, and 21 intermediaries in bribery). Teachers have been charged with a total of 114 instances of accepting bribes and 45 instances of abuse of office.[10] However, as of September 2011, no verdict was reached in the case.[11] Another bribery case in relation to the allocation of places in the high school dormitory Karađorđe in Belgrade in 1999 and 2000 ended with the indictment being rejected in November 2010 due to the expiry of time under the statute of limitation. The indictment in this case was filed as late as in 2007.[12] These cases serve as an indication that the judiciary is, at least occasionally, not the most efficient part of the anti-corruption institutional framework.

Key oversight and governance bodies for the public sector include:

National Anti-Corruption Council

Assessment summary:[9] National Anti-Corruption Council		
Sector level work	Relevance	Lead
low	all areas	?

The Council was established in 2001. Its latest work covers issues such as privatisation, business arrangements related to a privatised company detrimental to the public interest and lawsuits against the Council, which it described "as an attempt to prevent the corruption investigation and informing the public about this problem" (several lawsuits have been initiated by Milan Beko, a Serbian businessman suspected of serious corruption-related crime), etc.[13] Still, the Council itself is not an investigative body and, according to its own description, deals with individual cases only when they reflect broader problems of grand corruption.[14] With the advent of other, newer institutions such as the Anti-Corruption Agency, the Commissariat for the access to Information of Public Importance, and the Ombudsman, the importance of the Council in the national anti-corruption effort seems to have diminished over the years.

As far as can be seen on its website, education-related issues have not been analysed by the Council. The Council is currently working with line ministries to encourage them to put together integrity strategies.

The Anti-Corruption Agency

Assessment summary: Anti-Corruption Agency		
Sector level work	Relevance	Lead
average	all areas, in particular chapter 4	the agency itself

The Anti-Corruption Agency of Serbia (ACAS) is an independent body accountable to the legislature. It started operating in January 2010 when the Anti-Corruption Agency Law entered into force. The Agency has a wide range of tasks mainly in the area of preventing corruption: supervising the implementation of the National Anti-corruption Strategy, implementation of tasks related to the Law of Financing of Political Activities, drafting and initiating regulations and amendments thereof in the area of anti-corruption, controlling the observance of the rules on the conflict of interest, keeping the registry of property and income of officials, etc. (Anti-Corruption Agency Law: Section 5) The Agency does not have the authority to carry out criminal investigations. Nevertheless the Agency's impact on the prevention of corruption has already received a positive assessment, despite its capacity remaining below the planned level (around September 2011 it had 60 employees while the total of foreseen posts was 96) (European Commission, 2011).

One of the Agency's key tasks is to formulate rules regulating conflicts of interest and to deal with property disclosure reports of public office holders. The scope of persons in the education system who are subject to the Anti-Corruption Agency Law is limited and they represent a modest part of some 25 000 officials who are required to submit property and income reports (European Commission, 2011). Officials such as principals of schools and deans of faculties are covered. In June 2010, the Agency issued an

opinion that members of accreditation and quality assessment commissions for higher education institutions shall also be considered officials covered by the Anti-Corruption Agency Law.[15] Meanwhile the Agency stated explicitly that vice-deans of faculties should not submit reports of property and income.[16]

The issue of public officials who hold multiple positions/jobs has been a key area of the activity of the Agency. In principle, a public official may hold only one public office unless a law or other regulations provide otherwise (Section 28). Restrictions apply also to holding other positions and jobs during the tenure of the public office, as well as for two years after the termination of the public office (Sections 29, 30, 33, 34, 38). In several situations, the possibility of holding multiple posts/jobs is subject to approval by the Agency. In cases of non-compliance, the Agency may apply one of two measures – issuance of a caution, and public announcement of recommendation for dismissal (Section 51). Officials who have held/exercised other positions/jobs contrary to the provisions of the law are also obliged to pay any material gain acquired thereof into the state budget (Section 55). Unlike the Criminal Code, only school principals, not teachers as such, fall under the scope of the Law on the Anti-Corruption Agency.

No statistics are available on the number of officials in the education sector who have sought the approval of the Agency to combine multiple positions/jobs. However, the Agency does confirm that some deans and principals of schools have asked for the Agency's opinion about their situation in relation to conflict of interest. Of the decisions regarding violations of provisions of the Anti-Corruption Agency Law, which are published on the Agency's website, several are related to officials of the education sector or other officials who have held employment in the education sector. In 2011, the Agency issued a recommendation to dismiss the president of a board of a technical school who, within a given deadline, failed to cease holding two positions in contravention of legal provisions – that of the technical school, and a position of a member of a municipal council.[17] Another recommendation for dismissal was issued against the director of a health institution who failed to cease holding the position of the secretary of a medical high school.[18] In one case in 2010, the Agency publicly announced a violation committed by a member of the board of a kindergarten who was also involved in the approval of modifications and amendments to the Rulebook on Systematisation of Work Positions in the institution, creating a new work position. Then the same person became an employee in this new position, and thus violated conflict of interest provisions.[19] As of October 2011, there have been two cases in the area of conflict of interest relating to deans of faculties; one case was pending, and in another a violation was found and it was declared that the dean's office was terminated *ex lege*.[20] Overall the available data testify to the Agency's ability to maintain restraints on conflicts of interest, at least as far as they are related to officials holding multiple positions/jobs.

In addition, laws exist covering procedures for handling gifts, although their practical importance for education institutions seems limited. Benefits with a potential to create conflicts of interest, for example, donations collected by education institutions (particularly primary and secondary schools), will likely not count as gifts under the Anti-Corruption Agency Law). However, the state or other body, organisation or public service must keep records of the gifts given to their officials in connection with the discharge of the public office. A copy of the records for the previous year must be submitted to the Agency, which must then publish a catalogue of such gifts for the previous year (Anti-Corruption Agency Law: Section 41). The gift catalogue for the year 2010 contains entries from four education institutions (two gymnasiums, a high school of professional studies and a pedagogical faculty). The gifts were mainly books.[21]

The Agency makes and publishes guidelines for the development and implementation of integrity plans, which must be adopted by state bodies and organisations, territorial autonomous bodies and local state bodies, public services, and public companies (Anti-Corruption Agency Law: Section 59). It has set up 13 working groups to develop models of the plans. The working group for education consists of an official of the Ministry of Education and Science, six representatives from various education institutions, and two representatives from the Belgrade Student Centre (accommodation and catering provider). Several models are to be developed for various kinds of institutions of the education sector.

Overall, the Agency has a wide and challenging range of duties. It is unlikely however that, with the current resources, it will be able to claim major achievements in all these areas. The implementation of the relevant provisions of the law is only partial – in 2010, only 18 000 out of 25 000 officials covered by the obligation submitted property disclosure reports, and the assets register has incomplete data (European Commission, 2011).

Given the decentralised character of the education system, any effort of a centralised body such as the Agency alone will not be sufficient for the control of conflicts of interest and gift-related practices. Apart from a failure to observe rules on incompatibilities, most conflicts of interest are difficult to detect from afar. Hence, one of the potentially most relevant roles of the Agency is to be a prompting factor for education institutions themselves to internalise and maintain integrity standards. An example of a relevant activity in this respect is the contest "I'm not going to cheat" (*Neću preko veze*), organised by the Agency in 2010 in co-operation with the Ministry of Education and Science. Students from over 600 primary and secondary schools took part and competed in several categories: best essay, best art work, best film and best slogan.

The judiciary

Assessment summary: judiciary		
Sector level work	Relevance	Lead
low	all areas	State Supreme Council of Judges, State Council of Prosecutors

No recent assessments were found regarding the ability of courts to handle corruption-related criminal cases. According to an assessment by the European Commission, "the Serbian judiciary is organised in a three-tier court system, which broadly respects the key requirements of independence, impartiality, accountability and efficiency" (European Commission, 2011: p. 17). Serbia has a public prosecutor's office of special jurisdiction for organised crime and corruption.

In the recent past (especially 2009 and 2010), the judiciary underwent major reforms. Among issues of concern identified were the lack of a developed merit-based career system for judges and prosecutors, room for undue political influence (particularly through the powers of the Parliament to appoint presidents of courts and public prosecutors), hastily and non-transparently implemented re-appointment procedure for judges and prosecutors in the second half of 2009 (a repeated and comparatively more transparent review procedure for the non-reappointed judges and prosecutors was run in 2011), concern of too high a level of protection for judges and prosecutors from criminal investigations, and a large backlog of old cases (European Commission, 2011: pp. 17-19). However, a review of these shortcomings does not cast light on the reasons why the judiciary has difficulty in handling some of the more complicated corruption cases.

Complaint mechanisms to sector-independent bodies

Complaint mechanisms		
Sector level work	Relevance	Lead
high, but underutilised	all areas	ACAS, MoES

Apart from the possibility of reporting corrupt behaviour to law enforcement institutions, complaints from legal and natural persons may be lodged with the Anti-Corruption Agency. The Agency cannot proceed on anonymous complaints, and may request from the party submitting a complaint to provide additional information, explanations and documentation. The Agency must notify the complainant of the outcome of the complaint (Anti-Corruption Agency Law: Section 65). In 2010, the Section for Complaints of the Agency handled 277 complaints (more than 80% related to Republican authorities) (ACAS, 2011, p. 48). It is difficult to assess whether this figure is high, but the Agency certainly functions as a viable channel for voicing grievances about the conduct of public officials.

The director of the Agency establishes whether a violation of the Anti-Corruption Agency Law has occurred and orders appropriate measures. These can be appealed to the board of the Agency (Anti-Corruption Agency Law: Section 52). In 2010, the board received 81 complaints of this kind (ACAS, 2011). Although this procedure apparently slows down the implementation of the law, it is necessary to ensure due accountability. When it comes specifically to the education system, most stakeholders interviewed confirmed the preliminary findings in agreeing that there are a number of corruption risks associated with the enrolment of students in secondary schools and higher education institutions. In addition, the assessment of students' knowledge in important exams is open to corruption, particularly in high stakes examinations (*e.g.* when the possibility of state financing is at stake).

According to the law, various complaint procedures are available to stakeholders in education institutions. What follows is a brief review of complaint procedures stipulated in the Law on the Foundations of the Education System. Complaints may be lodged in relation to marks (including when a teacher fails to elaborate on the mark upon request) as well as to the exercise of other rights pertaining to education (Sections 103, 107). The default addressee of complaints by students, parents or caregivers of children or students is the managing director or principal of an institution (Sections 103, 110). The managing body of an institution shall decide on appeals or complaints lodged against a decision of a managing director or principal (Section 57).

It is also possible for complainants to appeal to the school board regarding disciplinary measures against students or for a violation of prohibitions of discrimination and violence (Section 115). Moreover those who deem their rights have been violated shall be entitled to file a request for the protection of rights to the MoES, which may issue a warning to the school and set an appropriate deadline for the elimination of violations as well as decide on the request if the school fails to act on the warning (Section 111).

These and other complaint possibilities provided for in the Law on the Foundations of the Education System are summarised in Table 5.2. It should be noted that possibilities to complain are provided also in the Law on Primary Education, Law on Secondary Education and Law on Higher Education (for example, regarding grades, Section 91). Even then, not all legally available channels are exhausted (for example, it is possible to lodge a complaint also with the ombudsman).

The legal framework provides clear procedures for addressing a wide variety of grievances. However, the data on which an evaluation of their effectiveness could be based are limited. The analysis of complaints received by the Ministry of Education and Science between December 2010 and December 2011, which was discussed earlier in this report, identified the ways for someone

to inform the MoES of possible breaches of the law or to submit a complaint. These legally prescribed procedures do not necessarily match the entrenched practices and habits of stakeholders. While the legal framework suggests that the managing body should be the focus for the review of most grievances, several interviewees met by the OECD assessment team stated that there is a tendency to complain first to the highest levels of the institutional hierarchy, bypassing the proper complaint sequence. This is perhaps an indication that complainants feel that local or lower level layers of authority either cannot act appropriately or may themselves be corrupt. It is important that the administrative system be seen to operate from the lowest to the highest levels in a transparent manner.

Table 5.1   Subject matter of complaints by complainants and addressees as stipulated in the Law on the Foundations of the Education System

Complainant	Addressees and subject matters				
	Director/ principal	Managing body/ school board	MoES	Minister	Court
Student, parent or caregiver of children or students	Marks, other rights	Decision of director/ principal; appeal regarding disciplinary measures against students, discrimination, violence, violation of other specified rights	Review of appeal, discrimination, violence, violation of other specified rights		Exclusion of student from the secondary school
Teacher, pre-school teacher or psychologist/pedagogue				Report of the education advisor (licence suspension)	
Employment candidate		Choice of candidate (except for the position of director/ principal)			Failure to decide or decision of the managing body
Employee		Principal's decision on the exercise of rights, obligations and responsibilities			Failure to decide or decision of the managing body
Complainant not specified in law (perhaps education institution)			Community/municipal decision in supervision matter		
Pedagogical inspector				State inspector's decision on pedagogical inspector's deprival of authority	

Occasionally, other possibilities for submitting complaints are available. For example, after the revelations of corruption at the Faculty of Law in Kragujevac in 2007, a box where students could submit anonymous complaints about corruption was one of the reactions to the scandal (Jakovlević, 2007). However, there are no indications of this turning into a wider practice and it is not clear if any of the complaints were acted upon. Despite occasional mention of fear among potential complainants, it appears that adequate complaint mechanisms are available in the education system. Their effectiveness largely depends on the cultural and political environment in particular institutions and in the system as a whole, factors that fall outside the narrower issues of complaint mechanisms *per se*.

Whistle-blower protection

Whistle-blowers		
Sector level work	Relevance	Lead
poor	all areas	ACAS

Whistle-blowing is uncommon in Serbia, although some notable instances have taken place, *e.g.* disclosure by Goran Milošević of an organised group that stole EUR 6.5 million from road tolls.[22] In education, no corruption incident is known that would have been reported by a whistle-blower (in the classical sense, where a member of the relevant organisation reports alleged dishonest or corrupt behaviour).[23] Serbia has limited provision for the protection of whistle-blowers although significant improvements have taken place since July 2010 (when the Anti-Corruption Agency Law was amended to include relevant provisions) and July 2011 (when the Rulebook on the Protection of Whistle-blowers ["the Rulebook"] was adopted).

A person who has reported violations of the provisions of the Anti-Corruption Agency Law and is a civil servant who in good faith files a report with the Agency on corruption in the body where he/she is employed shall not sustain detrimental consequences (Anti-Corruption Agency Law: Section 56). The Agency will safeguard the anonymity of the individual (Section 56), and can notify the director of the body where the whistle-blower serves that any measure influencing the employment status or working conditions of the whistle-blower, contrary to the will of the whistle-blower and as a result of making the report of alleged corruption, shall be considered a reprisal (the Rulebook: Section 8, Paragraph 2).

However, the Agency cannot impose any sanctions if, despite its notification, a whistle-blower suffers adverse consequences. A non-governmental expert also noted that provisions for whistle-blower protection are scattered in different laws and do not form an appropriate, coherent system. In addition, concerns pertaining to possible interpretations of the term "in good faith" add to

the uncertainty of the whistle-blower should someone doubt his/her good faith. In other words, it is unclear when exactly the "good faith" could be questioned.[24] Regardless of the legal arguments and uncertainties, the actual effectiveness of the protection framework as it is now will be judged when tested in practice. As of 11 October 2011, the Agency had received two requests for protection covered by the Rulebook and the respective proceedings were still on-going.[25]

In 2010, a website dedicated to whistle-blowing (*Pištaljka*, The Whistle) was launched.[26] Some of its publications argue that whistle-blowers in Serbia do face serious retaliation.[27] They have been ostracised and disadvantaged professionally. Both the Pistaljka website and the website of the Anti-corruption Students Network in Serbia contain an invitation to report either corruption in general or corruption in higher education.[28] However, there are no data about how often these reporting possibilities are used. Generally, the organisational environment and culture do not seem favourable to whistle-blowers (a characteristic certainly not unique to Serbia).

Parliamentary control

Parliamentary control		
Sector level work	Relevance	Lead
low to average	all areas	Parliament

Constitutionally, the government and ministers are accountable to the National Assembly. The Education Committee of the National Assembly regularly reviews of legislative bills and budget proposals. Its mandate is similar to all of the permanent parliamentary committees within their respective policy areas: "Consider bills and other documents submitted to the National Assembly, review the policies pursued by the government, supervise the government's and other state authorities' execution of laws and other general acts, and consider other matters falling within the competence of the National Assembly."[29]

According to a recent report by the European Commission, "the work of (parliamentary) committees remains weak and largely reactive due to limited resources and lack of expert staff. This hampers the ability of Parliament to scrutinise draft legislation in depth, including its financial implications, and to monitor the implementation of legislation" (European Commission, 2011). Although such a broad statement does not necessarily imply that each and every committee, including the Education Committee, is weak, it does provide a view on the general capacity of the Parliament. Considering that none of the interviewed stakeholders mentioned the Education Committee as a significant player in the development of the integrity framework for the education system, it seems safe to argue that the Committee's role should be strengthened.

For some time, the Parliament has been considered unable to control the government effectively (SIGMA, 2011, p. 2). However, a gradual improvement in Parliamentary oversight of education has taken place (European Commission, 2011: p. 17). The Parliament does have a set of common tools for holding the government accountable, such as the no-confidence vote, and questions and possibilities to create special inquiry committees. While interpellations are almost never used and committees for special inquiries are rarely created, posing questions to ministers or the prime minister is practised even if most of them deal with specific local issues rather than matters of more general interest (SIGMA, 2011). Overall Serbia's Parliamentary governance corresponds to democratic standards and all institutional means necessary for effective oversight of the Executive are in place.

Civil society involvement

Civil society		
Sector level work	Relevance	Lead
high, but focus largely on higher education	all areas	n.a.

Civil society organisations appear to be active in promoting transparency in Serbia (Savić, 2011). According to the Anti-Corruption Agency, it co-operates with non-governmental organisations (NGOs) on several issues. The OECD assessment team was told that NGOs have been included in working groups drafting the Law on Financing Political Activities and the new National Anti-corruption Strategy and Action Plan. On the other hand, no NGOs have been involved in the elaboration of models for integrity plans. The Agency's description of co-operation with civil society organisations mentions that organisations and the media are poorly informed about anti-corruption policy documents (*e.g.* the National Strategy) and laws, and have inflated expectations about the possibilities of the Agency to apply sanctions in cases of corruption. Associations are also reluctant to implement corruption prevention/mitigation projects at the local level, fearing that they would not then receive money for the implementation of other projects (ACAS, 2011, p. 33). All in all, anti-corruption expertise and projects seem to be concentrated in a few dedicated NGOs, such as the Serbian chapter of Transparency International and the Centre for Free Elections and Democracy (CeSID),[30] which is a sign of professionalisation of the NGO sector.

Non-governmental organisations in Serbia such as Transparency International do not view the education sector as a priority in anti-corruption work. However, a small number of NGOs are working on specific issues that can mitigate corruption. In addition, a number of NGOs focus on governance issues. The Belgrade Open School (BOS), through participation in the Anti-Corruption

Student Network in South East Europe, is one of the organisations with a more direct interest in the issues of corruption and integrity in education. BOS currently focuses on developing research tools and monitoring the situation (see, for example, "The First Aid Package – Student Handbook for Research of Corruption in Higher Education"[31]). Otherwise the mission of the Belgrade Open School is to offer an alternative to government-provided education as well as career guidance and counselling to various target groups.

Non-governmental organisations in the education sector are working on issues such as inclusive education, improving stakeholder participation and civic education. Thus the Fund for an Open Society focuses on inclusive and multicultural education.[32] Activities include, for example, monitoring how individual teaching plans are used. Another focus is the problem of the lack of meaningful participation in schools by parents' associations, because they feel this might adversely affect their children. This is a valuable initiative which could lead to improved transparency and integrity. One of the main programmes of the organisation Civic Initiatives is a specialised pilot programme for teachers of civic education in high schools in Serbia, in co-operation with the Faculty of Political Sciences of Belgrade. The programme involves some 7 000 teachers who have not had sufficient training in the subject. The few examples provided here are not enough to assess the general strength and impact of NGO activities, but they testify to the professional role played by at least some such organisations in the sector. The engagement of youth in fostering transparency and accountability is important. Support for civic education programming is a key ingredient in this and is documented in a recent paper by Transparency International on Youth and Corruption.[33]

Notes

1. Categories used in the assessment summaries for prevention and detection capacity in education: ***Capacity***: (not known, low, average, good); **Awareness**: authorities are aware of issue (yes, no); **INTES assessment of *progress to date***: (limited, average, good); **Direct *relevance* for integrity shortcomings in areas**: (single area of concern, all areas of concern in a chapter, all areas of concern in the report/general relevance); **Tier of governance experiencing *capacity shortage*s**: (central, local, institutional level). Assessment of categories based on external reports, MoES information and stakeholder interviews. The marks are intended to provide general illustration and guidance, and are not based on benchmarks.

2. The latter is the case with much of the data used in the Reports on the Implementation of the Poverty Reduction Strategy, which were a helpful source also for the OECD assessment team.

3. MoES planned to nominate one person in each department of the ministry to deal with complaints or requests for information received, but the plan was not implemented.

4. Public Procurement Law (Official Gazette RS, no. 116/08).

5. Article 6, Law on Textbooks and other Teaching Materials.

6. Universities of Belgrade, Novi Sad, Nis, Kragujevac, Pristina and Novi Pazar.

7. The reported case involved the school director having used her position to appoint a teacher in circumvention of the official rules. See *www.kurir-info.rs/m/srbija/uhapsena-direktorka-skole-trosila-djacki-novac-41171.php*, 10 July 2010.

8. See Law on the Anti-Corruption Agency (Official Gazette RS, no. 97/2008, 53/2010, 66/2011 – decision of the Constitutional Court), *www.paragraf.rs/propisi/zakon_o_agenciji_za_borbu_protiv_korupcije.html*.

9. Categories used in the assessment summaries for elements of the anti-corruption framework (ACF): **What is the capacity of an ACF body or mechanism to deal with sector level issues related to corruption**: (not known, low, average, high); **The ACF body or mechanism could/ should address integrity shortcomings in the area of**: (single education area of concern, all areas of concern in a chapter, all areas of concern in the report/general relevance); **Institution in charge of reforms in this area of the ACF**: name of institution, tier of governance affected. Assessment of categories based on external reports, MoES information and stakeholder interviews. The marks are intended to provide general illustration and guidance, and are not based on benchmarks.

10. See "Indeks", *www.blic.rs/Vesti/Hronika/179375/Afera-indeks-Osumnjicena-priznala-da-je-kupovala-ispite*, from 4 March 2010.

11. See "Indeks", *www.kragujevaconline.rs/vesti/info/drustvo/5473-afera-indeks-dve-godine-sudjenja*, from 29 September 2011.

12. See *www.pistaljka.rs/home/read/71*, from 25 January 2011.

13. See the website of the National Anti-Corruption Council (News), *www.antikorupcija-savet.gov.rs/en-GB/page/home/*.

14. See the website of the National Anti-Corruption Council (About the Council; Founding and Jurisdiction), *www.antikorupcija-savet.gov.rs/en-GB/content/cid1015/founding-and-jurisdiction*.

15. See Decision No. 011-00-24/2010-06, *www.acas.rs/images/stories/clanovi_komisije_za_akreditaciju_i_proveru_kvaliteta_visokoskolskih_ustanova.pdf*.

16. See Decision No. 011-00-202/2010-06, *www.acas.rs/images/stories/podnosenje_izvestaja_za_prodekane_fakulteta.pdf*.

17. See Decision No. 012-00-01762/2010-06, *www.acas.rs/images/stories/1762_Markovi_mera_za_raz.l.82.pdf*.

18. See Decision No. 07-00-00211/2010/06, *www.acas.rs/images/stories/07-211_Milivojevi.pdf*.

19. See Decision No. 07-00-231/2010/06, *www.acas.rs/images/stories/REENJE_MERA_J.OB._povreda_cl._27.pdf*, and ACAS (2011).

20. Email message from Iana Jerosimić, Advisor of the Anti-Corruption Agency (12 October 2011).

21. See *www.acas.rs/images/stories/KatalogPoklonaACAS12-09-11.pdf*.

22. See *www.pistaljka.rs/home/read/16*; from 4 August 2010, "I Feel Defeated – The Law Protects Criminals", by M. Milosavljević.

23. For a definition, see Near and Miceli (1985).

24. See Milosavljević, *www.pistaljka.rs/home/read/16*, 19 July 2011.

25. Email message from Marijana Obradović, Assistant Director for Prevention, Anti-Corruption Agency (12 October 2011).

26. See *www.pistaljka.rs*.

27. See, for example, Milosavljević (2010), *www.pistaljka.rs/home/read/16*.

28. See the "*Kontaktirajte nas*" field in the Serbian page of the Anti-corruption Student Network, *www.serbia.see-corruption.net/index.php?sub action=showfull&id=1308256829&archive=&start_from=&ucat=4&*.

29. See "National Assembly Working Bodies", *www.parlament.rs/national-assembly/organisation-and-support-service/national-assembly-working-bodies.514.html*.

30. See the website of the Centre for Free Elections and Democracy, *www.cesid.org/*.

31. See *www.serbia.see-corruption.net/pages/research.php*.

32. See "Programmes, *www.fosserbia.org/programs/program.php?id=672 www.fosserbia.org/programs/*.

33. See *www.transparency.org/publications/publications/working_papers/working_paper_no_6_2009_youth_and_corruption*).

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6

Recommendations and Follow-Up

The last chapter of this report contains recommendations and suggestions for follow-up in all four dimensions of integrity assessment: access, quality of education, sound management of staff and resources and prevention and detection capacity on sector and national levels.

ADDRESSING DEMAND FOR FAIRER ACCESS TO EDUCATION (CHAPTER 2)

Access to higher education

To address integrity shortcomings related to higher education access, the OECD assessment team recommends:

- Stepping up the initiative for introducing standardised admission to tertiary education and ensuring that work on the "general Matura" will be undertaken in a timely manner. It is important to ensure the quality, validity, fairness and integrity of the exam before its introduction.

- Until standardised admission is implemented, prohibit faculties and faculty members from offering preparatory courses for their own admission exams. The content of individual faculty entrance examinations should be evaluated for its relevance and appropriateness in order to ensure that there is a fit between higher education requirements and secondary school curricula.

- Introducing measures for strengthening academic integrity and assessment transparency, such as administrative verification of admission procedures, improved supervision of examination centres, comparison of scripts by examiners to avoid examination fraud, increased number of examiners and introduction of a common marking system.

Access to financial support

To ease the pressure on all points of entry to and progression in the higher education system, the assessment team recommends Serbian authorities to work towards making access to resources for study more equitable. This could be done by:

- Introducing bank loans also for fee-paying students. This would help better remedy socio-economic disadvantages, help in diversifying the sources of private investment in the tertiary system and strengthen responsibility for academic success. The loan scheme could be backed up and/or co-financed by the state, but provided and managed by a commercial entity.

- Giving more weight to the socio-economic background of students in the criteria for accessing public support. This includes access to dormitories, which should be based on need, and not on achievement.[1] The selling of dormitory places should be made illegal, and if uncovered, affect the status of students at the university. Dormitory supervisors who accept bribes for allotting places should be removed from their positions.

- Making the process of setting scholarship quotas more transparent.

Assessment and academic standards

It is essential that the internal faculty rules and regulations be made clear to students, that they be implemented in a fair and transparent fashion, and that the academic merit of students alone, not favouritism, be the guiding principle for awarding high grades. Achieving this will depend on swift action along the following lines:

- Discontinuing the practice of oral examination as the sole means of examination. No oral examination should be held without at least three examiners present. Systems of external examining could also be introduced as a further means of ensuring high standards, credibility and transparency.

- Following the example of universities across Europe and introducing plagiarism detection software to routinely check students' work.

- Informing students of the conventions for preparing and submitting academic work, and applying these to their work. Awareness training for students, professors, administrative and management staff can increase sensitivity to corruption.

- Investing in a compulsory course on ethic principles and good methods of scientific work for students. Students could receive ECTS (European Credit Transfer and Accumulation System) points for attending.

ADDRESSING DEMAND FOR BETTER QUALITY OF EDUCATION (CHAPTER 3)

Curriculum and learning time

The recommendations of the last OECD education policy review of Serbia regarding the pre-university curriculum are, unfortunately, still valid, and this report can only reiterate them (OECD, 2003).

- Curriculum development should be made a process that allows for participation and ownership, and the unit for curriculum development in ZUOV should be strengthened through expertise, training and more exposure to current classroom practice.

- To promote curriculum coherence and consistency, it is recommended that a curriculum framework be established as the conceptual basis for guiding various steps of curriculum reform, such as the introduction of new subjects, reduction of content and new pedagogical outlook. Classroom practice should be step-by-step enriched with exercises, debate, group work, interactive learning, project work, field studies and problem solving, to make the curriculum more student-centered.

▪ Schools, teachers and principals should take part in the design and development of curricula. In-house training of teachers that supports school-based curriculum development should be fostered, involving teachers and administrators from the same school to ensure that changes have an impact on classroom practice.

Quality of teaching

▪ A reorganised Commission on Accreditation, with representation of interest groups in education (teachers, principals, employers, teacher education experts and the ministry), and a strengthened Teaching Licensing Sector, possibly independent of the ministry, should be established and be given delegated responsibility for overseeing policies relating to the teaching profession, such as initial teacher education, continuing professional development, as well as those issues related to the continuing professional performance of teachers, including discipline.

▪ It is recommended that the current practice of preparing subject teachers at individual faculty level be discontinued, and that this practice be replaced with dedicated faculties of education specifically established for the development and implementation of initial teacher education programmes.

▪ It is also recommended that a system of external examination be introduced for all programmes of teacher education.

▪ It is further recommended that a more robust system of accreditation be put in place for evaluating initial teacher education programmes and ensuring the quality of provision in this area. This should ideally form part of the brief of the Commission on Accreditation/Teaching Licensing Sector.

▪ At the secondary level, serious consideration should now be given to the establishment of faculties of education specifically dedicated to the preparation of student teachers subsequent to their graduation from the subject faculties. Moreover, it should be mandatory that the staff in the new faculties be qualified at doctorate level in the relevant foundation subjects (psychology, sociology and methodologies relevant to subject teaching in the schools). It is also important that the programmes offered in the faculties of education be accredited by an appropriate body and that the accreditation takes into consideration a range of variables associated with the provision of such programmes, such as the conceptual foundation of the programme, the outline of courses, assessment policy and practice, the range of methodologies employed, arrangements for teaching practice in the school system, as well as the qualifications and previous experience of the staff providing the programme.

▪ Other recommendations include improved preparation of university staff working in the field of education, and improved oversight of such programmes at the university accreditation level.

▪ It is recommended that the current teacher training curricula be re-considered, for both basic and secondary levels, to ensure a better fit with current priorities. Emphasis on basic skills such as numeracy and literacy, and improvements to the teaching practice component, would assist teachers in carrying out their work in a more professional manner.

▪ Surprisingly, the mandatory professional development component of the law seems disconnected from changes that are coming into play. It is not clear that teachers are required to undergo professional development related specifically to new methods, practices or administrative requirements. Linking professional development to education system modernisation would possibly be a motivating factor in making such changes sustainable, as would recognition of professional development achievements in promotion criteria. Perhaps the quality control function of the Institute for Quality should be strengthened. If the available training is seen as unsatisfactory, why has it not been changed? In fact the small amount of professional development – three days – per year mandated in the law seems to be an indication of the lack of regard that professional development attracts. It also is perhaps the reason why the sanctions in the law are rarely imposed.

Private tutoring

▪ The practice of tutoring both at school and higher education levels should be re-examined as a possible reaction to poor quality and problems with access within the education system. There is clearly a place for tutoring in education, but if it becomes a "shadow" education system it is not only an indication of possible issues in the delivery of services, but also can compound them. Special attention should be given at school level to adherence to the rules for staff tutoring in-school students, and to the tutoring given for higher education entrance examinations.

▪ The authorities should consider developing and introducing teacher codes of conduct as soon as possible.

▪ Quality of learning outcomes would also improve through developing and implementing curriculum standards and standards-based assessment of student learning. In 2003, the OECD suggested the development of a clear policy and strategy concerning assessment and examination in Serbia (OECD 2003). Several years later, this area is still in need of urgent action – through development of standards and criteria for different types of educational measurement, through sample-based national assessments, and through improved ways for teachers to assess students' progress in the classroom.[2]

School inspections

The importance of both internal and external quality assurance to improving the quality of school education should not be underestimated, and it is encouraging to note that a new framework for quality assurance is being launched. The introduction of national examinations at primary and secondary levels will also contribute to the improvement process.

- Meanwhile it is recommended that more ambitious targets be set for the conduct of external inspections and that the recruitment of pedagogical inspectors be brought up to a level that will enable targets to be met, taking into consideration that inspectorates seem to be severely undermanned and overstretched. It will also be important to conduct a range of inspection types, including whole-school inspections, subject inspections and thematic inspections. The new school self-evaluation mechanism now being introduced will assist in this.

- Striking a balance between the evaluative and advisory roles of the inspectorate – but keeping the main focus on the evaluative function – is important. Schools generally place greater value on the advisory role, even if that advice is sometimes ignored, but this can result in the evaluative role taking second place and targets not being reached.

- Reports of all inspections should be published. A new framework for quality assurance has been developed in association with the Dutch inspectorate and at the time of this integrity assessment training for its implementation was about to begin. Implementing this quality assurance framework will be key in improving institutional and staff performance.

- Although the assessment team is of the view that a split inspection service (pedagogical and administrative) is not ideal, at the very least the two branches of the service should undertake joint reporting to the MoES and the municipality so that information on a given school is linked.

- It is recommended to limit the vulnerability of administrative inspectors *vis-à-vis* external pressure, for example by conducting joint inspections with the pedagogical inspectorate.

ADDRESSING DEMAND FOR BETTER MANAGEMENT AND STAFF POLICIES (CHAPTER 4)

School management and operation

- At the macro-level, it is recommended that the current bias in equalisation transfers to local communities be rectified by revoking the suspension of the Law on Local Public Finance. This will also help improve the predictability and transparency of central-level support to economically weaker municipalities.

- The entrepreneurial spirit of schools is commendable and should be supported. However, the authorities should determine a binding list of permissible sources of school revenue, to ensure that the economic activities of schools do not have a negative effect on the education process. The question of whether schools should be allowed to keep revenues and use them requires careful consideration.

- Financial control over school revenues should be improved and the existing incentives for underreporting or not reporting of certain types of revenues should be removed. One possibility could be to make principals and school board members accountable under the Law on Public Service. Another possibility would be to allow schools to retain income in exchange for meticulous reporting on revenue and expenditure. Yet another, complementary possibility would be to determine and strengthen the oversight capacity of local entities (school boards, representatives of the community, etc.), instead of trying to reintroduce strict centralised control.

- The momentum created by the new Law on Public Property (*Zakon o Javnoj Svojini*)[3] should be used to overhaul the current arrangements that oblige schools to pay all their declared revenues into the Republican budget. As suggested above, schools should be allowed to retain revenues in exchange for proper reporting. If there is a risk of preferential treatment for those who donate to schools, it would be good to strengthen oversight on possible favouritism, for example by entering donations to schools and other education institutions in a register and disclosing them similarly to gifts received by public officials.

- In addition, all lease contract requests by schools that are at present filed with the Republican Directorate for Property should be processed urgently and properly registered to gain a more precise estimate of the volume and value of commercial contractual obligations of schools.

The composition of school boards has also been a matter of debate. The current representation appears adequate, with two exceptions:

- It is recommended that the municipal representatives be representative of the social and political composition of the municipality.

- In addition, the inclusion of a separate representative from the trade unions when teachers are all members of the union seems unnecessary. It would be sufficient for a trade union representative to be added on an *ad hoc* basis if issues concerning staffing were being discussed. The role of the school board in administering and monitoring the performance of the school is critical in a decentralised system, and should be seen as helpful to a principal, rather than threatening.

- A component on working with school boards should be included in the new principal training programme. Moreover, school boards should be given adequate training.

Staff policies

Staff selection and appointment

In the interest of transparency and fairness, it is important that every effort be made to ensure that the process of hiring staff is conducted in a fair and transparent manner and free of any undesirable external interference.

- It is recommended that procedures and criteria for the selection of school staff be clarified. Selection committees, composed of the principal and representatives of the school board, staff and parents, together with an external expert, should be appointed for this purpose.
- Criteria for short-listing (where necessary) and for interviewing candidates should be drawn up (ideally, agreed at national level) and interviewees rated against these agreed criteria. Records of the interviews should be retained for reference in the event of an appeal.

Redeployment of teachers

While there should be few problems of a curricular or teacher qualifications nature in redeploying teachers at Grades 1-4 in the elementary schools, where homeroom teachers are the norm, greater challenges arise further up the system where subject teaching is the norm.

- A scheme that would offer redundant teachers an opportunity and incentives to obtain qualifications in a second teaching subject could help reduce the redundancy lists, especially if the decline in the student population becomes a long-term issue.
- Offers of early retirement, with some modest incentives, would be a commonly used approach for those teachers who are close to the official retirement age. However, it appears that this possibility has been rejected on the grounds that the International Monetary Fund would object. This should be further investigated and discussed with the IMF and World Bank.
- Redeploying subject teachers between schools that are located reasonably close to each other offers another possibility in cases where it is not possible to offer a full-time post in one school.

Salary and career structure

- As with teacher appointments, criteria for progression through the various stages of career advancement from pedagogical advisor to senior pedagogical advisor should be agreed at national level. For example, criteria could be based on excellence in teaching, contribution to the management and development of the school and engagement in professional development.
- Moreover, some indication of the opportunities (number of posts) to be made available at each of these stages at individual school level could help to raise the morale in the profession.
- Regarding principals, it is also recommended that the salary scale be reconsidered with a view to improving the differential comparison with that of teachers and that the current short-term appointment for principals be extended as it does not give principals sufficient time to accomplish goals.

CLOSING OPPORTUNITY GAPS: STRENGTHENING PREVENTION AND DETECTION CAPACITY (CHAPTER 5)

Data and transparency

The absence of a coherent and reliable data collection system prevents the Ministry of Education and Science from carrying out its job appropriately. In addition, the absence of reliable data for decision making hinders both the Ministry of Finance and donors in allocating funding in an appropriate manner. A compounding problem in terms of transparency is the existence of separate streams of data at local government and sector offices, and between the MOES and the Ministry of Finance and Statistics. The reasons for this state of affairs are not clear, as the problem has been acknowledged as an issue by all over the last decade.

To guard against corruption, it is essential to:

- Undertake a consolidation of existing data collection and information systems and eliminate overlaps;
- Agree on a feasible distribution of responsibilities for data collection between the MoES, the Statistical Institute and educational institutions;
- Align the selection of education indicators to international practice;
- Introduce standards for the quality of evidence;
- Invest in the analytical capacity of institutions in charge of data processing.

- Strengthened transparency and dissemination of information should be reflected strongly in the integrity plans to be developed for education institutions. For example, it is essential that all education institutions provide clear and sufficient information about requirements that students have to fulfil, and about revenues and expenditures.

- The MoES should step in to monitor how education institutions fulfil the legal requirements of the information commissioner, and prompt the institutions to comply.

- Efforts should be stepped up for making the central education management information system operational. It would allow for, *inter alia*, automated centralised gathering and dissemination of data such as the number and distribution of pupils among schools, number of classes, number and type of staff, and number of redundant staff.

Textbooks

- The OECD assessment team recommends additional oversight by properly functioning school boards together with the education inspectorate to ensure that staff does not subvert the textbook purchasing process.

- If bribe-taking is discovered, then appropriate legal action (for example under the Criminal Code of the Republic of Serbia) should be taken against the staff concerned, and sanctions should be put in place against the offending company.[4]

Higher education accountability

Integrity and corruption issues at the higher education level seem to be well known. The current lack of clarity and oversight on the behaviour of staff creates a difficult situation for the majority who are working in a transparent and professional manner.

Faculty fragmentation

The autonomy and fragmentation of Serbian faculties can raise problems from a transparency and accountability perspective. While all those interviewed during the review were of the opinion that "full integration of universities is almost impossible", several of them emphasised that:

- A better integration of faculties would help foster a more transparent management of the higher education sector, *e.g.* by facilitating the data collection process, the standardisation of exams or the application of quality assurance mechanisms.

Student participation

- It is recommended that student representative bodies be used to the maximum to ensure appropriate student behaviour in examinations and in gaining entrance to faculties.

- In many countries, university professors are now graded by their students and this grade counts significantly in their career assessment. It is recommended that a similar approach, which is easily computerised, is put in place and taken seriously, for all higher education institutions.

Integrity of standard-setting bodies

Teacher licensing authority

The establishment of the Licensing Authority to regulate professional practice and assume responsibility for promoting and upholding the highest levels of service to the public is to be highly commended.

- It is important to ensure that an up-to-date record of all teachers, pre-school teachers, psychologists and pedagogues be registered with the Licensing Authority and that every effort be made to ensure that anyone not registered cannot be employed in the system. All appointments at school level should be checked against the membership on the register; thus the employment of unqualified or under qualified staff can be avoided. Moreover, a double check can also be conducted to ensure that teachers on the redundancy lists are given priority in filling vacant posts.

- Staffing of the Authority should be brought to the planned level as a matter of priority, and maintained thereafter.

- The remit of this body could be extended to include a number of other functions aimed at exercising a significant role in the policy decisions affecting the professional aspects of the teaching career, from initial preparation to continuing professional development and performing certain functions aimed at promoting high-quality performance among the members of the profession. In this respect, the Licensing Authority could assume the functions normally vested in teaching councils or their equivalent as found in other systems. Those with responsibility for issuing licences to practice need to be assured that the initial teacher education programmes are of acceptable quality, and therefore either accredit such programmes or have significant representation on accrediting bodies, such as the Commission on Accreditation, who carry out this function.

▪ Moreover, the Licensing Authority should conduct its own enquiries once it is informed by the employer of a breach of authority, so as to confirm whether such breaches merit the withdrawal of a licence to practice, whether this is for a limited period or permanently.

▪ The Authority would then require a much broader representation on its executive and committees to carry out the various functions attached to its remit, and the membership should include representatives from the teaching profession, employers and parents, as well as from the ministry. Extending the remit of the Licensing Authority in this way would be a necessary and normal step in the development and maturation of the profession, and would be significant in raising the profile and status of the teacher in society. It is recommended that the remit of the Licensing Authority be extended to include those functions normally found in similar organisations that regulate those policies and practice centrally related to the teaching profession.

Higher education accreditation

The transparent operation of the Commission for Accreditation and Quality Assurance (CFAQA) is crucial to the integrity of the higher education system. If the accreditation system can be manipulated, it means that there are no reliable standards for judging the quality of academic performance; this in turn leaves the door open for abuse of professional and financial standards.

▪ The OECD assessment team recommends that the number of CFAQA staff be increased to allow the Agency to undertake follow-up accreditation visits to see if critiques have been addressed, and that inclusion of external reviewers be allowed.

Codes of professional conduct

▪ A code of professional conduct should be introduced for teachers. In addition, it may be prudent to balance the examples of potential cases of violation outlined in the law with an outline of the professional responsibilities and behaviours expected of the teacher, thus creating high expectations for staff behaviour. This could be included in a separate statement in the law, encompassing a code of conduct, which is distinct from those negative behaviours that can have serious disciplinary implications.

Stakeholder engagement in the governance of education institutions

▪ Since key obstacles to broad stakeholder participation in the governance of education institutions and the sector as a whole seem to be a matter of habit rather than institutionally enshrined, civic education, promotion of best practice and limiting possibilities to retaliate against holders of dissenting opinions (for example, in student parliaments and parent councils) seem to be the most relevant directions for the strengthening of participation.

National anti-corruption framework

National Anti-Corruption Council

▪ Due to the expertise and high public profile of the Council, this institution should review all areas with high corruption risks periodically, including the education system.

Anti-Corruption Agency

▪ Staffing of the Agency should be brought to the planned level as a matter of priority, and maintained thereafter.

▪ The Agency should develop a methodology and guidance for the detection and prevention of conflicts of interest other than those that result from combining offices or jobs.

▪ The Anti-Corruption Agency Law should provide conflict-of-interest rules also for at least some categories of public-sector employees who are not considered holders of public office (such as teachers). Such employees are not obliged to submit reports of property and income, and their incompatibility rules could be softer. However, they should have restrictions on acting in conflict-of-interest situations. Control over teachers should be carried out by the education system itself, and the Agency should provide guidance on assessing conflicts of interest.

▪ Given the structurally decentralised character of the education system, any effort by a centralised body such as the Agency alone will not be sufficient for the control of conflicts of interest and gift-related practices. Effort should be invested in activities that would lead to internalising and maintaining integrity standards by education institutions on their own. Civil society (NGOs) could be mobilised to support the process through training, awareness raising, etc.

Judiciary

▪ The authorities should identify the reasons behind the large backlog of old cases, and address them.

Complaint mechanisms

It is worrying that complaints often bypass the administrative system, perhaps indicating that complainants feel that local or lower-level layers of authority either cannot act appropriately or may themselves be corrupt. It is important that the administrative system be seen to operate from the lowest to the highest levels in a transparent way.

The complaint channels of the MoES merit closer consideration – they are a ready-to-use, low-cost link to the education system, and a good, authentic barometer of its problems.

- It is recommended that the MoES improve the complaints and information request procedures. The MoES should also gather data about complaints regarding various subject matters, in order to both gain a quantitative insight into the most common grievances as well as be able to analyse and mitigate their causes.
- Technical problems should be solved to provide citizens with the option to complain or request information via a standard web contact form.
- The fact that citizens send messages to various people can be an indication of mistrust in the reaction or response by the MoES. The MoES should thus make sure that every message is responded to within a certain timeframe. Moreover, clear structures on how complaints and requests are dealt with and by whom should be introduced, and be communicated to all staff within the MoES.
- Citizens should also receive information about the procedures for complaints and requests.
- Regarding complaints to the Anti-Corruption Agency, the Agency should be allowed to proceed also on anonymous complaints if they appear to contain relevant information.

Whistle-blowers

- The legislative framework should be collated and integrated into one set of standards so that whistle-blowers are adequately protected and their claims are acted upon without retribution.

Civil society involvement

- Civil society organisations should be involved in developing and monitoring the implementation of integrity plans in the education sector. Civil Society programs should be seen as a welcome addition to areas of education which are not currently covered by official programming, particularly in civic and equity issues.

NEXT STEPS

The above outlines a wide-ranging set of recommendations. Recommended actions vary from those that are small scale (higher education dormitories) to those that address systemic issues. With regard to changes already underway, the MoES should expedite current work on: *a)* training for principals; *b)* the introduction of a Matura exam and work on improving entrance procedures for higher education institutions; *c)* the development of a functioning education information system (EIS) that can provide the basis for transparent and efficient decision making; *d)* consideration of curriculum reform that has not been included in the budget, although previously planned.

Activities not currently under development but that should be urgently considered include: a) improving the system for licensing of teachers; *b)* improving the career path for teachers and principals; c) improving the status and content of professional development and ensuring that staff participate and are evaluated on their learning; *d)* improving the oversight of school budgets in conjunction with municipal governments; *e)* developing professional codes of conduct for all educators and education institutions; f) reconsidering the staffing and functions of the branches of the Inspectorate and how they work together; g) strengthening financial accountability of schools. Of these, *b)* is a longer-term issue, but most of the other activities are relatively short-term in nature and should not be too costly to implement. It is also recommended that a national association of school boards be set up to assist the boards in their function. There are examples of this in other countries including New Zealand and the United States.

Activities that should be expedited at the higher education level include: a) changing the oral examination system; b) improving the funding and reach of the CFAQA; c) rectifying the issue of dormitory allocations; d) improving oversight and content of current Faculty examinations and internal Faculty marking; e) actively discouraging Faculty Heads and the MoES from having only one textbook for courses, and instead encourage the use of a range of teaching materials and promote student research; f) improving the functioning and impact of student representative bodies. The most important longer-term issue is that of instituting a sound university entrance examination, testing both knowledge and student potential, that will ensure that students are accepted on merit and not influence.

CONCLUSION

Many of the issues raised in this assessment are well known in Serbia. Some are in the process of being addressed. Recent changes, however, have not always been undertaken in a systematic fashion and have sometimes been held captive to the swings and roundabouts of political change. In order for the education system to cohere to and realise its potential, a period of stability in key policies and practices is needed. This will allow for changes to be absorbed by all stakeholders, including staff, parents and students. The initiatives now underway to upgrade the system are largely on track. However, they are not always being implemented, and it would seem that consensus has not been achieved across all the sections of education stakeholders. Some changes are still seen as responses to externally imposed directives rather than as internationally accepted good practice. This is more than unfortunate for students, who should be able to benefit from an educational process that is transparent and of good quality for all.

None of the recommendations made by the OECD assessment team should cause controversy or concern to dedicated educators. Key to reinforcing the tradition of educational excellence, of which Serbia is rightly proud, is the ability to enhance the motivation of all stakeholders to honour existing commitments to educational change, so that these become more than good intentions. If left unchallenged, the current vacuum in oversight and gaps in quality control can only lead to increasing discomfort with the system on the part of all stakeholders, parents, students and staff alike. The resulting unmet demands contribute to "corruption creep" and a lowering of educational standards, as well as denying the poorest the opportunities they deserve and to which they are entitled. Although the MoES cannot control all aspects of the society in which it works, it is vital that, as an upholder of Serbian identity, it demonstrates integrity in its own operations as an example. Pulling the system together as a coherent whole will contribute not only to an improved standard and delivery of education, but to a revitalised Serbia.

Notes

1. In the ACSNSEE survey from 2003 (Mihajlovic, 2004), students thought that every fifth student lives in a dormitory because he/she gave a bribe or did a favour for the place. Results from the last ACSNSEE survey suggest an even higher share of students who obtained a place in a dormitory by fraudulent means – almost 40% of students from the Faculty of Medicine in Belgrade reported having heard of illegal provision of dormitory places.

2. A World Bank project (2002) included a sub-component on sample-based assessments and improving classroom assessment by teachers, but by the end of the project very little had been achieved, according to the Bank's Implementation Completion Report (The World Bank, 2008).

3. Law on Public Property (Official Gazette RS, no. 72/2011).

4. The Code criminalises active (Article 368) and passive bribery (Article 376) of public officials; teachers and professors fall under the definition of public officials.

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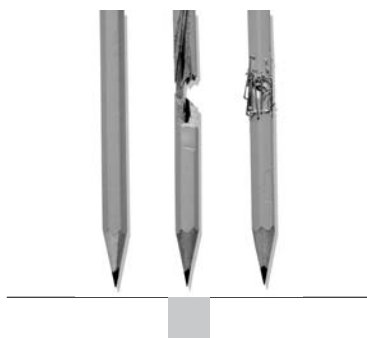
Annex A

SUMMARY OF MAIN RECOMMENDATIONS FOR A FOLLOW-UP

Below is a summary of main recommendations made throughout the report, organised by chapter, with indications of areas of policy intervention and an estimation of implementation timing – short (S), middle (M) and long-term (L). The OECD assessment team suggests the authorities validate the recommendations in consultation with stakeholders, departments and institutions concerned before designing follow-up action.

Chapters and main recommendations		Area of policy intervention	Time-scale
Integrity area: access to education (Chapter 2)			
2.1.1	Introduction of standardised admission to tertiary education.	Admission to tertiary education	M
2.1.2	Ensure coherence between university entrance examinations and secondary school curricula.		S
2.2	Discuss and introduce measures for strengthening academic integrity and assessment transparency, for example by discontinuing the practice of oral examination as the sole means of examination, introducing mandatory plagiarism detection software and raising awareness about academic integrity.	Academic integrity and university level assessment	S
2.3.1	Place stronger emphasis on socio-economic need in providing public financial support for university education, including access to dormitories and study loans.	Student funding	M
2.3.2	Make the process of setting scholarship quotas with faculties public and transparent.		S
Integrity area: quality of education (Chapter 3)			
3.1.1	Establish a curriculum framework as the conceptual basis for guiding various steps of curriculum reform such as introduction of new subjects, reduction of content and new pedagogical outlook.	Classroom learning: curriculum development	M
3.1.2	The unit for curriculum development ZUOV (Institute for the Promotion of Education, *Zavod za unapredivanje obrazovanja i vaspitanja*) should be strengthened through expertise, training and more exposure to current classroom practice. Schools, teachers and principals should take part in the design and development of curricula.		M
3.2	Training of teachers that supports school-based curriculum development should be fostered, involving teachers and administrators from the same school to ensure that changes have an impact on classroom practice.	Classroom learning: practices	L
3.3.1	Re-organise the Commission on Accreditation to include representation of interest groups in education or revamp the Teaching Licensing Sector and delegate it with responsibility for overseeing policies relating to the teaching profession, including initial teacher education, continuing professional development, as well as those issues related to the continuing professional performance of the teachers, such as discipline.	Teacher policies: professionalisation	S
3.3.2	The current practice of preparing subject teachers at individual faculty level should be discontinued. They should be replaced with dedicated faculties of education specifically established for the development and implementation of initial teacher education programmes, including for secondary education teachers. Staff in the new faculties should be qualified at doctorate level in the relevant foundation subjects.		M
3.3.3	Reconsider current teacher training curricula, for both basic and secondary levels, to ensure a better fit with current priorities. Emphasis on basic skills such as numeracy and literacy and improvements to the teaching practice component would assist teachers in carrying out their work in a more professional manner.		S
3.3.4	Link guidelines for and content of professional development to education system modernisation. This could become a motivating factor in making such changes sustainable, as would recognition of professional development achievements in promotion criteria.		S
3.4.1	The practice of tutoring both at school and higher education levels should be re-examined as a possible reaction to poor quality and problems with access within the education system. Develop and implement standards and standards-based assessment of student learning.	Classroom learning: private tutoring	M
3.4.2	Give special attention to adherence to the rules for staff tutoring of school students and for higher education entrance examinations.		S
3.4.3	The authorities should consider developing teacher codes of conduct and introduce them as soon as possible.		S
3.5.1	Set more ambitious and relevant targets for the conduct of external inspection and recruit pedagogical inspectors to overcome the current capacity overstretch of pedagogical inspectorates.	School level accountability: inspections	S
3.5.2	Conduct a range of inspection models, including whole school inspections, subject inspections and thematic inspections.		M
3.5.3	The two branches of the inspection service (pedagogical and administrative) should undertake joint reporting to the MoES and the municipality so that information on a given school is linked, and the vulnerability of administrative inspectors *vis-a-vis* external pressures is limited.		M
Integrity area: resource and staff management (Chapter 4)			
4.1.1	Revoke the suspension of the Law on Local Public Finance to rectify bias in equalisation transfers to local communities and improve the predictability and transparency of central level support to economically weaker municipalities.	Funding: resource distribution	S/M
4.1.2	Determine a binding list of permissible sources of school revenue, to ensure that the economic activities of schools do not negatively affect the education process.	Funding: financial accountability	S
4.1.3	Remove incentives for under-reporting or not reporting certain types of revenues by allowing schools to retain income in exchange for exhaustive reporting on revenue and expenditure. For example, use the momentum created by the new Law on Public Property (*Zakon o Javnoj Svojini*), to overhaul the current arrangements which oblige schools to pay back all their declared revenues into the republican budget.		S
4.1.4	Determine and strengthen the oversight capacity of local entities. Make principals and school board members accountable under the Law on Public Service.		M/L
4.1.5	Process and register all lease contract requests by schools which are currently filed with the Republican Directorate for Property to gain a more precise estimate of the volume and value of commercial contractual obligations of schools.		M
4.2.1	Appoint committees to select school staff, comprising the principal, representatives of the school board, staff and parents, together with an external expert. Criteria for short listing (where necessary) and for interviewing candidates should be drawn up (ideally, at national level) and interviewees rated against the criteria. Records of the interviews should be retained for reference in the event of an appeal.	Staff management: appointment of staff	M
4.2.2	Develop schemes which would offer redundant teachers an opportunity and incentives to obtain qualifications in a second teaching subject, in view of reducing redundancy lists.	Staff management: redundant teachers	L
4.2.3	Re-open discussion on early retirement schemes.		S

	Chapters and main recommendations	Area of policy intervention	Time-scale
4.2.4	Agree on criteria for progression through the various stages of career advancement from pedagogical advisor to senior pedagogical advisor, and base them on excellence in teaching, contribution to the management and development of the school, and engagement in professional development. Indication of the opportunities (number of posts) to be made available at each of these stages at individual school level could help to raise the morale in the profession.	Staff management: career	L
4.2.5	Regarding principals, it is recommended that the salary scale be reconsidered and that the current short-term appointment for principals also be reconsidered as it does not give principals sufficient time to accomplish goals.		M
	Integrity area: capacity for prevention and detection (Chapter 5)		
	Education		
5.1.1 E	Consolidate existing data collection and information systems and eliminate overlaps, for example by agreeing on a feasible distribution of responsibilities for data collection between the MoES, the Statistical Institute and educational institutions. Efforts should be stepped up for making the central education management information system fully operational.	Information and administrative transparency	M
5.1.2 E	Align the selection of education indicators to international practice and introduce standards for the quality of evidence.		M
5.1.3 E	Invest in expanding the analytical capacity of institutions in charge of data processing.		M/L
5.1.4 E	Strengthened transparency and dissemination of information should be foreseen in the integrity plans to be developed for education institutions. For example, it is essential that all education institutions routinely provide clear and sufficient information about requirements that students have to fulfil, and, in the course of their regular annual reporting to the MoES, about all revenues and expenditures.		M
5.2 E	The OECD assessment team recommends additional oversight by properly functioning school boards together with the education inspectorate to ensure that staff does not subvert the textbook purchasing process. Appropriate legal action should be taken against both staff and providers in case of violations.	Procurement and textbooks	S
5.3.1 E	Better integration of faculties would help foster a more transparent management of the higher education sector, *e.g.* by facilitating the data collection process, the standardisation of exams or the application of quality assurance mechanisms.	Higher education: institutional accountability	M
5.3.2 E	Introduce anonymous student evaluations of teaching staff, and computerise the process.		S
5.4.1 E	Ensure that an up-to-date record of all teachers, preschool teachers, psychologists and pedagogues is registered with the Teacher Licensing Authority (TLA), and that every effort is made to ensure that anyone not registered not be employed in the system. Staffing of the Authority should be brought to the planned level as a matter of priority and maintained such hereafter in filling vacant posts.	Setting of standards	M
5.4.2 E	The remit of the TLA could be extended to include a number of other functions aimed at exercising a significant role in the policy decisions affecting the professional aspects of the teaching career. The TLA should be able to conduct its own enquiries once it is informed by the employer of a breach of authority, and could have a much broader representation on its executive and committees so as to carry out the various functions attached to its remit. Membership should include representatives from the teaching profession, employers and parents, as well as the MoES.		M
5.4.3 E	A code of professional conduct should be introduced for teachers. In addition, it may be prudent to balance the examples of potential cases of violation outlined in the law with an outline of the professional responsibilities and behaviours expected of the teacher, thus creating high expectations for staff behaviour. This could be included in a separate statement in the law, encompassing a code of conduct, which is distinct from those negative behaviours that can have serious disciplinary implications.		S
5.5 E	Since key obstacles to broad stakeholder participation in the governance of education institutions and the sector as a whole seem to be habitual rather than institutional, civic education, promotion of best practice and limiting possibilities to retaliate against holders of dissenting opinions (for example, in student parliaments and parent councils) seem to be the most relevant directions for strengthening participation.	Governance of education institutions: stakeholder involvement	M
	National corruption prevention framework		
5.1 N	Due to the expertise and high public profile of the Anti-Corruption Council, this institution should periodically review all areas with high corruption risks, including the education system.	Anti-Corruption Council	S
5.2.1 N	Staffing of the Anti-Corruption Agency should be brought to the planned level as a matter of priority and maintained such hereafter.	Anti-Corruption Agency	S
5.2.2 N	The Agency should develop methodology/ guidance for the detection/ prevention of conflicts of interest, which do not manifest themselves as a combination of different offices/ jobs.		S
5.2.3 N	The Anti-Corruption Agency Law should provide conflict-of-interest rules for at least some categories of public-sector employees who are not considered holders of public office (such as teachers). Control over teachers should be carried out by control bodies within the education system and the Agency should provide guidance on assessing conflicts of interest.		S
5.2.4 N	Given the structurally decentralised character of the education system, an effort of a centralised body such as the Agency alone will not be sufficient for the control of conflicts of interest and gift-related practices. Effort should be invested in activities that would lead to internalising and maintaining integrity standards by education institutions on their own. The civil society (NGOs) could be mobilised to support the process through training, awareness raising, etc.		M/L
5.3 N	The authorities should identify the reasons behind the large backlog of old cases, and address them.	Justice sector	M
5.4.1 N	The MoES should improve the complaints and information request procedures. The MoES should gather data about complaints regarding various subject matters in order to both gain a quantitative insight into the most common grievances as well as be able to analyse and mitigate their causes. Citizens should receive information about the procedures of complaints and requests, as well as information about the follow-up to their complaint.	Complaint mechanisms	S
5.4.2 N	Regarding complaints to the Anti-Corruption Agency, the Agency should be allowed to proceed on anonymous complaints if they appear to contain relevant information.		S
5.5 N	The legislative framework should be collated and integrated into one set of standards so that whistle-blowers are adequately protected and their claims can be acted upon without retribution.	Whistle-blower protection	S
5.6 N	Civil society organisations should be involved in developing and monitoring the implementation of integrity plans in the education sector.	Civil society involvement	S/M

Annex B

FOLLOW-UP MEASURES OF THE SERBIAN AUTHORITIES UNDERTAKEN AFTER THE INTES ASSESSMENT

STAFF POLICIES

Careers

Career advancement criteria are clearly defined to reflect the teacher's competencies and contribution to the improvement of the teaching profession. Teachers now have defined obligations for every stage in their career, and their expanded knowledge will benefit education on different levels (local to state). Unfortunately this still has little impact on salaries, but acknowledges and appreciates the efforts of devoted and good teachers.

A new bylaw on teacher licensing is in the final stage of preparation and describes in detail the process of inducting novice teachers, makes licence exams more practical, and strengthens the role of mentors.

School leadership

Even though the Law on Foundations prescribes standards and exams for principals, they have not yet been introduced into the system. Standards are waiting for the National Education Council (NEC) to adopt them. Training of the first group of "trainers of trainers" for principals ended in June 2012, and by using the cascade model most principals should undergo training and have their licences by the end of 2012. The question remains, however, how the training should be institutionalised: should it be a Master's programme in one faculty, or could various faculties offer courses? Or should there be an independent institution, like a national college, that would be a single-source provider?

Codes of conduct

Professional codes of conduct still do not exist, but the introductory part of the "teacher competencies" document contains references to what are considered to be ethical behaviour and acceptable attitudes.

Hiring of staff

Both the Law on Primary Education and the Law on Secondary Education that should already have been adopted were put on stand-by because of the Strategy Development Process. They now include an article that refers to the selection and hiring of teachers. Principals are now obliged to hire teachers based on criteria of competencies, past work, recommendations and the quality of the prior education. This should reduce irregularities in the process of hiring, and help prevent hiring on the basis of personal preference.

ADDRESSING DEMAND FOR BETTER QUALITY OF EDUCATION

Curriculum and learning time

The draft National Strategy for Education Development strongly recommends modernisation of the curriculum on all levels, and a different organisation of teaching time.

VET modernisation

Since 2003, EUR 24.6 million was spent on the modernisation of VET (national and international funding combined). 34 pilot training profiles are about to be introduced into the regular curriculum, but NEC considers that some of these need revision to better suit the needs of students, employers and the overall goals of the education system.

Quality of teaching

There are few new Master's programmes that address the lack of classroom competencies that secondary subject teachers receive in their initial education. The establishment of teacher colleges is being planned, and will be implemented in the longer term.

Teachers and teacher qualifications

In February 2012, Serbia introduced a new bylaw on Continuous Professional Development and Career Advancement for teachers, pre-school teachers and specialists. In this by-law, some forms of professional development that were not recognised before are now included, and count for credit. Since the Standards for Teacher Competencies were adopted in 2011, teachers are now obliged to equally distribute credits gained through training and other forms of professional development to cover all areas of required competencies, but also the priority areas of professional development that the MoES establishes every three years.

School inspections

A framework for the external evaluation of school quality has been adopted, and pedagogical inspectors are undergoing intensive training for the implementation of new quality standards.

ADDRESSING DEMAND FOR ACCESS TO EDUCATION

End-of-year and admission exams

Analysis of end-of-year examinations undertaken by the MoES in various subjects shows that there are deficits in quality assurance. Incidences of cheating or miscalculating scores in favour of (or against) students were reported. In the framework of an on-going project for quality assurance, the MoES intends to revise the procedures and perhaps even the instructions, because there is obviously not enough supervision. Working groups have been established for the design of a Matura exam, Matura in VET schools and Matura in art schools. The draft *National Strategy for Education Development* proposes to make Matura exams obligatory.

Higher education

There is a need for harmonisation of professional titles across the higher education system. A number of students have diplomas with professional titles that are not in compliance with the Law on Higher Education.

Regarding financial support, the draft *National Strategy for Education Development* proposes that the minimum requirement for public financial support should be 60 ECTS (European Credit Transfer and Accumulation System) credits. A new model of higher education financing is being considered, which would also include changes in the rules guiding access to dormitories, scholarships and loans.

Pre-school coverage

Pre-school coverage is growing continuously, however coverage of children from Roma settlements is still very low at 8%.

Table B.1 Pre-school coverage in Serbia, 2007-11

School year	Increase in pre-school education coverage (compared to preceding year)	Share of all children in pre-school education who participate in school preparatory programmes
2007/08	3%	88.85%
2008/09	3%	91.80%
2009/10	3%	87.82%
2010/11	0.2%	87.54%

Data source: Republicki Zavod za Statistiku (RZS) (Republican Statistical Institute Serbia).

Inclusion of children with disabilities and from vulnerable groups

Since major legislative acts and training were introduced in 2010 and in 2011, more activities have been focused on impact assessment, monitoring and improving the work of inter-sectoral commissions, as well as guidelines for parents that describe the work of the Inter-sectoral Commissions. One issue that still needs to be addressed is to clarify the difference between a pedagogical assistant and a personal assistant. Parents and schools are still not completely aware of what kind of additional support they can apply for and provide.

OTHER INITIATIVES

Serbia gained the opportunity to participate in the Lifelong Learning Programme of the European Union in all centralised actions, support measures and networks. With the help of the Tempus office, schools have been prepared and the public informed about the possibility to become partners in projects, or to submit their own projects.

Serbia has assumed the chairmanship of the Education Reform Initiative of South Eastern Europe (ERI SEE). At present, the interim Secretariat is setting up its activities, and the official secretariat is expected to be fully operational soon. Since there is a strong consensus on the need for evidence-informed or evidence-based policies, this is a good opportunity to support projects that grow from policies but also projects that contribute to policy development.

Serbia also joined the Western Balkans' Platform on Education and Training and is preparing to take an active role in the Danube strategy.

Annex C

**PRELIMINARY INTEGRITY SCAN (PRINTS) OF THE SERBIAN EDUCATION SYSTEM:
APPROACH AND RESULTS[1]**

Education is a complex system with a multitude of actors. Which of its parts lack integrity and which actors are corrupt, to what extent and why is seldom known with certainty. The quest for answers starts in the knowledge that, potentially, all areas and actors might be affected.

Through desk research, site visits and feedback from authorities, the INTES assessment seeks to narrow the focus to those areas and groups that are indeed affected. It does so through collecting and interpreting quantitative and qualitative evidence on education policies. This annex provides detail on the preliminary integrity scan (PRINTS) of the Serbian education system, carried out during the desk research phase of INTES.

PRINTS consists of a quantitative section (QNS) and a qualitative section (QLS). By using data and information from both sections, PRINTS endeavours to produce a preliminary list of integrity concerns in need of analytical attention in each of the three substantive dimensions of assessment (access, quality, staff and resources)[2,3]. This allows for fine-tuning of requests to authorities for additional information, better targeting of site visits, and a more efficient preparation of the report.

The PRINTS approach is in an early stage of development. Despite some open methodological questions and limitations related to the availability and suitability of indicators, it proves a viable preparatory tool and its findings could be confirmed during the subsequent stages of the assessment. The integrity PRINTS for Serbia are included here for the sake of transparency of report preparation.

PRINTS: QUANTITATIVE SECTION (QNS)

At the time of this integrity assessment, comparative indicators or data on integrity in the education sector were non-existent, and the indices of Transparency International on perceptions of corruption in education did not provide sufficient levels of detail. In the absence of dedicated indicators on integrity (the development of which remains a challenge), INTES relies on sets of standard education indicators and context variables (including PISA contextual data) for each substantive dimension of assessment, and interprets them in the light of their relevance for the integrity of the policy area in question.

The quantitative section of PRINTS contains sets with a selection of data and indicators on the access, quality, and staff and resources management dimensions of the INTES assessment.

Interpretation limits

The PRINTS results must be interpreted with caution. Very few of these indicators are unequivocally positive or negative and, taken alone, they do not allow for final statements on system integrity in the INTES assessment dimensions. The figures give preliminary indications of integrity concerns in selected policy areas, which need further analytical attention. PRINTS results need validation through qualitative analysis of policy and practice in the dimension and country concerned. In other words, further investigation is imperative to interpret and correctly understand outcomes.

The OECD average

The INTES assessment of Serbia is the first of its kind and at present there is still no comparative evidence on integrity in education. In the absence of benchmarks, INTES reverts to OECD averages. The OECD averages are benchmark substitutes and their use is not normative – PRINTS does not assume that alignment with OECD averages is always desirable.

The PRINTS method

Analysis is based on a comparison of a selection of education indicators[4] for a given country (Serbia) for each dimension of integrity assessment (access, quality, staff and resources) to the respective OECD mean. The relative position of a country to the OECD mean is taken as a proxy of how well the system addresses stakeholder expectations in the education area in question. Indications of mismatch between outcomes and expectations are interpreted as a potential integrity concern and, consequently, suggest further analysis.

To determine the relative position of a country to the OECD mean for a given indicator, one takes the bottom three and top three values for OECD countries for this indicator and defines them as minimum ("lowest") and maximum ("highest") for the indicator in question. The position of a country relative to the OECD mean can range from "lowest", "low", "low average", "average", "high average", "high", to "highest" (upper section). Thresholds for those remaining categories are set by equal division of the range between top country average to OECD average, and OECD average to bottom country average. The category "average" is not a range but a value, and applies if a country has a value not statistically different from the OECD average. Below is an example for the access dimension of INTES for pre-university education.

Table C.1 Serbia: sample of integrity PRINTS for pre-university access

	Indicator values	Index of academic inclusion: proportion of variance in student performance within schools	Index of social inclusion: proportion of ESCS variance within schools	Between school variance	Proportion of selective schools	Percentage of students in schools where the principal reported "Residence in a particular area" is "always" considered for admittance at school
		%	%	%	%	%
Top 1		91.3	91.2	77.3	88.0	80.5
Top 2		89.7	89.2	75.4	88.0	88.0
Top 3		85.9	85.7	72.1	87.0	75.3
Bottom 1		33.2	48.6	7.7	1.0	2.3
Bottom 2		33.3	54.2	10.1	3.0	3.0
Bottom 3		35.4	56.2	13.1	3.0	9.0
Average top 3		89.0	88.7	75.0	87.7	81.3
Average bottom 3		34.0	53.0	10.3	2.3	4.7
OECD average		61.4	74.8	41.7	35.7	42.6
Serbia		51.3	76.6	45.1	85.0	5.1
Distance min. – max.		55.0	35.7	64.7	85.3	76.5
Range max. – OECD avg.		27.6	13.9	33.2	52.0	38.6
Range avg. – min.		27.4	21.8	31.5	33.3	37.9
Highest	3	89.0	88.7	75.0	87.7	81.3
High	2	79.8	84.1	63.9	70.3	68.4
Average high	1	70.6	79.5	52.8	53.0	55.5
Average	0	61.4	74.8	41.7	35.7	42.6
Average low		52.3	67.6	31.3	24.6	30.0
Low	-2	43.1	60.3	20.8	13.4	17.4
Lowest	-3	34.0	53.0	10.3	2.3	4.7

Data source: OECD PISA 2006 and 2009 Database.

What do "below average" or "above average" values mean in practice? What do they stand for? Comparisons of education indicators help uncover the messages behind the data – messages about performance, trends, strengths and weaknesses of education systems. Reading the messages of standard education indicators in an integrity perspective, however, is a challenging task that frequently requires a healthy amount of assumptions about the expectations of stakeholders[5] and the relationship between indicators and integrity in the respective policy area. This involves four interconnected steps:

1. Filtering out those of the standard education indicators that have assumed implications for integrity;

2. Validating the selection by checking the "standard" messages of the selected indicators;

3. Determining the implications of these "standard" messages for education integrity in the country assessed and the INTES dimension concerned;

4. Determining whether the integrity messages for the area in question justify a follow-up effort in subsequent stages of the INTES analysis.

The relationship between indicators, expectations, and integrity in the respective policy area is determined in Step 3. If the relationship is assumed to be positive, below average values imply that there might be an integrity concern in the area captured by the indicator; in case of negative relationships, it will be above average values that would suggest the same. For example, "below average" on indicator Q.6 (intensity of one-to-one, out-of-school lessons with a teacher from the same school) would be a "good" sign for the integrity of classroom practices (INTES quality dimension) as it suggests that the system delivers on expectations in regular schools hours (effective learning) and that there is less need for (potentially questionable) remedies. "Below average" might also mean "not so good" for integrity if it concerns, for example, the ratio of salary for experienced teachers to starting salary (indicator SR.4). Below average on indicator SR.4 would suggest deficits in the area of career progression and professional recognition, which might be causing problems with motivation and professional ethos of staff. In Step 4 such findings are transferred onto a "map" of policy areas in need of follow-up.

▪ Figure C.1 ▪
Standard indicator selection and interpretation process
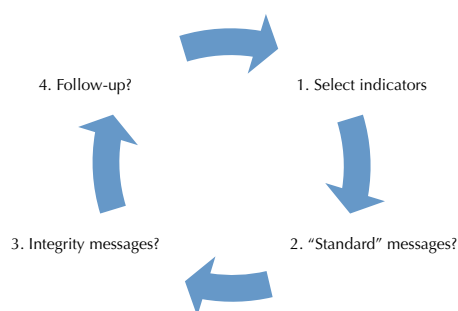
The table*s* below show the results of considerations in Step 1 (columns 1 and 2 – identification of standard indicators) and Steps 2-3 (column 3 – relation to integrity) for each dimension of INTES assessment.[6] The figures illustrate Step 4 – determining the need for follow-up in subsequent stages of the INTES assessment process.

Pilot selection and application of indicators for PRINTS

Access mismatch

Table C.2 lists the selection of indicators for a preliminary integrity scan in the area of access to education.

Table C.2 Integrity relationships: pilot selection on access

INTES Dimension	Pilot selection of indicators		Assumed relationship to integrity
	1	**2**	**3**
	AE.1	Index of academic inclusion: proportion of variance in student performance within schools	positive
	AE.2	Index of social inclusion: proportion of ESCS variance within schools	positive
	AE.3	Proportion of selective schools (academic reasons)	negative
	AE.4	Percentage of students in schools where the principal reported "Residence in a particular area" is "always" considered for admittance at school	positive
Access/Equity	AE.5	Entry rates at the tertiary level (Type A) 2009	positive
	AE.6	Trends in entry rates at the tertiary level (Type A) 2009-2000	positive
	AE.7	Percentage of students that expect a university degree: all students	negative
	AE.8	Percentage of students that expect a university degree: with low performance	negative
	AE.9	Mismatch of supply and demand in university education (Difference between entry rates and the percentage of all students that expect a college degree)	negative

Countries can have selective education institutions for a variety of reasons, and very few of them, if any, would be in any way connected to integrity. While highly selective schools, whose principals report that they use students' academic records or recommendations from feeder schools to decide who will be admitted, tend to perform better than non-selective schools in many countries, the prevalence of selectivity in the education system does not relate to the system's overall performance level. Instead, education systems that contain a large proportion of selective schools tend to have greater variation in performance between schools (OECD 2010). INTES considers that in selective environments (indicators AE.1-AE.3[7]), conditions of access to schooling (as reflected in indicators such as AE.4) merit closer attention and can be a source of integrity concern.

University entry rates (indicator AE.5) might differ due to historical reasons and different approaches to statistical categorisation of tertiary programmes. However, it is reasonably safe to assume that in countries such as Serbia, which still lag behind in tertiary enrolment, the tertiary system might be under pressure to expand and absorb (increasing numbers) of candidates.[8] Upward trends in tertiary enrolment would indicate the same (indicators AE.6).

Further indicators of demand for access to tertiary level are: percentage of all students who expect a university degree (indicator AE.7), the share of students with low reading performance who expect a university degree (AE.8) and mismatch of supply and demand in tertiary education placement (AE.9 – difference between entry rates and students in the last year of secondary education who expect to graduate university). Values that are higher than average here (especially the average share of students with low reading performance and unrealistic expectations for tertiary access) could be interpreted as integrity-relevant concerns such as

a) problems with school-level assessment and feedback mechanisms; *b)* limited post-secondary alternatives to university education, which is a source of pressure for tertiary access *c)* potentially higher demand for private tutoring as students may well be aware of additional preparation that will be necessary to succeed at admission examinations and at university.

Tertiary enrolment in Serbia is still low in international comparison, but over the past years enrolment rates were on the rise and demand for higher education is likely to remain high. PRINTS data for this area suggest that in Serbia an above average share of students hope for a college degree (55% vs. 48% for the OECD), but that there is a considerable mismatch between student expectations and actual rates of enrolment in universities. The PRINTS findings for access to education in Serbia suggest the need for a closer look at all points of transition to secondary and tertiary education.

▪ **Figure C.2** ▪
Serbia: integrity PRINTS for access/equity
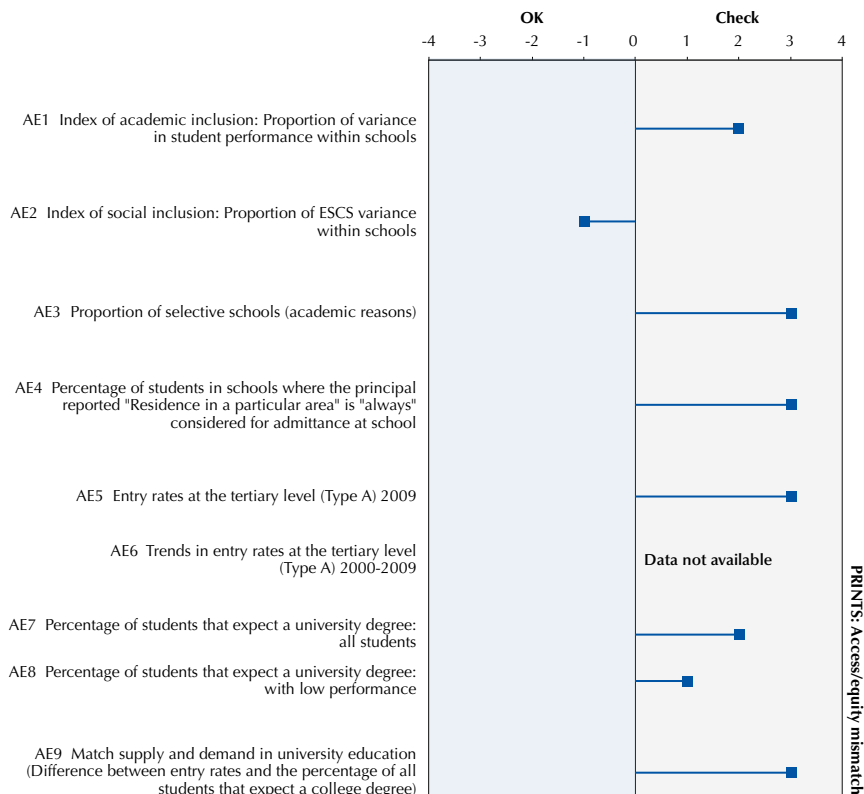
Source: OECD PISA 2006 and 2009 Database, EAG 2011, RZS, MoES.

Quality mismatch

It can be assumed that, for most countries, integrity is positively linked with performance in the three domains of reading, mathematics and science. A Pearson product-moment correlation analysis carried out in the course of INTES methodology development used data from the Corruption Barometer of Transparency International (the extent to which respondents perceive the education system in a specific country to be affected by corruption), and the mean reading score in PISA 2009 adjusted for the country's socio-economic profile. The square of the correlation co-efficient shows a negative correlation between learning outcomes and perceived levels of corruption.[9, 10] While numerous questions need to be answered before such analysis becomes sufficiently reliable, the tentative answers are good enough for orientation and support when working with assumptions about causality.

OECD research shows that a higher share of total learning time spent in regular lessons is positively related to performance (OECD 2011). A higher share of total learning time spent in regular lessons than the time invested in out-of-school learning is assumed to be in a positive relationship to integrity (indicator Q.3). The opposite applies for share of students attending remedial or enrichment

lessons for at least one PISA subject (indicator Q.2), learning time out of school (rounded average of the share of total learning time spent in out-of-school lessons in reading, mathematics and science – indicator Q.4), and the share of students in out-of-school lessons (rounded average of the share of students in remedial and enrichment lessons – indicators Q.5 and Q.6). Above average values could be an indication of private tutoring practices, the causes or conditions of which might, in turn, be of integrity concern. Indicator Q.7 – ratio of all students who want to become teachers among students scoring in the upper third on the national reading scale – reflects the attractiveness of the teaching profession. Taken as a factor that is decisive to attract the most qualified individuals to teaching, it is assumed to have a positive relationship with integrity as it is likely to have positive effects on performance, classroom practices and professional ethos.[11]

Table C.3 Integrity relationships: pilot selection on quality

INTES Dimension	Pilot selection of indicators		Assumed relationship to integrity
1		2	3
	Q.1	Student performance	positive
	Q.2	After-school lessons	negative
	Q.3	Allocation of total learning time: regular lessons	positive
	Q.4	Allocation of total learning time: out-of-school lessons	negative
Quality	Q.5	Proportion of students participating in one-to-one out-of-school lessons with non-school teachers, upper secondary education	negative
	Q.6	Proportion of students participating in one-to-one out-of-school lessons with school teachers, upper secondary education	negative
	Q.7	Ratio of all students that want to become teachers among students scoring in the upper third on the national reading scale that want to become teachers, PISA 2006	positive

▪ Figure C.3 ▪
Mean reading score in PISA 2009 and perceptions of corruption
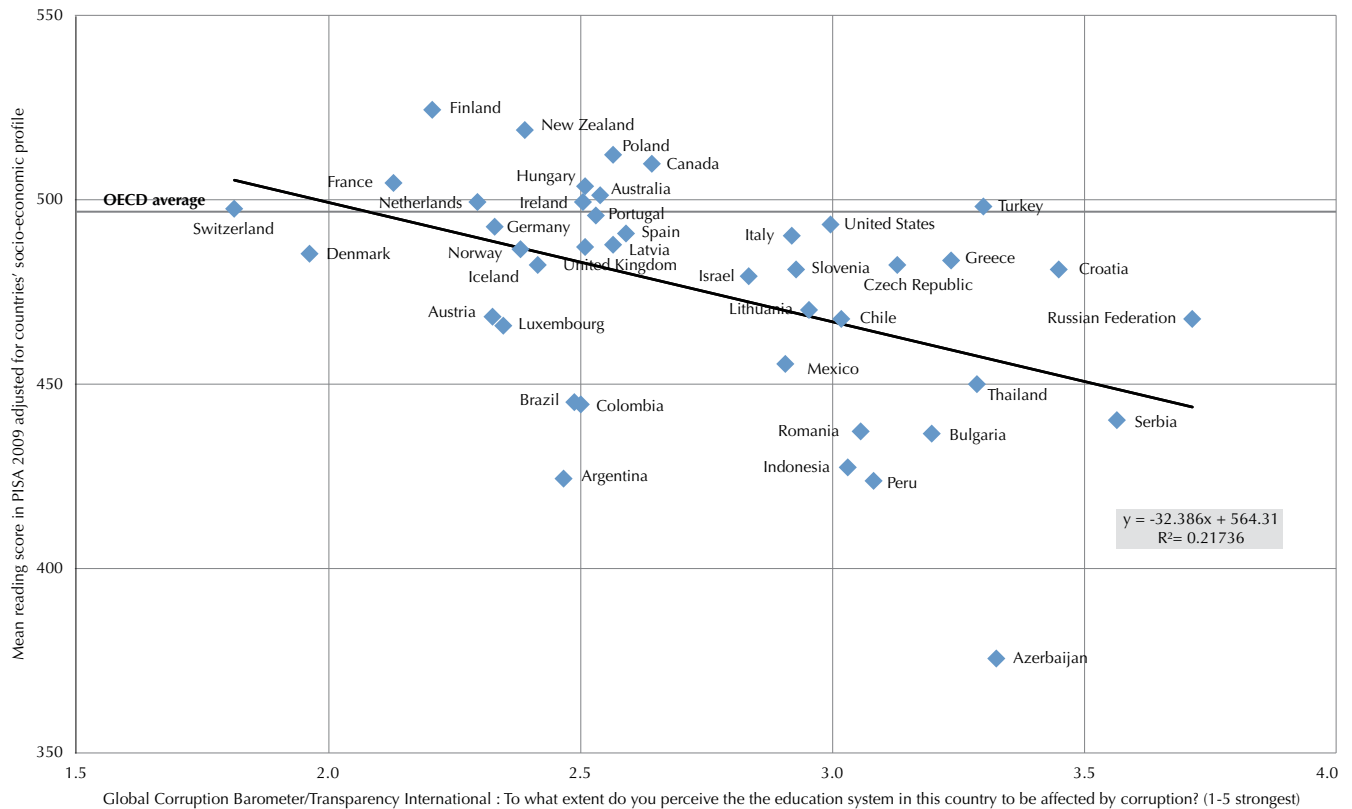
Source: OECD PISA 2009 Database, Transparency International.

All but one (Q.7) PRINTS indicators for quality-related mismatch in Serbia suggest that this is an integrity dimension in need of attention – mostly due to heavy reliance on out-of-school teaching. Certainly, at this stage of PRINTS development straightforward conclusions should be drawn with caution. For example, out-of-school learning could, at least partially, be focused on foreign languages, which are not a decisive part in the package of performance credentials required for progression to higher levels of education. Also, the teaching of foreign languages in public schools has been traditionally weak in many countries.

▪ **Figure C.4** ▪
Serbia: integrity PRINTS for quality

Source: OECD PISA 2009 Database, EAG 2011, RZS, MoES.

Staff and resource management

Table C.4 Integrity relationships: pilot selection on staff and resource management

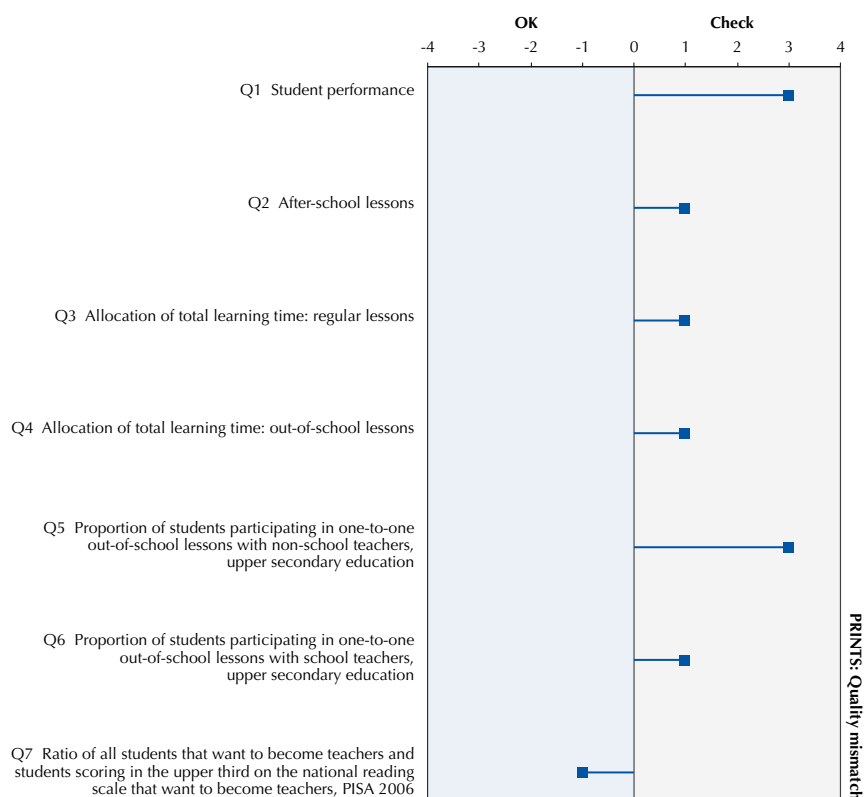| INTES Dimension	Pilot selection of indicators		Assumed relationship to integrity
1	**2**		**3**
	SR.1	Ratio of all students that want to become teachers among students scoring in the upper third on the national reading scale that want to become teachers, PISA 2006	negative
	SR.2	Ratio of teachers' salaries after 15 years of experience to GDP per capita, upper secondary school teacher 2009	negative
Staff and resources	SR.3	Ratio of teachers' salaries after 15 years of experience to GDP per capita, primary school teacher 2009	negative
	SR.4	Ratio increase of salary at the top of the salary scale, relative to starting salaries 2009, upper secondary school teacher	positive
	SR.5	Ratio increase of salary at the top of the salary scale, relative to starting salaries 2009, primary school teacher	positive
	SR.6	Ratio of salary after 15 years of experience (minimum training) to earnings for full-time workers with tertiary education aged 25 to 64 2009	negative

Indicators SR.1 to SR.6 help determine the attractiveness of teaching as a profession, and the income aspect of the career progression of teachers. A high share of well-performing students who would consider choosing teaching as their profession (indicator SR.1) could mean that teaching attracts good candidates. But what if the attractiveness of teaching is not due to professional status, but rather due to the benefits it offers? What if favourable working conditions attract candidates who have no interest or vocation for teaching, but who are in need of, for example, flexible working hours and a secure income in economically volatile times?

Favourable employment conditions are a sign of recognition and status, but they are not an aim in themselves. If disconnected from considerations of achievement and professionalism, they might make teaching disproportionately attractive (especially in times and places of economic austerity), and put pressure on the points of entry to and exit from the profession.

The PRINTS for this policy area suggests that teaching in Serbia is indeed an attractive professional option – wages are also above the average national income, and an above-average share of better performing students consider becoming teachers. (Figure A.3.4, indicators SR.1 to SR.3, as well as SR.6 which is not available for Serbia). The integrity PRINTS for this area suggests a closer look into the conditions of entry to the profession to ensure that generous incentives do not result in questionable practices in hiring and firing of teachers.

While teachers earn a salary that can be considered decent by national standards, financial incentives throughout the career are very limited – the Serbian system does not reward tenure, experience or motivation, and the ratios of starting salaries to salaries after 15 years of experience are close to nil (indicators SR.4 and SR.5). This most likely has a negative impact on motivation and professional development throughout the career and merits further attention.

▪ **Figure C.5** ▪
Serbia: integrity PRINTS for staff and resources[12]
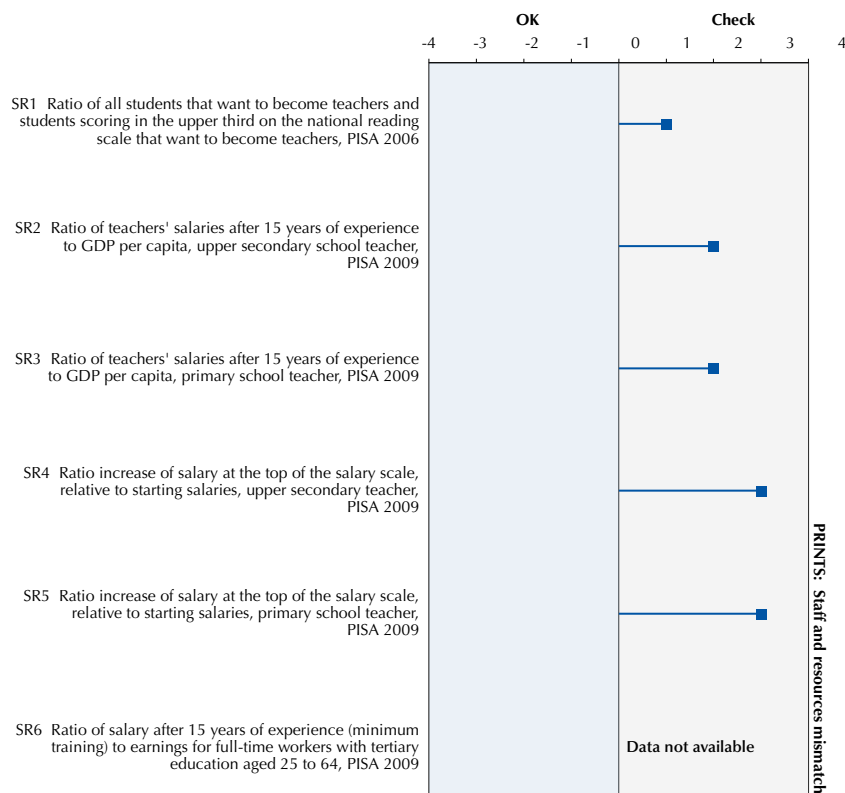
Source: OECD PISA 2009 Database, EAG 2011, RZS, MoES.

PRINTS: QUALITATIVE SECTION (QLS)

The qualitative section of INTES is built upon a matrix framework (data and information grid) that includes key areas of education policy and their sub-dimensions, with detailed questions and requests for data in each sub-dimension. Prior to the site visits, the national authorities are requested to supply data and information in the grid which, together with the results of PRINTS QNS analysis, form the initial base of evidence for the integrity assessment. The QLS grid consists of two levels. Level I covers core areas of education policy that are of significance for good performance. The selection is based on OECD research and analysis of features shared by high performing education systems assessed by PISA and analysed in peer reviews of education. Level II covers elements in education and adjacent sectors which are of significance for corruption prevention and detection (including anti-corruption institutions, mechanisms for financial control, legislation, strategies and policy documents, and other sector and non-sector specific preventive measures).

PRINTS QLS Level I – System level demand analysis

Table C.5   Overview: data and information Grid, Level I, Version 1

Policy area	Sub-dimension	Policy area	Sub-dimension	Policy area	Sub-dimension
I.A.1 Teachers	Salaries	**I.A.3 Assessment**	Education standards	**I.A.5 Education coverage and provision**	Pre-school
	Motivation		Continuous assessment		Primary and secondary education
	Supply		Promotion exams		
	Professionalism – teacher training		Transition to tertiary education		Tertiary education
			Performance incentives		
I. A.2 Quality of learning environment	Textbooks and learning materials	**I.A.4 Funding (1)**	Budget formulation	**I.A.6 Governance: system management (2)**	Parental and private involvement
	Infrastructure		Execution and disbursement, cash flows		Vocational Schools
	Curriculum and teaching time		Private investment		Autonomy and decentralisation
	Classroom climate				
	Learning outcomes				
I.B.1 University admission	Standardised entrance exams	**I.B.2 Academic work**	Assessment and examinations	**I.B.2 Academic work**	Research: ethical standards (interest of research)
	Other admission criteria		Coursework		Research: process (data/ results)
			Awarding of credentials		
I.B.3 Quality assurance	Understanding of academic integrity	**I.B.4 Staff career management**	Recruitment and appointment	**I.B.5 Financial management**	Funds
	Internal quality assurance		Career development		Spending
	Accreditation system		Salaries		
			Motivation		
I.B.6 Governance: academic boards	Representation and competencies				

PRINTS QLS Level II – Prevention and detection framework

Table C.6 Overview: data and information Grid, Level II, Version 1

Domain	Element	Domain	Element
II.0 Integrity climate	Corruption perception index – Transparency International	**II.1 Regulatory framework**	Anti-corruption agencies
	Horizontal integrity assessments		Legislation: criminalisation of corruption
	Competitiveness Index – World Economic Forum		Legislation: public sector integrity
	Development partner assessments		Anti-corruption strategies: national
	National corruption assessments		Anti-corruption strategies: sectoral
	Sector corruption assessment		Anti-corruption strategies: projects
	Investment and business climate ratings		Anti-corruption agencies

Domain	Element	Domain	Element
II.2 Accountability mechanisms	School accountability: inspections	**II.3 Budget monitoring and evaluation**	Off-budget funding
	School accountability: school boards		Expenditure evaluations
	School accountability: leadership		State audit
	School accountability: external quality assurance		Internal school audits (if applicable)
	Parliamentary control		
	Whistle-blowers		

Domain	Element	Domain	Element
II.4 Human resource management	Staffing policies	**II.5 Transparency**	Public involvement
	Deterrents		

PRINTS QLS: INTES Data and information grid with responses from the Serbian authorities

Table C.7 Data and information grid: Serbia, 2011

		I.A.1 Teachers
Salaries	Entry wages and maximum wages as % of GDP per capita	GDP per employee in education – it is estimated that the minimum annual gross salary (teachers in primary school) is 76.3%, the maximum annual gross salary (teacher in secondary schools) is 98.4%, the maximum annual gross salary of professors is 128.7% of GDP in 2009. The estimation was made as the ratio of gross annual salary and gross added value per employee in education in 2009 and an indicator for professor in higher education was also made.
	Entry wages and maximum wages in relation to country average wage	The minimum wage relative to average wage in the country is 85.6% and a maximum 95%.
	Pay scales	The range of salaries in primary and secondary education is 1:3.
	Is there a link between student performance and career promotion and/ or salary levels	No.
	Any subjective assessment of wage levels, *e.g.* whether they are generally considered grossly inadequate?	No.
Motivation	Absenteeism – occurrence and rates	No data. Ministry is going to collect it from this school year (2011/2012)
	Status of the teaching profession; reputation of teachers	The low status of teaching as a profession due to the lower pay of teachers compared to the average pay for public service jobs, and the unfavourable working conditions, have a negative impact on the quality and potential of students enroling in teacher education courses. However, some favourable factors seem to moderate this impact to some extent, and affect the attractiveness of teaching as a profession more than pay. Working at a school is seen as job opportunity which offers a basic sense of social security, low workloads and long breaks, but no economic or career progression.
	Working hours per week, daily workload (please specify time in school/time for preparation/time for teaching)	As part of full-time working hours during the working week the teacher is supposed to deliver 20 lessons of teaching and 4 lessons of other forms of direct educational work with students (remedial teaching, extra teaching for gifted students, individualised, preparatory work and other forms of work, in line with the special law). The teacher of practical teaching is supposed to deliver 26 lessons; the teacher working with students with disabilities (SEN) is supposed to deliver 50% of working hours in teaching and individual forms of direct work with students; the teacher in a pre-school institution is supposed to deliver half-day preparatory pre-school programme – 50% of the working hours; the teacher in a pre-school institution and boarding school is supposed to deliver 75% of the working hours through direct educational work with children, that is, educational work with students; the associate is supposed to deliver 75% of the working hours in the institution through all forms of work with children, that is, students, teachers, pre-school teachers, pedagogical assistants, other associates, parents, *i.e.* guardians of children, that is, students. Teachers in Serbia teach 37 weeks in the year (185 teaching days or 666 teaching hours per year) and 33 weeks (165 teaching day or 594 teaching hours per year) in fourth year of general education schools and 4-year VET profiles, and third year of 3-year profiles.
	Number of strike-days per year, for the past 5 years?	No data available within ministry. No centralised data base on number of strike days within trade unions. Some teachers' trade unions have data basis of strike days of their members but not for the other trade unions.
	Recognition of performance, rewards	The 2003 legislation introduced career advancement through four steps, with salary increases linked to the progression: advisors, mentors, instructors and senior advisors. The first two career levels are achieved within the context of the school through a set of internally assessed criteria, including evidence of participation in a required number of accredited teacher education programmes, engagement in developing innovative teaching practices and evidence of high-quality teaching as assessed by peers. The two highest levels are achieved through an external assessment process based on a request from the school and an appraisal conducted by external experts and Ministry of Education and Science officials, but also requires participation in in-service training (as an instructor or training programme developer) and favourable performance as judged by a set of quality indicators. According to the LoF, teachers may advance through professional development by obtaining the title of pedagogical advisor, independent pedagogical advisor, higher advisor or senior pedagogical advisor, with a salary increase linked to each higher rank.
	Trade unions membership: share of the teaching workforce	No precise data. Trade unions collect data on their membership but number of members includes non-teaching staff and ex teachers are not deleted from registers.
Supply	Sick leave days – past school year (average sick leave days compared to average for civil servants and average duration of sick leave compared to average for civil servants)	No data available at the moment.
	Shortages – overall; per subject areas	No data in ministry. According to National Employment Service data teachers' shortage is most significant in following subject areas: foreign languages and sciences and vary from region to region.
Professionalism/ Teacher training	Describe structure of initial teacher education programmes	With regards to the qualifications required for teaching, under the provisions of the LoF, a teacher must have a university degree acquired through either a second-level cycle of university studies (graduate studies or master degree) under the provisions of the Law on Higher Education (in force since 2005) or a first-level degree of at least four years as per the regulation that governed higher education until 2005. In exceptional cases (practice teachers in VET schools), a teacher can be a person with lower level studies comprising three years of higher education. General education subject teachers are educated at faculties for the respective academic discipline, while vocational subject teachers are usually professionals educated at faculties specialising in their basic profession. In the case of general education subject teachers, most of the faculties offer limited education science based curricula, usually up to 6-8%, and do not necessarily require teaching practice, which if it is required does not exceed 2-3% of the total instruction time. Vocational subject teachers are primarily educated as professionals in their basic profession and the curricula do not cover competences which are essential to the teaching profession. LoF introduced two new elements to professional development of all teachers, including secondary education teachers. On one hand priorities for the professional development of teachers are defined by the Ministry of Education and Science for a three-year period and the school boards need to prepare a plan for the professional development of teachers. These elements enable that the changes in the policy directions and at system level are effectively transmitted to teachers on the ground. However, to indeed successfully implement the transition of national policy and system level changes to teachers, the coherence between different institutions (Ministry of Education and Science, Institute for Improvement of Education, National Council on Education, Council for VET and Adult Education) and plans, in particular the national priority plan and school plans, needs to be ensured.

Professionalism/ Teacher training *(continued)*	Describe in-service training programmes for teachers, participation rate	According to the LoF, priorities for the professional development of teachers are defined by the Ministry of Education for a three-year period (Article 37). The priorities for the 2010-13 period are: *(1)* inclusive approach, aimed at the inclusion of children with developmental disabilities, marginalised groups and Roma children; *(2)* recognition and prevention of discrimination; *(3)* protection of children against violence, abuse and neglect; *(4)* identification of, and support for, talented and gifted students through the education system (Priorities 2010-13, Ministry of Education, 2009). Each teacher is obliged to attend at least 100 hours of public tender-based accredited professional development programmes over five years of work in order to be entitled to promotion and to apply for a higher rank. Teachers are obliged to participate in 60 hours from the list of obligatory programmes and in up to 40 hours from the list of elective programmes. A teacher can participate in a programme with the support of a school or on a private basis. Besides the requirements for licensing and promotion, during the school year a teacher can take three days off work to participate in training programmes. During the 2008/09 school year, 49 330 teachers participated in 1 501 programmes, with an average of 32.85 participants per training group. Teachers can choose any programme from the catalogue in accordance with their interests and professional development plans, while the school director and governing board prioritise requests and secure funding for the school's priority areas. However, there are no special incentives for teachers to choose programmes set as priority. This freedom to choose any programme results in occasional abuse, as some teachers choose programmes on the basis of duration or other irrelevant criteria, for example because teachers who are friends want to attend a programme together.
	Teachers' perception of in-service training	The most frequent remarks by teachers include: insufficient duration of the programme, no follow-up and on-spot support, high number of accredited programmes that do not limit the number of teachers participating in a particular course, lack of external evaluation and monitoring, *i.e.* the fact that application of the contents acquired during the programme is not obligatory. Some teachers believe that mere participation in an in-service programme should be credited in tangible ways without them demonstrating any increase in competence or improvement of practice.
	I.A.2 Learning Environment	
Textbooks and learning materials	Process of textbook production: selection; procurement; delivery	Textbook publishing can be performed by a public or private publisher, provided that the publisher has the licence for publishing textbooks, which is issued by the ministry. The National Education Council or the VET Council, at the proposal of the Institute for Improvement of Education, determines whether there is a need for new textbooks and adopts the textbook plan. The textbook plan is published in the *Educational Gazette.* Textbook quality standards include the conditions pertaining to content, pedagogical and psychological requirements, didactics and teaching methodology, linguistic requirements, design, graphic, artistic and technical requirements of the textbook, depending on the form, medium and purpose. Textbook quality standards and the instructions for their use shall be determined by the responsible council, at the proposal of the Institute. In order to prevent the conflict of interests in the process of professional assessment of the quality of the textbook manuscript, the person involved in this process shall, before the work starts, sign the statement that he/she is not the author of the textbook, *i.e.* that he/she is not connected (related) to the author of the manuscript or a licensed publisher. At the proposal of the responsible council the minister approves the textbook. A new edition of the approved textbook, which is printed with unchanged content, is not a subject to re-approval. The quality of the textbook and the results of its application (usage) in educational and pedagogical work are continuously monitored and evaluated by the Institute on the basis of the standards set. If the Institute finds that the usage of a particular textbook does not enable (provide) accomplishing educational objectives and general and specific standards of students' achievements, the Institute shall notify the responsible council about this matter. Upon the evaluation the responsible council proposes to the minister, that is, the responsible body of the Autonomous Province, to issue a decision on the withdrawal of the textbook. Supervision over implementation of this law is carried out by the ministry, through its education inspectors, in line with the law regulating the fundamentals of the education system.
	Renewal of textbooks – frequency? Who initiates it?	The publisher submits an application for a textbook approval to the ministry by 1st October of the school year preceding the one in which the textbook will be approved. The ministry submits the manuscript of the textbook with the documentation to the Institute in order to provide professional assessment of the quality of the textbook manuscript.
	Textbooks suppliers in the past 5 years, per level and subject	A list of all licensed publishers and textbooks suppliers according to the type of licence: A (all levels and educational areas), B (individual levels and educational areas) or C (individual textbooks) is available on the website of the Ministry of Education and Science (*www.mpn.gov.rs/sajt/page.php?page=169*).
	Freedom of schools and teachers to choose materials?	The decision on the selection of textbooks has to be based on offer of textbooks within the Catalogue of approved textbooks, published by the ministry. The decision on the selection of textbooks and teaching materials to be used from next school year is to be brought by teachers' council and should be based on in depth explained proposal from group of teachers in charge for different subject areas. The decision on the selection of textbooks and teaching materials have to be published on the notice board of the institution and that decision is mandatory for all teachers who perform the teaching process in that institution. In VET schools running pilot profiles (VET profiles with modernised curricula) official or recommended textbooks and teaching materials are not exist. Teachers are encouraged to produce own teaching and learning materials and use any textbooks they thing that are appropriate.
	Shortage of learning materials? Comparison with PISA index on quality of educational resources	No data on shortage of learning materials. PISA testing showed lower quality of physical infrastructure in Serbia which is significantly below than the OECD average.
	Affordability of textbooks: Price? Renting schemes? Complaints from parents on affordability and from teachers on supply?	The schools can organise a collection of textbooks and manuals in the library or at the level of class councils and to offer textbooks to students. The ministry's project regarding to free textbooks has been implemented from the school year 2009/10. Within this project the Ministry of Education and Science provided free textbooks for all students in 1st grade. Students did not have to return the textbooks assigned. In 2010/11 students in 1st and 2nd grade received the free textbooks. This year (2011/12) students in the first three grades also received the free textbooks. Some local governments, for example, Belgrade, have provided free textbooks for students of other grades of primary school. Within the project of free textbooks the price of textbook is forming in a process that outlines procedures for public procurement. Prices of textbooks for other grades of primary school and secondary school, has been formed by independent publishers in accordance with market conditions. Renting is not regulated by the law, but is possible within the school as a part of its autonomy. All objections to the content or mismatch with the Standards approved by the National Education Council should be solved by the same procedure as for textbook approval. Approved textbooks supply can be organised by schools or parents can purchase them individually. If the school is organising it, the parents may complain to the municipal or city educational inspection.
Infrastructure	Is the condition of school infrastructure known and recorded? Is this information available? What is the condition of school infrastructure?	The last national survey on school infrastructure was conducted in 2004 by the National Statistics Office. It is usually conducted in ten years period. The report and relevant data can be found in the following publication (in Serbian only): *http://pod2.stat.gov.rs/ObjavljenePublikacije/G2006/pdf/G20065463.pdf*
	Decision process for capital investments – building of schools and kindergartens: criteria, funding sources, initiative?	Municipalities are formally in charge setting up the school network (including closing down a school as a legal entity) and opening of new schools. According to the Law on the Education System Foundations, municipalities are required to receive a formal approval prior to the opening of the new school. In practice, however, some municipalities do not ask for the approval and tend only to inform the ministry that the new school will start working from the beginning of the next school year.

Infrastructure *(continued)*	How many schools were built in the past 5 years? Where, and why there?	According to Treasury data between January 2007 and January 2010 there are five new schools in the municipalities of Šid, Zemun (old school closed and new one opened), Smederevo, Stara Pazova, Novi Sad and Novi Pazar. Opening of the new schools usually occurs in the suburbs of the cities (Zemunu, Veternik close to Novi Sad or in Novi Pazar) due to the increasing number of school age population in these communities.
	Responsibilities for maintenance of school infrastructure	It is the responsibility of the municipality. The local governments receive their funds for primary education as part of the general transfer from the central level. They are in charge of financing maintenance costs for primary education institutions, teaching materials and equipment as well as professional development of teachers from the schools located in the municipalities. Next to the own income of local municipalities which includes the proportion of different taxes collected at their territory (*e.g.* 40% of the income tax paid by the residents), they also receive a portion of general annual transfer to local municipalities by the central government The state allocates every year 1.7% of GDP for the general transfer to the local municipalities. Certain compensatory funds for poor municipalities as well some funds for targeted state measures are then subtracted from the amount of the general transfer. The rest is then allocated to individual municipalities based on various input factors (number of inhabitants, size of the territory etc.). 4.56% of this transfer is allocated to individual municipalities, based on the number of classes in primary education in the municipality and 1.14% based on the number of primary school buildings in the municipality. The allocation for secondary education is organised in very similar terms with slightly different earmarks in terms of percentages per class and per school building.
Curriculum and teaching time	Please provide curriculum and syllabuses for key subjects (mathematics, literature and reading, foreign language, chemistry, physics, geography), including hours	All the curriculum and syllabuses are published in Official Gazette and the samples could be found on *www.mpn.gov.rs/sajt/page.php?page=200*.
	Are assessment outcomes used to make curricular decisions?	No. The LoF gives a general framework for curriculum development which has been defined by several articles among which some refer to what a curriculum should include, and some clarify what curricula serve as a basis for (articles 72, 73 and 74). However, the law does not provide detailed instructions about the procedures for the development of new curricula (or changes and modernisation of the old ones).
	Is there curriculum autonomy at classroom level and if yes, to what extent?	Teachers are allowed and obliged to adapt the curricula for students who, due to social deprivation, developmental disabilities, physical disabilities and other reasons, need additional support in education; in other words schools should draw up individual education plans, devise individual programmes and use individualised teaching methods. More detailed instructions for defining the right to individual education plans, as well as the application and evaluation of such plans are issued by the Ministry of Education and Science (LoF, Article 77). Teachers are also free to choose the textbooks they believe will help them most in covering the curriculum (LoF, Article 94).
Classroom climate	PISA index on disciplinary climate	*www.oecd.org/document/61/0.3746,en_32252351_32235731_46567613_1_1_1_1.00.html*
	Abuse of authority: any reported cases of abuse? How many in the past 5 years and for what? Describe disciplinary measures undertaken	No data currently available.
	Student teacher ratios – primary, secondary, initial and secondary VET	**Primary education:** The teacher student ratio for the territory of Serbia without Kosovo* in primary education (8 grade schools) decreased from 13.6 students per teacher in the school year 2006/07 to 12.6 students per teacher in 2009/10 school year. However, the decrease was highest in the counties with highest (Bor, Zaječar district) or moderate student teacher ratio (Niš, Braničevo, Moravica). In the counties of Srem and Podunavalje, which have among highest teacher student ratios in the country the decrease was also highest meaning that the changes brought these districts closer to the national average. In the municipalities and districts with highest teacher student ratio *e.g.* Belgrade there is in general very limited decrease meaning that differences among municipalities are increasing. The higher than average student teacher ratio is characteristic for Novi Sad and surrounding (relatively small decline of student population), Stara Pazova (opening of the new school in the situation of decline of student numbers), Požarevac, some Belgrade municipalities outside of the inner city (due to the growth or small decline of student population), Kraljevo, Novi Pazar and Tutin. On the other hand far under average (under eight students per teacher) municipalities in terms of student teacher ratio can be found in some municipalities in the far South with extreme decline in student numbers (Crna Trava, Bosilegrad, Trgovište, Medveđa, Babušnica etc.) It is interesting that some inner city of Belgrade and city of Nis municipalities belong to this category *e.g.* Savski Venac and Niška Banja. In general municipalities with teaching organised in national minority languages show relatively lower than average teacher student ratio (municipalities in Vojvodina such are Čoka, Senta, Kanjiža, Alibunar etc.) **Secondary education:** Student teacher ratio in secondary education should be discussed with caution, since there are differences in student teacher ratios depending on the type of schools. Although the differences in the student teacher ratio may not be drastic, they represent a difference which would need to be taken into account when developing a comprehensive attracting and retaining policy on teaching staff in secondary education (see Supplementary Table 3 on page 133).
	Classroom diversity: ESCS; within school variance	Unclear question.
	PISA index of teacher-student relations	*www.oecd.org/document/61/0.3746,en_32252351_32235731_46567613_1_1_1_1.00.html*
Learning outcomes	PISA scores	Results of the study 2003 and 2006 showed that students in all tested areas (reading, mathematics and science) are in the zone of low achievement. Compared to the OECD average, the achievement of students in Serbia are 60-70 points lower in math and science literacy, and understanding of text was about 100 points lower. In the period between 2003 and 2006 the quality of education has dropped by 5 to 15 points (for example, the level of understanding of reading has declined by 11 points). About 40-50% of students in Serbia can be considered functionally illiterate from the standpoint of the criteria of OECD countries (*i.e.* those who do not achieve second level of achievement on the PISA scale). Average achievements in all testing fields Science literacy – 2003 = 436; 2006 = 436 Mathematics literacy – 2003 = 437; 2006 = 435 Reading literacy – 2003 = 412; 2006 = 401
	Repetition and drop-out rates	No data on repetition rates. Event drop out of elementary education is less than 2%. Approximately 3 out of 100 students dropped out of secondary education in Serbia every school year in the period between 2001/02 and 2007/08.
I.A.3 Assessment		
Education standards	Availability and samples, *i.e.* for key subjects	Educational standards are developed only for the primary school level. Samples are available on *www.ceo.edu.rs/images/stories/publikacije/Obrazovni%20standardi%202009.pdf*
	How are they communicated to the schools? Are they widely available and referred to?	Training seminars regarding to the educational standards are organised for pedagogical advisors and all primary school representatives.

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* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

Education standards *(continued)*	Relevance and use in the school inspection routine	Pedagogical advisors are in charge for monitoring of implementation of educational standards and legally it is a part of their routine. In practice, pedagogical advisors are not confident to comment on standards application if the subject they are monitor is not the one from their educational field.
Continuous assessment	Subjects assessed	**Rulebook on Assessment of Elementary School Students** Article 6 stipulates that the final numerical grade is decided by the pedagogical council, at the proposal of the subject teacher at the end of the first and the second terms on the basis of the grades obtained at oral and written assessments, exercises (tasks), tests and other forms of assessment and on the basis of all recorded grades during the school year. The final grade may be higher than the average mean of all the recorded grades if the student has demonstrated progress by a higher level of attainment of envisaged goals and tasks in the given subject. **Rulebook on Assessment of Secondary School Students** Article 18 stipulates that the final grade in the subject cannot be determined on the basis of only one grade or on the basis of only one assessment in writing and that it cannot be higher than the highest period grade obtained by any knowledge assessment technique. When a student has a negative grade in the subject throughout the school year, the pedagogical council determines (adopts) the negative grade. The Law on Secondary School Article 48 stipulates that the final grade is determined (decided) by the school pedagogical council at the proposal of the subject teacher. For the first three months of the internship a teacher, works under the direct supervision of the teacher who has the licence and who is appointed to be his/her mentor. The teacher – intern does not carry out assessment during the first three months, as stipulated by Article 123 of the Law on the Fundamentals of the Education System.
	Frequency of assessments	By one subject, a student is assessed at least four times in the term in elementary education and three times in secondary education. A teacher assesses the student orally during educational work at least once during the trimester, that is, at least twice during the term. During the lesson a student can be given only one grade from the subject. During the day a student can have only one written assessment during the lesson (written work/assignment, written paper, knowledge test, and progress/check-up test).
	Modes/techniques of assessment (*e.g.* teacher-developed tests, projects, coursework practical work)	The overall student score is derived from the data obtained from: oral and written assessments, observing the student performing the practical tasks, psycho-motor skills and on the basis of completed student practical work. Oral knowledge assessment is carried out regularly during daily work with students and at the exam, and written knowledge assessment – for the subjects where it is envisaged by the curriculum (through written works/assignments), and in other subjects through the application of progress/check-up tests and homework, knowledge tests. Oral assessment is obligatory for the subjects where written knowledge assessment is not envisaged. The application of various data collection techniques for assessment of students is planned for each subject at the beginning of the school year and shall be entered in the book of records of educational work. The teacher should inform the student about the teaching contents that will be assessed in writing, at least two days before the knowledge assessment. Written assessment of students' knowledge is carried out for the subjects where it is envisaged by the curriculum (through written works/assignments), and in other subjects through progress/check-up tests and homework, knowledge tests and other forms of assessment. A one day written assessment of students within one class can be carried out only in one subject. Written knowledge assessment can be carried out a maximum of twice within the teaching week. The grade obtained through written assessment shall be entered in the class book within eight days from the day of assessment. If after the written knowledge assessment more than half of the students within a class obtain negative grades, written knowledge assessment shall be annulled. After the annulment of the written knowledge assessment, teaching contents are determined (set) again and a new assessment is carried out.
	Discretionary powers of teachers regarding assessment criteria?	According to assessment regulations, the assessment scale ranges from five to one. For each of the grades on the scale the criteria are more closely specified. Criteria, methods and procedures of assessment for individual subjects and conduct, as well as other important issues for assessment, are determined by the minister. In practice teachers have discretionary powers to adapt assessment criteria.
	How is low performance being dealt with on school level? (teacher councils? Special classes? Adjustment of criteria? Assistance teachers?…)	In the case of students' low performance special classes should be organised. Such classes are part of teachers' regular duties.
	Can assessment criteria be adjusted (lowered) for minority students/special needs students in mainstream education?	A student with disabilities, for whom special standards of achievements were adapted during education, shall be assessed in line with the adapted standards.
	Failure rates, drop-out rates, repetition rates in primary and secondary education? Top three subjects in terms of failure, and in terms of repetition?	Na data currently available.
Promotion exams	From which grade onwards?	After completing the eighth grade a student takes the final exam. After completing the fourth grade of general secondary education a student takes a general Matura exam. A student who completed the fourth grade of secondary vocational (education) or art education can take a general Matura exam, but he/she can also take a vocational, that is, an art Matura exam.
	Are there national end-of-cycle examinations? If yes, how are they administered and what is being assessed?	The final exam taken at the end of the eighth grade, envisaged by the Law on the Fundamentals of the Education System, is the first final exam students sit for during education, and it serves as a testimony (certificate) on the acquisition of basic/ fundamental knowledge, skills and competences during elementary education. Out of 100 points in total, 40 points can be scored at the final exam, whereas 60 points can be awarded on the basis of the overall score obtained during elementary education. The final exam (students take tests in Serbian and Maths) is changing and the final exam will be introduced to schools in 2013/14 and it will include three tests: Serbian, Maths and an integrated test from the following subjects: History, Geography, Biology, Physics and Chemistry. The final exam will be taken into account on enrolment to secondary schools. All students will take the final exam at the end of elementary school. So far the entrance exam has been taken only by students continuing their education in a four-year secondary school. So, the points awarded on the basis of the overall score in elementary school and the points awarded at the final exam will be taken into account for all students on the enrolment to secondary schools. The final exam will serve as a tool for examining the levels of achievement of educational standards for the end of elementary education. The final exam will be adapted to students with disabilities. The results of the final exam will be used to improve the quality of teaching and learning at the level of individual schools, municipality, region, regional school department and at the national level. Schools are required to organise preparation of students for taking the final exam.
	Failure rate at end-of-cycle examinations?	Na data currently available.

Promotion exams *(continued)*	How many times can a student fail?	A student in the second and third grade of elementary school who has up to two failing marks at the end of the second semester shall be allowed into the next grade on the basis of the decision taken by the homeroom teachers council except if a parent or caregiver expressly requests that the student repeat the grade. Students from the fourth to the seventh grade and students in secondary education with up to two final failing numerical marks shall take a remedial exam during the exam term in August, while the students in the final grade shall take the exam during exam terms in June and August. Students from the fourth to the seventh grade and students in secondary education with more than two final failing numerical marks at the end of the second semester or if he/she has failed to pass the remedial exam shall be obliged to repeat the grade. Exceptionally, a full time secondary school student who was not successful at the remedial exam shall be allowed to complete that particular grade in the same school during the next school year as a part time student by taking a remedial exam again and having to pay for the examination fees determined by the school. Upon completion of the given grade he/she shall be entitled to enrol in the next grade in the same school as a part time student. The student of a final grade who has not passed the remedial, final or matriculation exam shall complete his/her education in the same school as a part time student by taking an exam and having to pay for the examination fees determined by the school. Student can fail maximum 2 times same grade.
Transition to tertiary education	How do national end of cycle exams count for university entry?	There is no systemic or standardised final exam marking the transition between secondary and higher education. The so-called "general Matura" (standardised final exam specified for different subjects allowing entrance to higher education), although envisaged in the legislation (for the end of school year 2014/15) has not been implemented (yet). The process of transition into higher education implies entrance exams which are organised and developed separately by individual faculties.
	Does performance throughout secondary level count for university entry? If yes, how?	Usually, the selection of candidates for admission to the first year of studies is carried out according to scores on the entrance exam and to the overall success in high school. Under the overall success in high school means the sum of the average score in all subjects in the first, second, third and fourth grade multiplied by 2. Overall success in high school is calculated by rounding to two decimal places. On this basis the candidate can gain at least 16 and a maximum of 40 points. The entrance exam candidate can earn a maximum of 60 points. However, some faculties can decide to calculate only students' performance in particular subjects. (For more details: I.B.1 University Admission/Other admission criteria/ Describe the organisation, procedure and decision making for other admission criteria)
	I.A.4 Funding (1)	
Budget formulation	Describe the regular process of budget formulation and the funding formulas used	The regular budget definition process begins with establishment of the priority areas for funding, which are than submitted to the Ministry of Finance in order to prepare the fiscal strategy report. After adoption of the above mentioned report, the Ministry of Finance submits the Guidelines for draft budget preparation which is the basis for drafting the Proposal of mid-term and financial plan of direct budget users. This proposal is made on the basis of the proposed limits and requests of indirect budget users. In process of drafting the Proposal of financial plan and in order to calculate the necessary funds, the Ministry of Education and Science is considering the following parameters: staff number and structure, existing and additional activities by level of education, executions from the previous year and the parameters from the fiscal strategy. Based on the adopted Revised fiscal strategy report and the Draft Budget Law, the National Assembly adopt the Budget Law of the Republic of Serbia. The development of the financial plan of direct budget user is starting upon the law adoption. Indirect budget users are getting familiar with the amounts and distribution of funds, on which basis they are making their own financial plans.
	Is there a link between student performance and funding for schools/ resource allocation?	No.
	What is the division of responsibilities for funding between central and local level of governance?	The local government obligations are related to the following: preschool education financing (except the preparatory preschool programme – the obligation of the Republic; material costs for teaching, maintenance of buildings and equipment and other expenses of employees in institutions of primary and secondary education, professional development of employees in primary and secondary educational institutions. The budget funding includes salaries of employees of all educational levels (except for the preschool level), professional development of employees in preschool, all material costs of high school institutions, work and material support of successful and talented students, current and capital maintenance of educational institutions.
	In what way do/can schools and communities report on their needs and how are these taken into consideration in budget planning process	Their requests are to be implemented according to the legal basis and funds available and during the process of planning and budget changes.
	Reversals and cuts 1: How often is the budget being reversed in the course of a fiscal year? How often did it happen in the past 5 years?	The budget has changed once per fiscal year except in 2007 when the budget was changed twice with the acts on temporary financing and before adopting the budget for 2007.
	Reversals and cuts 2: What areas of education are usually hit by reversals in the course of a fiscal year (in the past 5 years)?	In case of budget cuts, the Ministry of Finance specifies the type of expenses that cannot be reduced. Other expenditures by all levels of education would be reduced linearly.
	Reversals and cuts 3: Would wage or non-wage items be rather «hit» by reversals and cuts? If non-wage, which ones?	The budget cuts are applicable to all funding areas. The funds for salaries could be increased by the budget amendments, if an insufficient amount is allocated during the Budget Law adoption.
	Are specific areas of education considered to be «chronically» underfunded? If yes, which ones?	Underfunded educational areas do not exist, but there are areas with financial needs that cannot be met from existing resources, and in that sense they can be considered as underfunded (higher education, work with successful and talented students and awards for exceptionally high places won in international educational contents).
	Describe what forms of forward planning are being used in the budget formulation. Mid-term budget frameworks?	Before the budget calculation for the next year, the performance and reality of needs in the current year is monitored.
	Is over-budgeting a common practice? How realistic are the budgets?	A budget overrun is impossible. Budgets are realistic in terms of fiscal strategy but are smaller in comparison with real needs (limit).
	What share of the education budget stems from donor aid? In what way is donor aid taken into consideration in the national budget formulation process?	The share of donor resources in the budget is negligible. Assessment of donor assistance in the national budget formulation means a reduction of funds from the budget if they are reasonable.
	Is aid planning done in a predictable way and in good consultation with national authorities?	No data currently available.

Budget formulation *(continued)*	Typical areas of donor support in the past 5 years?	Staff capacity development, improving the educational system, VET, implementation of educational policy.
	Are schools allowed to have revenues, *i.e.* by providing services (training, renting out of space)?	Schools are allowed to rent space, but the funds from rent shall be returned to the budget. Training (*e.g.* Training for unemployed) is allowed and funds generated in this manner are representing the institution's own income.
	Are VET schools allowed to have revenues, *i.e.* by providing or selling services/products?	The sale of products is allowed if the school receives permission for a so called "extended activity".
	Are tax exceptions of any kind applicable to VET schools? To schools and universities in general? If yes, on what grounds (non-profit operation, etc)?	Educational institutions are exempted from property tax because they are included in consolidated account as indirect budget users, VAT (tax base: educational services), tax on profit of legal persons (tax base – as a non-profit organisation if they achieve a surplus of income over expenditure of RSD 400 000).
Execution and disbursement, cash flows	Distribution of responsibilities for budget execution/disbursement of funds across the system, from central to local to school level	The vast majority of all primary education institutions are public (99% of enroled students) and the education is therefore mostly funded through public sources (central government and local municipalities). Public primary education in Serbia is funded by diversified sources, which can be grouped into three main streams: central government funding, funding by local municipalities and own income of primary education schools. The central government funds are allocated mainly for the staff salaries from the central budget, while the maintenance costs for school buildings, as well as for teaching materials and equipment and the professional development of teachers is funded by the local governments. Approximately 93% of all investment into public primary education comes from the public sources (budgets of central and local governments). The rest of it (approximately 7%) represents own income of primary education institutions (selling goods and services, renting property, donations from domestic donors etc.). In 2009, 85.5% of all public financial resources invested into primary education in Serbia came from the central government budget, 14.5% from the budgets of the local municipalities. Approximately 84.4% of total public expenditure on primary education in Serbia and 99% of the central government budget for primary education was allocated to staff salaries in 2009. Such high proportion of public expenditure on primary education allocated for staff salaries leaves little room left for any serious investment into system changes and necessary reforms envisaged in the various strategic plans. Although the general increase in public education investment is much more needed, it also needs to be followed with the changes in expenditure structure, which would increase investment in the development of the system and in the increase of its efficiency and effectiveness.
	Regularity of wage payments? Were there delays in the past five years? If yes, how often?	No. The wages are paid in regular monthly periods.
	Are there cases of direct (school level, or community level) foreign aid disbursement, or in kind contributions?	Yes in the case of donor projects when equipment is directly allocated to schools.
	Was a Public Expenditure Review ever carried out? If yes, what are the outcomes?	There were several reports mainly by the International Organisations (World Bank). Although required by the law on budget system final state budget expenditure report is usually not prepared nor adopted in the Parliament.
	Was a Public Expenditure Tracking Survey (PETS) ever carried out? Any other reports on leakage of funds?	No. But this has to be checked with the World Bank.
Private investment	Are there legitimate ways for extra-budgetary funding of schools, universities? (donations, in kind-contributions etc)	Yes. Schools and universities can receive donations from private persons and legal persons (companies, organisations etc.)
	Can parental associations provide financial or in-kind support to schools and kindergartens?	In theory yes, although these donations are usually coming from individual parents (buying equipment for schools etc.) and not from their associations. There is no real national overview about these practices.
	Do donor organisations support individual schools or universities? How many? In what way?	Yes. No exact figures.
	Household surveys: what is the share of household expenditure for education – on average? Per income quintile?	Na data currently available.
	As far as available, please, provide data on private tuition – how often, which levels, which subjects	No data currently available. However private tuition is a common practice especially in the cities.
	Are there extra activities, *e.g.* optional classes and courses available to those who pay?	Yes these are usually school excursions and other school trips.
**I.A.5 Education coverage and provision**	
Pre-school	Coverage and demand	Around 40% of children are covered by pre-school education (2008/09 40.6% NSO) In the same year 91.8% of children were covered by the pre-preparatory preschool programme (NSO)
	Legislative provisions regulating access to pre-school education	According to LoF pre-school education is obligatory from the school year 2006/07 for every child between five and a half and six and half years. Institutions of pre-school education carry out the compulsory preparatory preschool program lasting a minimum of nine months.
	Participation rates in pre-school education? Trends over the past 5 to 10 years?	2005/06 39.20% 2006/07 38.10% 2007/08 38.50% 2008/09 40.63%
	% of minority students enroled in pre-school education	No data available.
Primary and secondary education	PISA: between school variance in performance – public schools	*www.oecd.org/document/61/0.3746,en_32252351_32235731_46567613_1_1_1_1.00.html*
	Perceptions: which schools are perceived to be better and why?	No data on the monitoring of school performance but the ministry measures the attractiveness of secondary schools by the number of preferences/candidates applied for one place in a school. The numeric value of attractiveness is represented by ratio of available places in schools and number of expressed preferences.

Primary and secondary education *(continued)*	School Admission Criteria – Guidelines (*e.g.* area of residence, performance)	The right to education is defined in the Constitution of the Republic of Serbia (article 71), through which elementary education is considered to be free of charge and obligatory, while secondary education is only free of charge. Source: *www.parlament.gov.rs/content/eng/akta/ustav* A preschool institution established by a local self-government unit or a school offering preschool programme established by the Republic of Serbia, an autonomous province or a local self-government unit offering preschool programme, shall be obliged to enrol every child into a preparatory preschool programme, regardless of the parents' residence. The examination of a child entering the first grade of the elementary school shall be done by a psychologist and pedagogue of the school in child's native language, by applying standard procedures and instruments, recommended by the competent institute or authorised professional organisation. If there is no possibility for the child to undergo the test in his/her native language, the school shall outsource an interpreter at the proposal of the national council of the national minority. A primary school shall be obliged to enrol each and every child on its territory. At the request of the parents, a school may enrol a child coming from another school's territory, subject to the school's capacities. Persons who have acquired or completed elementary school education shall be enroled into the secondary school, but which school he/she will enrol depend on performance in primary school.
	Do any schools use any entrance exams?	There is no entrance exam for primary schools. Secondary education starts at the age of 15 and all persons that have acquired primary education may enrol in the first grade of secondary school. Students can choose between general education programmes, 3-year and 4-year vocational programmes. General education and 4-year VET profiles require completion of so-called qualification/entry exam. For the 3-year vocational profiles students' enrolment depends only on the number of points from primary schools. The testing of students for secondary school enrolment is organised centrally and the current enrolment policy is quite transparent. Enrolment is based on students' success in primary schools and points gained through qualification/entry exams. Enrolment into a particular secondary school depends on the choice of students and actual enrolment options. Students have the right to express a maximum of 20 choices (preferences/desires about which profile at certain school they wish to enrol) and will be ranked based on their overall success. All candidates can see their scores online, their rankings in a particular school, as well as the number of points required to enrol in a particular school. Electronic registration reduced opportunities for fraud, since the selection is done automatically and centrally. Secondary schools receive the list of students based on their success during the enrolment examination. In that sense, the role of school management is limited solely to the data administration.
	Participation rates in primary and secondary education. Trends over the past ten years?	Gross Enrolment Rate primary education: 98.53% (NSO 2008/09) GER secondary education: 82.76% (2008/09, source CEP based on NSO data) According to the data of the Statistical Office of the Republic of Serbia 93% of those who started primary education in the 2000/01 school year managed to complete it. What is even more impressive, the data of the statistical office suggest that in the past few years more students were enroled to secondary education than the number of those who completed primary in the preceding school years. However, all experts agree that these data should be handled with a great deal of scepticism. First of all, there are an unknown number of children who remain invisible for the statistical system, because they are not enroled to education at all. They are most typically IDPs or children remaining invisible because of the dysfunctions of local municipality population registration and the population census. (A closer look at the population registry system makes this statement seem very likely.) There are no fully reliable data on repetition and dropout rates or on transition from primary to secondary education. The more we dig deep into the statistical indicators of school failure, the more we acknowledge that nothing can be said with an acceptable level of certitude. Status dropout rate for secondary education in Serbia (number of children of secondary school age not enroled into secondary education) was decreasing over last ten years. The status dropout rate in 2001 was 21.65% while in 2008-09 it was 15.81%. The dropout from school seems to be systemically higher in the region of Vojvodina than in the Central Serbia. Various research results and expert estimations suggest that a large proportion of children remaining invisible or dropping out of the system are Roma. According to the results of an UNDP survey (UNDP, 2005) the average duration of schooling for Roma is 5.5 years. The survey suggests that about half of the Roma children drop out already during the initial four years of primary education and an additional big number is falling out at the point of the shift from classroom teaching to subject teaching. Overall, out of ten Roma children enroled only one completes primary school. If our point of departure is the proportion of Roma children according to official statistics it means that about half of those who do not remain in formal education till secondary enrolment are Roma. However, certain "unofficial" estimations of the Ministry of Human and Minority Rights (OSI, 2007) figure the number of primary school aged Roma children more than four times bigger than the official data, so it may happen that almost all of the dropouts are Roma. Therefore, we may assume that the problem of dropout in Serbia is to a large extent resulted by an extremely strong ethnic divide, but we don't know how much exactly. The finding of the UNDP survey that the average duration of schooling of non-Roma population living in close proximity to Roma (*i.e.* most probably non-Roma with low social status) is 11 years establishes the plausible assumption that early school leaving is at least not a completely Roma-related problem.
	% of minority students enroled in primary and secondary education	Primary education – percentage of students taught in minority languages: 5.06% (2008/09 NSO). Secondary education – percentage of students taught in minority languages: 3.54% (2008/09 NSO).
	Are there incentives for provision of minority students education (*e.g.* financial, additional teachers, learning materials)	Yes. Teaching in done in minority language for all recognised national minorities. The textbooks in minority languages are also provided.
	Are there incentives for provision of special needs education (*e.g.* financial, additional teachers, learning materials)	Yes. In the process of formation of classes schools are allowed to have a smaller class size in the classes with children who follow Individual Education Plan (IEP). There are also significant efforts to invest into assistive technologies used in inclusive education. Form 2011 there is official new staff category – pedagogical assistant who currently mainly assist Roma students and establish the links between schools and Roma communities.
	Suspensions and expulsions of students: guidelines, statistics	Na data currently available.
Tertiary education	Conditions for entry?	Every student who complete 4 years of secondary schooling (VET or gymnasium) is allowed to access to higher education if take enrolment exam organised by individual faculties. Students from 3-year VET profiles are not allowed to access to higher education. Prior to the changes in the higher education legislation from 2005, graduates from these types of VET programmes had a possibility to enrol into vocational colleges in particular shorter types of programmes. Legislation on secondary education envisages the possibility that students enroled in these programmes take additional exams in order to obtain a four-year long VET degree and then to be allowed to take entrance exams in faculties.
	If admission examinations, how are they administered?	It is administered at the faculty or university level, depends on the intra-university organisation. It is not administered at the state level.
	What are the subject areas assessed? How similar or different is the assessment compared to assessments on secondary level in terms of administration, subject matter knowledge tested etc)?	Subject areas assessed are those of relevance for the study programmes for which the student applies and these are determined by the higher education institution in question. In most public universities, this is done by the faculty at which the prospective student sits for examination. The major difference between this and the secondary level is that this is not administered by the Ministry of Education and Science.

Tertiary education *(continued)*	Is there specialisation (profiles etc) in the final years of secondary education?	No specialisation, but the secondary schools curricula have been developed following the pyramidal structure, starting from more general subjects in the first year to more vocational subjects in VET schools (In the case of general education schools it means more oriented on mathematics and science or on social sciences and languages) in the final years.
	Impact of admission criteria in tertiary education on secondary curriculum/ programmes	No.
	% of minority students enrolled at university	See Supplementary Table 1 on page 133.

I.A.6 Governance: system management (2)		
Parental and private involvement	Are there parental associations? What is their usual role in school life? Is there a membership fee?	Parents could establish a parental association but they status is the same as status of any other association and there is no legal basis for their formal influence on school life. Membership fee vary from association to association. LoF stipulates (article 58) that any school or educational institution have a parents' council except for the school for the education of adults. The parents' council shall consist of one representative of parents of students of each class or preschool group if a school offers preschool programs. If the members of a national minority or ethnic group are acquiring education in the institution, the representatives of that national minority or ethnic group shall also be proportionally included in the parents' council. If children and students with developmental disabilities are acquiring education in the institution, the member of the parents' council shall at the same time be a representative of the parents' of children and students with developmental disabilities. The parents' council shall: 1. Propose parents of children or students as the members of the managing body; 2. Propose its member to be a representative in the experts' team tasked with development planning as well as other teams of the institution; 3. Propose measures for quality assurance and the improvement of educational and pedagogical work and activities; 4. Participate in the procedure for proposing elective subjects and in the procedure of textbook selection; 5. Review the proposal of the education and pedagogy programme, development plan, annual work plan, reports on their implementation, evaluation and self-evaluation and assessment; 6. Review the utilisation of funds received as donations and revenues from the expanded activities of the institution; 7. Propose to the managing body the allocation of funds earned by the student co-operative and received from parents; 8. Review the working conditions in the institution, the conditions for children's and students' development and learning as well as their safety and protection; 9. Participate in the procedure of prescribing measures as stated in Article 42 of this law; 10. Give approval to programme and organisation of field trips or retreats and review reports on their delivery; 11. Review other issues stipulated by the statute. The parents' council shall forward its proposals, questions and opinions to the managing body, the principal and expert bodies of the institution. The manner of electing the parents council of an institution shall be governed by the statute of the institution, while its work and activities shall be governed by the Rules of Procedure of the Council.
	Can individuals or companies make donations to schools or universities, provide land for building of schools etc. How is this regulated?	Yes, but regulatory system is not clear (in practice it varies from case to case and depends on type of donation).
Autonomy and decentralisation	Describe the responsibilities on local level for system management	The ministry may establish organisational units outside the head office of the ministry for the purpose of performing expert pedagogical supervision, extending support to institution operations development planning and quality assurance as well as implementing other activities stipulated by the law. Within the regional school administration office the ministry shall: 1. Perform expert pedagogical supervision in institutions; 2. Co-ordinate competence improvement of teachers, preschool teachers, psychologists-pedagogues, principals and secretary of an institution 3. Offer support to development planning, to preschool, school and pedagogical program development as well as to quality assurance; 4. Participate in the preparation of the education and pedagogy development plan for those areas for which a regional school administration office has been established and monitor its implementation; 5. Provide all necessary conditions enabling the institutions to freely enter, fill out, update and maintain the data base on education within an integral education information system; 6. Control the utilisation of earmarked funds of the institutions; 7. Perform other activities in accordance with the law and other regulations. The minister shall prescribe more detailed conditions for the establishment of an integral information system in education, on the collection, entry, updating, accessibility and protection of data and other issues of significance for an integral information system.
	Describe the level of autonomy of schools, and of school principals	Autonomy of the institution includes the right to: 1. Pass a statute, education and pedagogy programmes, development plan, annual operation plan of an institution, rules of conduct within the institution and other institution documents of general nature; 2. Pass a competence improvement and professional development plan for teachers, preschool teachers and psychologists/ pedagogues; 3. Conduct self-evaluation of the institution; 4. Select the employees and employees' representative to a managing body and to professional bodies; 5. Determine the internal organisation and manner of operation of expert bodies; 6. Establish modes of co-operation with institutions in the area of education, health, social and child protection, public enterprises, companies and other organisations, for the purpose of ensuring the rights of children, students and employees. The institution shall pass general and other official documents abiding by general principles and objectives of education and pedagogy and those enabling the most effective attainment of general education outcomes.
	Functions of local school boards	There are no local school boards. Apart from financing specific aspects of secondary education, municipal/local governments or any kind of local boards do not have any other competences with respect to education. Even consultations when it comes to the network of schools are not explicitly foreseen in the Law. The highest body within schools is the School Board. The Board is composed of nine members – three teachers, three parents and three representatives of the local stakeholders (this is only local involvement in school management). School managers are appointed by the school boards.

I.B.1 University Admission		
Standardised entrance exams	Are there standardised national entrance examinations?	No.
	Are entrance examination scores made public?	Yes.

Standardised entrance exams *(continued)*	for further questions see I.B.2	[unclear question]	
Other admission criteria	Describe the organisation, procedure and decision making for other admission criteria	In principle, the admission criteria at public universities apart from the entrance exams consist of the secondary education average grades and grades in subjects relevant for the study programme student is applying to. While the success at the entrance exam can bring to a student a maximum of 60 points of the total 100 points he/she can obtain, the other criterion is 40%. In special cases, candidates who have had outstanding results in national or international school competitions can require that his/her results are also awarded points. Students in artistic fields are not obliged to have secondary education from order to enter an art academy. Also, refugees from Kosovo, as well as Serbian minority nationals in neighbouring countries have the right to the same conditions upon applying as Serbian citizens. Based on the affirmative action, candidates from minority groups in Serbia, as well as students with disabilities, are directed to the ministry as a special case upon application. Source (Serbian): *www.mpn.gov.rs/userfiles/UPUTSTVO%20ZA%20SPROVODJENJE%20UPISA%20STUDENATA.pdf* Serbian minority nationals in neighbouring countries prove their nationality by means of a written statement.	
	Are there paying students? Are there different admission conditions for paying students?	Yes, there are paying students. In public higher education institutions they represent about half of the entire student population. No special admission criteria apply to them. Foreign citizens pay tuition as a rule (unless they are Serbian minority nationals from neighbouring countries).	
	Describe the rationale for the consideration of other admission criteria	Affirmative action.	
	Describe regulations covering selection on basis of other admission criteria	Based on the affirmative action, candidates from minority groups in Serbia, as well as students with disabilities, are directed to the ministry as a special case upon application. Further regulation of this kind, if any, is enforced by higher education institutions enroling students.	
I.B.2 Academic Work			
Assessment and examinations	**Transparency**	Regulations covering student absence, illness and other mitigating circumstances in examinations?	If any, these can be found at the university, departmental or even subject level. No such regulation exists at the system level.
		Are criteria for marking available publicly?	Depends on the institution, department and even (often) the professor in charge of a subject.
		Are examination scores made public?	Written examination scores are normally publicly displayed on a board or on the website of the Higher Education institution, whereas for oral these are told to the student at the examination at which other students can be present.
	Administration and organisation	Any automation and computerisation of the selection of personnel for organising examinations, the grouping of applicants in exam rules, and the selection of test exercise in the database, the grading of tests and the processing of results?	It is not prescribed by the law and if any, it exists at the level of institution or department. It is, however, considered rare or almost inexistent.
		Are there measures in place to ensure confidentiality of exam contents and format (stored in safe place/ sealed envelopes/printed abroad/centralised marking system)?	It is not prescribed by the law and if any, it exists at the level of institution or department. Even if it exists, it is rare.
		Application of specific software to detect plagiarism (statistical indices for multiple choice tests to identify statistically improbable results)?	It is not prescribed by the law and if any, it exists at the level of institution or department. It is, however, considered rare or almost inexistent.
		Policy on appointment of examination supervisors	It is not prescribed by the law and if any, it exists at the level of institution or department. Normally, such policies are in place.
		Any examination and research watchdogs and whistle-blowers?	No.
		Any form of administrative verification checks to ensure the accuracy of the procedures?	It is not prescribed by the law and if any, it exists at the level of institution or department. Not known of.
	Examination procedure	Checking the identity of candidates?	Yes. Students are obliged to carry student ID book at the exam.
		Anonymity of candidates assured?	Rarely. The law makes no mention of this.
		Any unannounced visits to examination centres?	Not as an institutionalised practice. It is likely that this does not exist at all.
		Analysing and comparing scripts (to identify identical mistakes etc.)?	This depends on the practice established in a particular subject and by a particular teacher. The practice varies.
		Number of examiner	Often, this depends on the practice established in a particular subject.
		Centralised marking?	It does not exist.
		Re-correcting scripts?	[Unclear question]
Coursework	Any rules and guidelines on access to seminars and lectures?	All students enroled in a course have the right to access all seminars and lectures in that course. Attendance by third parties is normally not controlled.	
	Any measures to detect plagiarism?	Only if established by individual course or professor. It is rarely an institutionalised practice across the whole university, or even a faculty.	
	Professor-student relationship	Mostly old-fashioned, "traditional", largely due to the teachers' approaches to teaching in an *ex-cathedra* manner.	
	Learning materials used in courses	Mostly textbooks written by domestic professors, as well as international literature translated into Serbian. A compilation of excerpts from various sources is also common. Journal articles are a rare practice at the undergraduate level. It is, however, not rare that the professor in charge of a course practically forces students that to in course and exam preparation use the book authored by the same professor. This is, in fact, such a widespread practice, that students can do little to change it.	
Awarding of credentials	Composition of final mark in study programmes?	Average grade of all subjects taken.	
	Statistics on credentials rewarded at university?	Collected but not publicly available.	

Research: ethical standards (interest of research)	Describe declaration of ethical standards and interest of research, if available	Declaration of ethical standards does not exist.	
Research: research process (data/results)	Any regulations on research funding form industry?	At the institutional level, if any.	
	Any regulations on payment of researchers from industry or third parties?	No.	
	What measures are in place to assure transparency of research projects? *e.g.* information on the researchers involved, all publications online etc.	All the measures mentioned are in place. Research appears to be rather transparent.	
	Peer review in place?	Yes, in journals.	
I.B.3 Quality Assurance			
Understanding of academic integrity	**Standards of academic integrity**	Standards of academic integrity or honour codes?	Universities have a code on ethical standards in both teaching and research, which is also a matter of academic integrity. Honour codes are defined in the university statutes and should be awarded to people who made significant contributions to science, technology, culture and arts. However, these can also be awarded to politicians, foreign statesmen, on not always clear academic grounds.
	Deviance of academic integrity	Rules in case of deviance of academic integrity?	In the case of University of Belgrade and University of Novi Sad, these are warning, public warning and public denunciation.
		Describe examples of past experience with corruption and reactions	The most notable case dates from 2007 when police arrested 17 people, including 11 professors of the University of Kragujevac law school, on corruption charges. All suspects were taken into custody on suspicion of taking bribes or helping to arrange the bribing of law school professors who had allowed some students to pass exams without taking tests. According to the investigation, some students obtained their degrees without having taken a single exam. (Source: *www.politika.rs/rubrike/Hronika/t20389.lt.html*) Corruption at universities is not unheard of in Serbia.
Internal quality assurance	**Quality assurance**	Which bodies are involved in quality assurance?	National Council for Higher Education, Commission for Accreditation and Quality Assurance, university-level quality assurance structures, faculty-level quality assurance structures
		Are there government arrangements?	The ministry only supervises the process from a legal point of view and issues work permission once the institution has been accredited by the National Council.
		Are there quality assurance guidelines?	Yes.
		Describe information and data provision to quality assurance bodies, media and public	Information and data to quality assurance bodies are provided in the accreditation process.
		Data on dropout and survival rates for universities?	Before 2005, drop-out rate was about 50%. Survival rates.
		Data on disabled students enrolment in universities	See Supplementary Table 1 on page 133.
		Management of workloads – breakdown of work practices for lecturers, tutorials, assessment and research	The amount of salaries of academic staff at one faculty is solely calculated on the basis of weekly teaching hours and does not take into account time spent on research or administrative work. The non-teaching activities are part of the government's *Regulation on Norms and Standards of the Faculty Working Conditions* (2005) dedicated to the job description of the academic staff within their full working time, but the Regulation actually does not take these activities into account when calculating the total amount the state provides (or should provide) for the salaries of academic staff. Each faculty internally determines the workload of academic staff. In practice, significant autonomy exists at faculties with high percentage of own income and faculties can decide to engage more employees or different groups of employees that aren't recognised (and consequently not paid) by the state. Implementation of a particular employment policy depends only on the decision of the faculty management. The only obligatory rule according to the accreditation process is that faculty must have certain number of academic staff whose workload does not exceed the prescribed standard. The work in administration or research performance is not a factor which influences salaries of academic staff, which may lead to a significant focus on teaching. Teaching orientation opens space for gaining own income through charging fees instead on gaining funds through co-operation with industry or application of research results. The substantial financial autonomy of individual faculties is directly related to the percentage of income gained from fees and third party funds, hearing in mind that the Regulation stimulates faculties to go in this direction in order to avoid uncertainties of state funding (especially for operational costs). Source: *www.cep.edu.rs/sites/default/files/izdanja/Financing_Higher_Education_in_South-Eastern_Europe.pdf*

Internal quality assurance *(continued)*	**Information for students**	Information about assessment strategy being used for their programme	This is normally given to students, but it does not have to be always the case.
		Student progression and success rates	This information is rarely given to students and when it is, it is done for the entire institution.
		Employability of graduates	No data on employability exists so far.
		Students' satisfaction with their programmes	This information is rarely given to students in a systematic manner and when it exists, it is more likely to be a practice of private universities.
		Effectiveness of teachers	This information is probably never given to students (no case has been noted so far and it seems unlikely).
		Profile of the student population	This information is not given to students in a systematic manner.
		Learning resources available and their costs	Private HEIs are more transparent in this than public. Fee paying, as well as students whose tuition is supported by the government, rarely know what the fee paid by or for them includes.
		Institutions' own key performance indicators	This information is not given to students in a systematic manner.
Accreditation system	**National institutions**	Accreditation system in place?	Yes.
		Provide information on accreditation agency/agencies	Commission for Accreditation and Quality Assurance (CAQA) is a body appointed by the National Council for Higher Education for the purpose of conducting the accreditation process and taking part in the development of quality standards. Both bodies are involved in the accreditation process, though CAQA is accountable to the Council, which follows the accreditation closely and often intervenes, often to reverse a negative decision of CAQA. In their composition, they are both populated by university professors in majority, coming from those universities which should also be accredited. Their independence in work is questionable, which has been many a time publically debated, but has remained unchanged.
	Cross-border education	Is there a comprehensive, fair and transparent system of registration or licensing for cross-border higher education providers wishing to operate in their	They are subject to the accreditation rules in the same way as other higher education institutions.
		Alignment to UNESCO and EU guidelines on QA?	From the report to the Bologna Follow-up Group: a) Adequate information is provided through available web sites of the MoES [Ministry of Education and Science] and HE institutions, through the ENIC operated by the MoES. b) The goal of making qualifications readable and transparent is achieved through Diploma Supplement and will be improved by adopting the NQF which is under development. c) Procedures for recognition are transparent. There is more to be done for the coherency of decision at the different HE institutions. d) In the next period more stress will be put on intensifying cooperation of CAQA and other accreditation agencies. Source: *www.ond.vlaanderen.be/hogeronderwijs/bologna/links/National-reports-2009/National_Report_Serbia_2009.pdf*
		Commitment to cultural and linguistic sensitivities made public by cross-border providers?	Not known.
		Do mutual recognition agreements with other bodies exist?	No. Only between higher education institutions.
I.B.4 Staff Career Management			
Recruitment and appointment	Is there a minimum level of competence required for all staff?	2005 Law on Higher Education, Article 64 *A person that has an appropriate professional, academic and/or scientific title and teaching capacity may be elected to the position of teacher. A person that has an academic title of a master or a professional title of specialist may be elected to the position of lecturer.* Source: *www.see-educoop.net/education_in/pdf/LawHE.pdf*	
	Is there competitive procedure (in rules and in practice) for recruitment to academic positions? Is there a lot of competition?	This depends on the institution. In practice, it varies.	
Career development	Do opportunities exist for lectures to develop and extend their teaching capacity?	This depends on the faculty and its resources. In practice, this is rare but not inexistent.	
	Are there means to remove poor professors/lecturers from their teaching duties if they continue to be demonstrably ineffective?	There are means, but they are rarely used.	
	Describe rewards and promotion system	Promotion is stipulated by the law (Article 64: *www.see-educoop.net/education_in/pdf/LawHE.pdf*) and further by the National Council for Higher Education and university statutes. Rewards, if any, are defined at the institutional level.	
	Describe monitoring and assessment procedures of teaching staff	Teaching staff is also assessed by students by means of questionnaire, as part of the accreditation process and should be done regularly.	
Salaries	Professors' entry wages and maximum wages as % of GDP per capita	No data, but it is largely diverse and depends on the faculty. Approximately, teacher's starting salary is 219% of GDP per capita, and the maximum 278%. Teacher's starting salary in relation to the national average is 138.1% and maximum 175.5%.	
	Professors' entry wages and maximum wages in relation to country average wage	1 to 5	

Salaries *(continued)*	Pay scales	No data.
	Any subjective assessment of wages, *e.g.* if they are generally considered grossly inadequate?	What is considered growly inadequate is the range, going from extremely low to extremely high, even within one university and for the same or similar workload. This depends on the own income of the employee's faculty. The income generated individually by faculties, of which the purpose is determined by the faculty, is mostly spent on salary increase of the already employed academic staff. Source: www.cep.edu.rs/sites/default/files/izdanja/Financing_Higher_Education_in_South-Eastern_Europe.pdf
Motivation	Absenteeism – occurrence and rates	No data.
	Status of the professor/lecturer profession; Reputation of professors/lecturers	Status – moderately high. Reputation – depends on the faculty. By and large, it is still a respectable profession.
	Working hours per week, daily workload	40 hours.
**I.B.5 Financial Management**	
Funding	Distribution of allowances (1)	See Supplementary Table 2 on page 133.
Expenditure	Describe rules on expenditure	No data. Faculties tend to be extremely non-transparent in these matters.
	Describe budgets/distribution patterns	Higher education budget includes funds for: salaries and other benefits to employees, on-going utility costs, costs for the maintenance, the education material and other materials, all kinds of services regarding teaching assignments, fees, insurance costs and capital expenditures for building and equipment, international co-operation.
	Is staff obliged to provide income declarations? Please, provide samples	Yes, to the tax authorities.
	Describe selection criteria for grants and scholarships	There is a system of grants and loans set by the government, as well as subsidised meals and accommodation for symbolic prices. All of these are available only for the "budget" students – those whose tuition is paid by taxpayers. These were set in place several decades ago and their rationale goes back to the times of the communist regime. The financial support contained in grants (non-repayable) and loans (repayable) is equal, it is the same for all the students using them and it amounts to some 64 euro/month. In principle, the loans are means-tested, while the grants are reserved for the students who perform better in their studies. In 2007, 17 387 students were using the state loan, while 5 811 got the state grant, which in total does not exceed one fourth of the cohort not paying for tuition (not the entire student population). However, this support is rather symbolic and was originally designed to cover the costs of meals in student cafeterias and accommodation in student dormitories, which are in return heavily subsidised (a bed in a student dormitory in Belgrade is about 20 euro/month). Regarding grants, it is important to mention that the only criterion of awarding them is the academic achievement of the student while the socio-economic background plays no role. On the other hand, parental income and academic achievement are both a criteria for getting a loan, although, the latter is a factor only in the first year of receiving the loan while the continuation is based only on merit.

**I.B.6 Governance: academic boards**	
Representation and competencies	Composition of academic boards? Mandate and competencies?	The 2005 law specifies four types of institutional governance entities: the governing body, the professional body, the executive officer and the student parliament. It is important to emphasise that in Serbia the term "higher education institution" refers both to university and faculty as higher education institutions *per se*, which means that when it defines a structure and provides competences of a body within a HEI, this simultaneously refers to the university and faculty, as well as other types of HEIs. The 2005 law stipulates that the Board adopts the statutes, financial plans and activity report, manages institution's property and decides on the tuition fees. All of these need to be first proposed by the Council. The Council is also responsible for the academic matters.
	Rules and regulations on membership?	2005 Law on Higher Education, Article 52 *The number of Council members of a higher education institution shall be at least 17, in accordance with the Statute of the higher education institution concerned.* *The Council of the higher education institution referred to in paragraph 1 of this Article shall comprise representatives of the institution, students and the founder.* *The representatives of the higher education institution shall make up two thirds of the total number of Council members referred to in paragraph 1 of this Article, rounded off to the closest odd number. The representatives of students and the representatives of the founder shall be represented with an equal number of members up to the full assembly.* *When the Republic is the founder, the representatives of the founder shall be nominated by the government from among the prominent personalities in the fields of science, culture, education, arts and from business circles.* *The President of the Council shall be elected from among the representatives of the higher education institution.* *A person employed in that higher education institution or in a government agency responsible for education and/or science may not serve as a Council member referred to in paragraph 4 of this Article. The same is applicable to a person elected, designated or appointed to a post in a government body, a body of territorial self-rule or local self-governance; or a person elected to a body of a political party.* *Source: www.see-educoop.net/education_in/pdf/LawHE.pdf*
	Student representation in the boards and voting arrangements?	By law students can have up 20% of members of the Council and the rest is left this to HEIs' statutes to define.

**II.0 Integrity climate**	
Corruption perception index – Transparency International	Latest and for the past five years	2005 – 2.7; 2006 – 2.8; 2007 – 3.0; 2008 – 3.4; 2009 – 3.4; 2010 – 3.
OECD SIGMA – horizontal integrity assessment	Latest country report	www.oecd.org/dataoecd/19/49/47075471.pdf
Competitiveness Index – World Economic Forum	Pillar 1 – public institutions. Latest and historical index development	2010/11 Report. Rank 120; Score 3.19 Couldn't find historical index
Sector corruption assessments	Is there been any corruption survey in the education sector? If, please information/ results	Not know of any.
National corruption assessments		a. Corruption Perception Index: *www.transparency.org* b. Medium Gallup and UN programmes for development in Serbia can be found on *www.undp.org.rs*. See UNODC Report "Corruption in the western Balkans: bribery as experienced by the population" (*www.unodc.org/unodc/en/data-and-analysis/statistics/corruption.html*).

Development partner assessments	Unclear question.	
Investment and business climate ratings	World Bank report: "Doing Business 2011, Making a Difference for Entrepreneurs" (*www.doingbusiness.org/reports/doing-business/doing-business-2011*).	

II.1 Regulatory framework		
Anti-corruption agencies	Preventing/combating agencies and their mandates?	Agency for Combating Corruption, website: www.acas.rs/en/home.html National Anti-Corruption Council, website: *www.antikorupcija-savet.gov.rs/en-GB/page/home/* 2010 Law on the Agency for Combating Corruption, Article 5 Source: *www.acas.rs/en/zakoni-i-drugi-propisi/the-mayor/law-on-agency.html* The Council: *The Anti-Corruption Council was established by The Decision of the Government of the Republic of Serbia on 11th October 2001. The Council is an expert, advisory body of the government, founded with a mission to see all the aspects of anti-corruption activities, to propose measures to be taken in order to fight corruption effectively, to monitor their implementation, and to make proposals for bringing regulations, programs and other acts and measures in this area.* Source: *www.antikorupcija-savet.gov.rs/en-GB/content/cid1015/founding-and-jurisdiction*
Legislation: criminalisation of corruption	Definition of corruption	*«Corruption» is a relation based on abuse of office or social status and influence, in the public or private sector, with the aim of acquiring personal benefits for oneself or another.* (Law on Anticorruption Agency) Source: *www.acas.rs/en/zakoni-i-drugi-propisi/the-mayor/law-on-agency.html*
	Laws targeting corruption	• The Law on Judges (*Official Gazette* no. 116/08, 58/09, 104/09 and 101/10) • Law on High Judicial Council (*Official Gazette* no. 116/08 and 101/10) • Law on Public Prosecutor's Office (*Official Gazette* no. 116/08 and 104/09) • Law on State Prosecutors (*Official Gazette* no. 116/08 and 101/10) • The law on the Seats and Areas of Courts and Public Prosecutors (*Official Gazette* no. 116/08) • Offences Act (*Official Gazette* no. 101/05, 116/08 and 111/09) • Law on Courts (*Official Gazette* no. 116/08, 104/09 and 101/10) • Constitutional Court Act ("Official Gazette of RS" no. 109/07) • Criminal Code (*Official Gazette* no. 85/05, 88/05 – correction, 107/05 – correction, 72/09 and 111/09) • Criminal Procedure (*Official Gazette*, no. 70/01 and 68/02, *Official Gazette* no. 58/04, 85/05, 115/05, 49/07, 20/09 – Law, 72/09 and 76/10) • Law on Organisation and Jurisdiction of Government Authorities in combating organised crime, corruption and other especially serious crimes (*Official Gazette* no. 42/02, 27/03, 39/03, 67/03, 29/04, 58 / 04 – Law, 45/05, 61/05 and 72/09) • Law on Police (*Official Gazette* no. 101/05) • Law on Combating Corruption (*Official Gazette* no. 97/08 and 53/10) • Law on Seizure of Assets Derived from Criminal Acts (*Official Gazette* no. 97/08) • Law on Financing of Political Activities (*Official Gazette* no. 43/11) • Law on Protection of Actors in the Criminal Procedure (*Official Gazette* no. 85/05) • Law on Corporate Liability for Criminal Acts (*Official Gazette* no. 97/08) • Law on Prevention of Money Laundering and Terrorist Financing (*Official Gazette* no. 20/09, 72/09 and 91/10) • Law on Civil Service (*Official Gazette* no. 79/05, 81/05, 83/05, 64/07, 67/07, 116/08 and 104/09) • Public Procurement Law (*Official Gazette* no. 116/08) • Law on Free Access to Public Information (*Official Gazette* no. 120/04, 54/07, 104/09 and 36/10) • Law on Secrecy of Data (*Official Gazette* no. 104/09) • Law on Protection of Personal Data (*Official Gazette* no. 97/08 and 104/09) • Law on Protector of Citizens (*Official Gazette* no. 79/05 and 54/07) • Law on State Audit Institution (*Official Gazette* no. 101/05, 54/07 and 36/10) • Law on State Aid (*Official Gazette* no. 51/09) • Law on Public Information (*Official Gazette* no. 43/03, 61/05, 71/09 and 89/10) • Law on Protection of Competition (*Official Gazette* no. 51/09)
	Laws and regulations targeting corruption in the social sectors? In the sector of education?	There are no specific laws targeting corruption in education.
Legislation: public sector integrity	Laws of relevance for integrity in the public sector – *i.e.* civil servants, conflict of interest, income transparency	• The Law on Judges (Official Gazette no. 116/08, 58/09, 104/09 and 101/10) • Law on High Judicial Council (Official Gazette no. 116/08 and 101/10) • Law on Public Prosecutor's Office (Official Gazette no. 116/08 and 104/09) • Law on State Prosecutors (Official Gazette no. 116/08 and 101/10) • The law on the Seats and Areas of Courts and Public Prosecutors (Official Gazette no. 116/08) • Offences Act (Official Gazette no. 101/05, 116/08 and 111/09) • Law on Courts (Official Gazette no. 116/08, 104/09 and 101/10) • Constitutional Court Act ("Official Gazette of RS" no. 109/07) • Criminal Code (Official Gazette no. 85/05, 88/05 – correction, 107/05 – correction, 72/09 and 111/09) • Law on Criminal Procedure (Official Gazette, no. 70/01 and 68/02, Official Gazette no. 58/04, 85/05, 115/05, 49/07, 20/09 – Dr. Law, 72/09 and 76/10) • Law on Police (Official Gazette no. 101/05) • Law on Combating Corruption (Official Gazette no. 97/08 and 53/10) • Law on Civil Service (Official Gazette no. 79/05, 81/05, 83/05, 64/07, 67/07, 116/08 and 104/09) • Law on Public Procurement (Official Gazette no. 116/08) • Law on Free Access to Public Information (Official Gazette no. 120/04, 54/07, 104/09 and 36/10) • Law on Secrecy of Data (Official Gazette no. 104/09) • Law on Protection of Personal Data (Official Gazette no. 97/08 and 104/09) • Law on Protector of Citizens (Official Gazette no. 79/05 and 54/07) • Law on State Audit Institution (Official Gazette no. 101/05, 54/07 and 36/10) • Law on State Aid (Official Gazette no. 51/09) • Law on Public Information (Official Gazette no. 43/03, 61/05, 71/09 and 89/10) • Law on Protection of Competition (Official Gazette no. 51/09)
Anti-corruption strategies: national	When was the newest anti-corruption strategy drafted? By whom?	National Strategy for Combating Corruption, adopted in 2005, is still in force.

Anti-corruption strategies: national *(continued)*	How often are anti-corruption strategies revised? On what grounds?	On 14 June 2011 the Ministry of Justice decided to form a working group (core group) whose task would be to prepare the first draft of the new National Strategy for Combating Corruption for the period from 2011 to 2014 by October 2011, and submit it to the enlarged working group for discussion. According to the aforementioned solution, expanding the composition of the working group is required to submit the final text of the Strategy of the Ministry of Justice by 31 December 2011. Members of the core composition of the working group are representatives of Ministry of Justice, Ministry of Internal Affairs, Anti-corruption Council, Independent Association of Journalists, Serbian Chamber of Commerce, the Foreign Investors Council, Transparency Serbia, Bureau for Social Research and the Agency for Combating Corruption. The members of the enlarged working group shall be appointed representatives of all ministries of the Republic of Serbia, of all regulatory bodies, scientific institutions, NGOs, professional associations and the judiciary.
	Who is in charge of co-ordination of activities?	Agency for Combating Corruption started operating in January 2010. The provision of Article 5 of the Agency for Combating Corruption («Off. Gazette of RS» no. 97/2008 and 53/2010) supervises implementation of the National Strategy for Combating Corruption, the Action Plan for Implementation of the National Strategy for Combating Corruption and sectoral action plans, provides opinion regarding the implementation of the National Strategy, monitors and performs tasks related to the co-ordination of the work of state structures in the fight against corruption. Serbian government has recently decided to appoint the Minister of Justice the co-ordinator of the state administration in the fight against corruption.
Anti-corruption strategies: sectoral	Is there a recent anti-corruption strategy for education? If yes, please indicate who is charged with its co-ordination.	No.
	If yes, please indicate which institutions were involved in its preparation, and how were priorities identified.	N/A
	How often is the education anti-corruption strategy being revised? On what grounds.	N/A
Anti-corruption strategies: projects	Anti-corruption projects in the past 3-5 years, particularly in the area of education?	In 2010 over 600 primary and secondary schools took part in the contest «I'm not going to cheat» (*Neću preko veze*), organised by the Agency for Combating Corruption, in co-operation with the Ministry of Education and Science. Students competed in several categories: the best essay, the best art work, the best film and best slogan.
	Was the project success assessed, and if yes, how?	It was not assessed.
	Outlook – short to medium term plans and their priorities?	No information.
II.2 Accountability mechanisms		
School accountability: inspections	Professional profile of the school inspectors	LoF (article 150.)
	Frequency of school inspections	LoF (article 148.)
	Scope of school inspections	LoF (article 148.)
School accountability: internal quality assurance	Are there school self-evaluation mechanism? Please describe	An institution shall, independently and in co-operation with the local self-government unit, work on providing and improving the conditions for education and pedagogy development, education and pedagogy programmes quality assurance and improvement, all forms of educational and pedagogical work and activities and conditions in which they are delivered. For the purpose of ensuring work and activities quality assurance, an institution shall evaluate the attainment of achievement objectives and standards, education programmes, development plan and satisfaction of students, parents or caregivers of children and students. Quality evaluation shall be performed through self-evaluation and external evaluation. Through self-evaluation an institution shall assess: education and pedagogy programme quality and its delivery, all forms and modalities of performing educational and pedagogical work and activities, competence improvement and professional development, conditions in which education and pedagogy work and activities are performed, satisfaction of students and parents or caregivers of children and students. Expert bodies, parents' council, student parliament, managing director of an institution or principal and managing body of the institution shall participate in the process of self-evaluation. Self-evaluation shall be conducted each year for individual evaluation areas while an overall self-evaluation shall be performed once in three years. The self-evaluation report on the operation of an institution shall be submitted by the managing director of an institution or principal to the educational council, teacher council or pedagogical council, the parents' council and the managing body. Self-evaluation is conducted each year by individual areas of evaluation, and every four or five years – as a whole.
	In-school management structure	School management structure includes school principal, school secretary (in charge of the administrative, regulatory and legal as well as other legal affairs in the institution, keeping with normative provisions prescribing criteria and standards for funding an institution) and person in charge for financial issues. As professional support in educational processes school has right to employ professional associates (usually pedagogue and/or psychologist, social worker, pedagogical assistant, teacher for the children with special needs). The right to have deputy principal and right to have more than one professional associate depends on school size, number of classes or other specific school conditions (number of minority students or children with special needs). LoF (articles from 59.)

STRENGTHENING INTEGRITY AND FIGHTING CORRUPTION IN EDUCATION: SERBIA

School accountability: school boards	Composition	A managing body shall have nine members including the chairperson. The members of the managing board of an institution shall be appointed and relieved of their duty by the assembly of the local self-government unit, while the chairperson shall be selected by majority vote of members out of the total number of managing body's members. The managing body of an institution shall consist of three representatives from each group: the employees, parents and local self-government unit. The managing body members of an institution delivering education and pedagogy work and activities in a language of a national minority – representatives of the local self-government unit, shall be appointed after an official opinion of the corresponding national council of a national minority has been received. Should the national council of a national minority fail to submit its opinion within a period of 15 days from the date the request has been received, the opinion shall be deemed as given. The national council of a national minority shall propose at least one member of the local self-government unit for the managing body of an institution, in which educational and pedagogical work and activities are delivered in a language of a national minority in the majority of classes or which are deemed, in accordance with the law governing the scope of competence of the national council of a national minority, as being of particular importance for that particular national minority. The school board of an elementary school for the education of adults shall have seven members, including the chairperson, out of which three shall be representatives of employees and four shall be representatives of the local self-government unit. For secondary schools of special interest for the Republic of Serbia and unique schools, the ministry shall propose to the assembly of the local self-government unit three prominent representatives of the: chamber of commerce, artisans, employers' association, national employment agency, unions and other parties interested in the work and activities of the school (hereinafter referred to as social partners). The assembly of the local self-government unit shall appoint to the school board of a secondary vocational school at least one representative of the social partners. The school board of a secondary school for the education of adults shall have nine members, including the chairperson, namely three representatives of each group such as employees, social partners and local self-government unit. The managing body members representing the employees shall be proposed by the pedagogical and educational or teacher council and the parents' council by secret ballot. The procedure to appoint the managing body members shall be initiated at the latest two months before the expiry of the mandate of the previously appointed managing body members.
	Competencies and powers	LoF – Article 56.
School accountability: external quality assurance	Are there external quality assurance mechanisms? Please describe	External evaluation of the operation of an institution shall be done through expert pedagogical supervision of the ministry and by the Institute for Education Quality and Evaluation. The Institute for Education Quality and Evaluation shall take part in external evaluation of the quality of operation of an institution through evaluation of student achievements in final and matriculation exams or if need arises. The minister shall prescribe, after receiving official opinion from a competent council, the bodies and authorities of an institution, procedures for monitoring educational and pedagogical programme implementation, other forms of educational and pedagogical work and activities and conditions for its implementation, self-evaluation and evaluation basis and benchmarks, content and manner of making public the results of self-evaluation and evaluation of the operation of an institution.
	Is there comparable achievement data for schools?	No.
	Achievement data made public? Achievement data reported to parents/students?	No. Reporting to parents/students defers from school to school.
	Do schools compare themselves with other schools? Regional comparisons? How? Degree of competition?	No.
School accountability: leadership	Principals: appointment and dismissal procedures, mandate (how long, how often can it be renewed)	The Election of the Managing Director or Principal The managing director of an institution shall be elected by the managing body on the basis of a publicly announced competition, following the receipt of the opinion given by the pedagogical and educational council, teachers' council or teachers' and pedagogical council. In an institution in which educational and pedagogical work and activities are delivered in a language of a national minority, as well as in an institution in which educational and pedagogical work and activities in the majority of classes are delivered in a language of a national minority or which are deemed, in accordance with the law governing the scope of competence of the national council of a national minority, as being of particular importance for that particular national minority, the managing body of an institution shall elect the managing director of the institution or principal after receiving an opinion of the corresponding national council of a national minority. Should the national council of a national minority fail to submit its opinion within a period of 15 days from the date the request has been received, the opinion shall be deemed as given. The council's opinion shall be reached at a special session attended by all employees who shall vote for candidates by secret ballot. The competition for the appointment of a managing director or principal shall be publicly announced three months at the latest prior to the expiry of the mandate of the managing director or principal. The decision accompanied by documentation on the selected candidate shall be submitted to the minister for approval. The decision of the managing body on the appointment of a managing director or principal shall be considered as final or as having received the minister's approval if within the period of 30 days from the day the decision has been submitted the minister has not passed an official decision denying approval. After the prescribed period of time as stipulated in paragraph 7 of this Article has passed, the managing body shall pass an official decision appointing the managing director or principal and submit it to the applicants. The official decision shall determine the time when the newly appointed managing director or principal is to assume duty and the responsibility of taking the exam for the managing director of an institution or principal. An applicant dissatisfied with the official decision as stated in paragraph 8 of this Article shall be entitled to court protection in the administrative procedure. The minister shall pass the document denying approval if it is ascertained during the procedure that the decision has not been made in accordance with the law or if the passing of the decision has jeopardised the functioning of the institution. Should the minister adopt a document denying approval to the decision on the appointment of the managing director of an institution or principal, a new competition shall be publicly announced.
	Whom are principals accountable to and how?	To managing body regarding to all management and financial issues. Principal gives regular reports to managing body and if managing body find malfunctions in principal's work and decide on principal dismissal such decision is to be sent to minister for approval.
	Salary scale, compensations, benefits	Basic salary of school principal is 10% higher than teachers' salary. Additionally, managing body could decide to raise principal's salary not more than 30%.

Parliamentary control	Please, provide information on the mandate and activities of the parliamentary committee on education – thematic focus, examples of accountability requests towards the Ministry of Education and Science in the past two years, role played in more recent corruption cases	Parliamentary committee on education is permanent working body and it is established in order to: consider bills and other documents submitted to the National Assembly, review the policies pursued by the government in the area of education, supervise the government's and other state authorities' execution of laws and other general acts in the area of education, and consider other matters in the area of education falling within the competence of the National Assembly. Within its competences, a Committee follows the work of the government and other bodies and authorities the work of which is supervised by the National Assembly in accordance with the Constitution and the law. The Committee considers the reports of the bodies, organisations and authorities submitted to the National Assembly under the law. The composition, purview and manner of operation of the committees are regulated by articles 46 through 67 of the National Assembly Rules of Procedure (source: *www.poslovnik.rs*). The Committee may establish a SUBCOMMITTEE for the purpose of considering certain matters within its purview and the preparation of proposals on said matters, and the Committee Chairperson may establish a special WORKING GROUP. The subcommittee and task group do perform tasks for the needs of the Committee and may not act independently unless decided otherwise by the competent Committee. The Committee may organise PUBLIC HEARINGS for the purpose of gathering information *i.e.* expert opinions on a bill in assembly procedure, clarification of some provisions of a bill or operative law, clarification of issues important for the drafting of a bill or any other issue within the Committee's competence and supervision of the implementation and execution of a law *i.e.* performance of the National Assembly's control function. Source:*www.parlament.gov.rs/national-assembly/composition/working-bodies/committees.6.492.html* Regarding to the examples of accountability requests towards the Ministry of Education and Science in the past two years – No data available.
	What is the thematic focus in the current legislative period?	No information.
Whistle-blowers	Please, describe the reporting channels potential whistle-blowers could use.	Based on the Regulation on Protection of Persons Who Report Suspicion of Corruption («Official Gazette» 56/11), potential whistle-blowers can notify the Anti-Corruption Agency of the suspected corruption in public bodies. The whistle-blower may submit a written request for protection to the Agency, by mail or electronically, or through a third party.
	How often were these used in the past 2 years?	Since this regulation was enforced (August 2011), these were used 3 times.
	Is there an established procedure for follow-up to complaints?	Pursuant to Article 65 of the Law on Agency for Combating Corruption, the Agency received complaints from legal and natural persons and it is obliged to follow up the process. The Agency has adopted an internal procedure for dealing with complaints. Given that the Agency does not have investigative powers, nor has the power to prosecute offenders, the Agency provides to the competent state authorities (police and prosecution) petitions relating to the application of the criminal acts of corruption. All state structures are required to submit all documents and information necessary to the Agency to carry out its responsibilities, within 15 days upon request.
	Does the relevant legislation provide for incentives for whistle-blowers to come forward and report? What are they? Which laws?	The Law on Free Access to Public Information («Off. Gazette of RS» 120/04, 54/07, 104/09, 36/10), Article 38 stipulates that the employee who provides information of public importance which points to the existence of corruption, may be rewarded by the authorities in which he/she is employed.
	What measures of protection are envisaged for whistle-blowers?	Based on the Regulation on Protection of Persons Who Report Suspicion of Corruption, two types of protection are foreseen: protection of anonymity of the applicant and protection against retaliation. If the whistle-blower notifies the Agency that he/she suffers adverse effects, the Agency requires managers of public authorities to report on the treatment of whistle-blowers or to prove that the actions of public authorities are caused by circumstances unrelated to the reports of corruption. If a public authority acts contrary to the notice, or if whistle-blower suffers adverse consequences and the body does not prove that the actions of public authorities are caused by circumstances unrelated to the reports of corruption, the Agency shall publish the designation of public authorities in the special annual list. The list includes: the name and location of public authorities, the responsible person or the head of the public authority, the way retaliation is or was carried out, the whistle-blower's name, if he agrees with it, and the note whether the public authority subsequently removed the consequence of retaliation on whistle-blowers. The list is published on the website of the Agency. In its annual report on the work, which the Agency submits to the National Assembly, reports on the annual list, including a description of the application cases in the previous year.
	How many cases of corruption were discovered in the past 3 years thanks to whistle-blowers? Were any of these in the sector of education?	Since this regulation was enforced (August 2011), there were 3 reports of corruption made by whistle-blowers and none of them was in the education sector.
	II.3 Budget monitoring and evaluation	
	Do schools and universities have extra-budgetary sources of funding (Donations, parental in kind or financial contributions, donor support, public private partnerships)? What are they?	The primary and secondary schools have grants, so called "parents dinar", their own income, fees from part time students for taking the exams and a small contributions in situation that social partnerships agreements exist. Higher education institutions have grants, gifts, scholarships, fees for commercial and other services and funds based on contracts with third parties.
	Are these recorded and accounted for and if yes, how?	They are included in consolidated account.
	Is it known how high the off-budget support is compared to the regular education budget – overall, per school, per university?	Not known.
Expenditure evaluations	Is there a public expenditure management system or any similar system for tracking and monitoring expenditure? If yes, please describe	The public expenditure management system consists of: internal financial control in the public sector (in the process of implementation), which includes financial management and control and internal audit of public funds users, the harmonisation and coordination of financial management and control and internal audit, the budget inspection performed by the Ministry of Finance and external audit performed by the National Audit Office.
	Was a Public Expenditure Tracking Survey (PETS) ever carried out? If yes, please provide political background and outcomes	Not known, but part of the answer may be the following: in 2010, the Ministry of Finance has prepared the Report on the results of the public fund management according to PEFA methodology and through an assessment of public expenditures and financial responsibility and direct comparison with the PEFA assessment in 2007 was made.
	Was a public expenditure review ever carried out (*i.e.* in preparation of direct budget support of a major donor such as EC or World Bank)? If yes, please provide final report	No data available.

STRENGTHENING INTEGRITY AND FIGHTING CORRUPTION IN EDUCATION: SERBIA

Expenditure evaluations (continued)	Please, describe the financial reporting process, and the responsibilities on different levels for preparing financial reports	No information.
State audit	Mandate of the audit agency	Within its mandate, the state audit institution performs following activities: 1. plans and conducts audit, in accordance with the law on state audit institution (LoSAI); 2. enacts by-laws and other enactments for purpose of implementation of the LoSAI; 3. submits reports, in accordance with Art 43 and Art 44 of the LoSAI; 4. provides views and opinions and other forms of public announcements regarding application and implementation of specific provisions of the LoSAI; 5. when required and in accordance with its capacities, it provides professional assistance to the Assembly, the Government of the Republic of Serbia and other state bodies, with regard to certain significant measures and important projects, in the manner which does not diminish the independence of the Institution; 6. may provide advice to the beneficiaries of public funds; 7. may comment on working drafts of legal texts and other regulations, and may provide opinions on matters related to public finance; 8. may give recommendations for amendments of effective laws, based on information acquired during audit, which have or may have negative consequences or lead to unforeseen results; 9. adopts and publishes auditing standards, related to public funds under audit competencies of the Institution, auditing manuals and other professional publications relevant for the improvement of the auditing profession; 10. establishes training and examination programme for acquiring titles of State Auditor and Certified State Auditor, organises the examinations for acquiring auditing titles of State Auditor and Certified State Auditor, and manages the Registry of persons who acquired these titles; 11. establishes the criteria and validates professional titles acquired abroad, within the competence of the Institution; 12. co-operates with international auditing and accounting organisations in the fields related to the public sector accounting and auditing; 13. performs other duties stipulated by the LoSAI. Source: *www.dri.rs/images/pdf/eng/LAW_ON_STATE_AUDIT_INSTITUTION.pdf*
	Are sector audits performed and if yes, how often?	So far, only individual ministries were subject of audit. It is planned to extend audit to the whole sectors and all institutions within particular sectors.
	Was there an audit of the education system or education institutions? If yes, and if possible, please provide results	No audit of education institutions, but last audit of the Ministry of Education and Science was carried out in 2009. Source: *www.dri.rs/images/pdf/revizija/izvestaj2009-4.pdf.*
	Please, provide examples of typical audit reports and describe the procedure	After completion of audit process with the auditee, the Institution makes a draft report on the conducted audit, and submits it to the auditee and responsible persons that were in charge for the operation in the audit reference period. In the audit report, the Institution gives its opinion on the auditee's operation. The auditee *i.e.* responsible person shall be entitled to filing a rationalised complaint to the draft audit report within 15 days after the day of draft submission. The Institution shall consider the justifiability of comments contained in complaints and it shall, within 15 days after the receipt of complaint, invite the responsible person from the auditee to debate on the draft audit report, during which these persons may provide additional evidence. There may be several debates on the draft audit report. The first debate shall be held at least eight, and the last no later than 30 days after the date of submission of draft audit report. The meeting for discussing the draft audit report shall be chaired by the responsible person from the Institution and it shall be held at the premises of the auditee. If the legal representative of the auditee fails to take part in the debate, it is deemed that he/she does not disapprove of any finding from the draft audit report, unless the legal representative proves within three days from the established date of debate that he/she failed to take part in the debate for justified reasons. During the debate, the legal representative of the auditee may: 1. Deny individual findings of the draft audit report; 2. Provide explanations and additional evidence denying the audit findings. If the Institution establishes that the findings were justifiably denied, such finding shall be omitted from the audit report, whereas additional audit checks may be previously undertaken. Following the debate, the authorised person from the Institution shall submit to a Council member or responsible Supreme State Auditor the draft audit report with possible comments of the auditee. The Council member or responsible Supreme State Auditor shall examine the audit reports and establish the justifiability of complaints and whether the conclusions are based on the evidence from the documentation, *i.e.* whether the procedure was conducted in accordance with the audit standards. After assessing the comments and conclusions, the Council member or responsible Supreme State Auditor shall establish the proposal audit report which is submitted to the auditee and responsible persons, within 30 days after the date of debate finalisation. If the debate on draft audit report is not necessary, the Council member or responsible Supreme State Auditor shall establish the proposal audit report within the period not exceeding 15 days after the receipt of the auditee's notification that it did not disapprove of any finding from the draft audit report. The auditee *i.e.* responsible person from the auditee in the reference period for the completed audit may complain against the finding of the report contained in the proposal audit report. The complaint shall be filed to the Institution within 15 days after the delivery of the proposal audit report to the auditee *i.e.* responsible person from the auditee in the reference period analysed in the report on the completed audit. President of the Institution may obtain the opinion of an external expert on certain proposal parts or on the entire proposal audit report. The disputable findings in the proposal audit report shall be decided upon by the Council decision, within 30 days following the receipt of complaint. The Council may decide: to omit the disputable findings from the audit report; to keep the disputable findings in the audit report in unchanged form; to include the disputable findings in the audit report in the form as decided by the Council. If the auditee, *i.e.* the responsible person in the auditee in the reference period for the completed audit filed a complaint against the findings contained in the proposal audit report, the submitted audit report shall be accompanied by the reply to complaint. The reply to complaint shall be established by the Council. The draft and proposal audit reports shall be confidential. Example of typical audit report: *www.dri.rs/images/pdf/revizija/izv2010-jp_mediana.pdf*
	Whom is the audit agency accountable to?	The state audit institution is an autonomous and independent state body. In execution of operations from its competence, the Institution is accountable to the National Assembly of the Republic of Serbia. The Institution shall inform the Assembly by submitting: 1. the annual activity report; 2. special reports during the year; 3. audit report on annual balance sheet of the Republican budget, annual balance sheets of the financial plans of mandatory insurance organisations and consolidated financial statements of the Republic.

Internal school audits (if applicable)	Outcomes – irregularities	N/A

II.4 Human resource management		
Staffing policies	Are there codes of conduct? How often are they reviewed and updated? Is compliance monitored and if yes, how? Does non-compliance lead to consequences?	There are no specific codes of conduct but the Law on Education stipulates that the task of a teacher shall be to ensure, by relying on his/her knowledge and skills, the attainment of education principles and objectives, as well as achievement standards, bearing in mind principles of education, previously acquired knowledge, needs, interests and special abilities of a child and student. The task of a preschool teacher shall be to ensure, by relying on his/her knowledge and skills, the respect of education principles, attainment of pedagogical and education objectives and improvement of educational and pedagogical work and activities. The main task of a psychologist/pedagogue shall be to promote, by relying on his/her knowledge and skills, education and pedagogical activities, cooperation with parents or caregivers in the institution, to monitor the attainment of prescribed achievement standards, extend support to teachers and preschool teachers aimed at enhancing their performance, in accordance with the achievement principles, objectives and standards, to extend support to teachers in developing individual education plans and to help children, students, parents, teachers and preschool teachers in matters of significance to a student's education, upbringing and career development. Non-compliance with mentioned tasks leads to disciplinary measures.
	Rules and practice on recruitment, workplace mobility, appointment, rewarding and firing	The employment in an institution shall be done based on publicly advertised job vacancy. The managing director of an institution or principal shall publicly announce a job vacancy and make a selection of a candidate for employment. During the procedure of choosing a teacher, preschool teacher or psychologist/pedagogue, the managing director of the institution shall seek opinion of the managing bodies, based on the previously acquired verification of psychological and physical abilities of the candidate. The competent human resources department shall perform a psychological and physical test for working with children and students by applying standardised procedures. During the procedure of choosing a teacher of religious instruction, the principal shall, following the previously acquired verification of psychological and physical abilities of the candidate, the principal shall determine whether the given candidate is on the list of teachers of religious instruction which has been composed by the minister at the proposal of the traditional churches and religious communities. The managing director shall make a decision on the choice of candidate within a period of 30 days following the application submission expiry date. A candidate dissatisfied with the decision on the choice of the candidate shall be entitled to submit a complaint to the managing body within a period of eight days from the day the decision has been submitted. If no candidate has been selected a new job opening shall be announced. If the managing body fails to take a decision on the complaint within the prescribed period or if a candidate is dissatisfied with the second instance decision, he/she shall be entitled to apply to a relevant court within a period of 15 days.
	What is the expressed opinion of the teaching workforce (and/or the trade unions) on the recruitment, mobility and appointment practice?	No data available.
Deterrents	Law enforcement: how many cases of education corruption were opened and how many completed in the past 5 years? Please, provide a short overview	No data available.
	Please, describe the mandate and work of disciplinary commissions for teachers.	An employee may be held responsible for: 1. A minor violation of the work obligation as stipulated by the institution's general document; 2. A more serious violation of the work obligation prescribed by this law; 3. A violation of a prohibition as prescribed by this law; 4. Material damage he/she has inflicted on the institution, either intentionally or out of sheer negligence, in accordance with the law. The principal of an institution shall launch and conduct a disciplinary procedure, take a decision and order a measure against an employee in the course of a disciplinary procedure. The disciplinary procedure shall be initiated through a written conclusion which shall not be a subject to an appeal, containing the information on the employee, the description of the violation of a prohibition or a work obligation, the time, place and manner in which the violation occurred as well as the proof thereof. The employee must undergo a hearing, and he/she shall be entitled to present fact to his/her defence, either alone or through his/her representative or have a written defence submitted for the hearing. Exceptionally, a hearing may be held without the presence of the employee provided that the employee has been duly summoned to the hearing. To other issues related to disciplinary procedure the rules of the administrative procedure shall apply accordingly. A disciplinary procedure shall be public except in cases prescribed by the law governing the general administrative procedure. Following the procedure, an official decision shall be taken declaring the employee either guilty in which case a disciplinary measures shall be imposed on him/her, acquitted or the procedure may be terminated. The launching of a disciplinary procedure for minor violation of work obligations shall be subject to the statute of limitation if six months from the event have lapsed, while for the violation of the prohibition and more serious violations of work responsibilities the statute of limitation shall be applied one year from the day the violation has been committed. Conducting the disciplinary procedure for minor violations of work obligations shall be subject to the statute of limitation if one year has lapsed; for the violation of prohibition and a more serious violation of work obligation – two years from the launch of the disciplinary proceedings. The statute of limitation shall not be applicable if the disciplinary proceeding cannot be launched or conducted due to the absence of the employee or for other justified reasons.
	In the past three years, how often were teachers, at any level of education including, tertiary, dismissed following a disciplinary procedure? For what?	No data available.
II.5 Transparency	Are there codes of conduct for teachers? How often are they reviewed and updated? Is compliance monitored and if yes, how? Does non-compliance lead to consequences?	According to LoF employees of the educational institutions shall be obliged, by way of their performance and overall conduct, to abide by the principles of education and contribute to the attainment of education objectives, general and special achievement standards and to the enhancement of a positive climate in the institution.

II.5 Transparency		
Public involvement	Transparency of tendering procedures – provisions, accessibility of information	Every public procurement adverts shall be published in the «Official Gazette of the Republic of Serbia» and on the Public Procurement Portal. A person participating in the public procurement procedure shall have the right during bid opening to review the data from the bid which are entered in the minutes of bid opening. A person who participated in the public procurement procedure shall have the right to review the data concerning the conducted public procurement procedure after the procuring entity has made the decision, regarding which that person may submit a written request to the procuring entity within two days from the day of decision delivery. The procuring entity shall enable access to the documents to the person who submitted the request to review the data concerning the conducted public procurement procedure within two days from the day of receiving such request.
	Participation of civil society (parents, NGO's, other interest groups) in administration of funds?	No.
	Participation of civil society (parents, NGO's, other interest groups) in identification and communication of needs on school and university level?	No.

Supplementary Table 1 Data on inclusion of children with special educational needs (2010/2011)

Total number of students	228 525
Number of students without disabilities	227 427
Number of students with disabilities	1 197
Wheelchair users	10
Walking difficulties	84
Partial sight damage	473
Complete sight damage	21
Partial hearing damage	77
Complete hearing damage	13
Chronic diseases and physiological damage (asthma, diabetes, epilepsy)	449
Speech impediment	36
Learning difficulties (dyslexia, dysgraphia)	34

Supplementary Table 2 Study scholarships and loans

Between 2003/04 and 2007/08	Students with scholarships out of the entire student population at the university (%)	Students with loans* out of the entire student population at the university (%)	Students with scholarships/loans out of the entire student population in the country (%)
University of Belgrade	36.9	40.2	39.8
University of Novi Sad	29.3	22.1	17.7
University of Kragujevac	4.4	7.7	7.3
University of Nis	8.5	14.7	10.0
University of Arts	6.0	1.9	0.9
Non-university sector	14.9	13.4	24.4

*Student loans in Serbia are not typical loans, as they are very limited and can cover little of a student's real financial needs.
Source (only in Serbian): www.inkluzija.gov.rs/wp-content/uploads/2009/11/Analiza-karakteristika-siromastva-u-Srbiji.pdf.
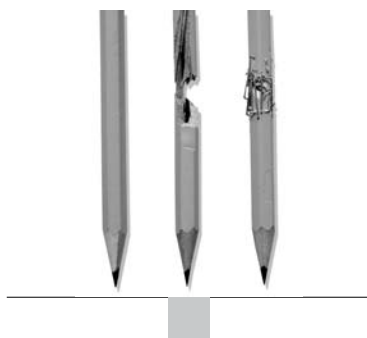
Supplementary Table 3 Average teacher/student ratio in different types of schools

Type of school	Average teacher/student ratio
Economics, law and administration	13.43
Trade, catering and tourism	13.48
Philological general secondary education	6.45
General secondary education – Gymnasiums	13.16
Chemistry, technology and food technology	9.92
Leather and textile	9.67
Personal services	10.81
Mathematical general secondary education	6.76
Medical school	11.92
Mixed VET and General secondary education	12.29
Agriculture, veterinary and forestry	8.89
Traffic	12.38
VET schools with mixed occupational fields	11.46
Technical schools	10.88
Art schools	7.10
Grand Total	**11.68**

Source: Statistical Office of the Republic of Serbia.

Notes

1. This annex is based on Milovanovitch, Bloem et al. in OECD (forthcoming), "Understanding integrity, fighting corruption in education: an evidence-based approach to malpractice prevention", OECD, Paris.

2. Prevention and detection capacity is considered a "framework" dimension.

3. The scope of PRINTS QNS is limited by the lack of relevant data and indicators, and is narrower than the scope of the report.

4. The OECD defines indicator as a "data element that represents statistical data for a specified time, place, and other characteristics" (OECD Statistical Glossary at *www.oecd.org/statistics*).

5. Parents, students and staff employed in the system.

6. "Relation to integrity" is determined by looking at match or mismatch between outcomes and expectations as suggested by the indicator. Less mismatch is assumed to be conducive for integrity in the area measured by the indicator, and vice versa.

7. The index of social inclusion, for example, provides a measure of the proportion of the variation in socio-economic backgrounds between schools. In a socially inclusive school system, the distribution of socio-economic backgrounds of students in each school reflects the distribution of socio-economic backgrounds in the system, that is, each school accommodates a range of socio-economic profiles among its students similar to the range in the population in general. Education systems with high levels of social inclusion tend to show higher levels of equity.

8. Some countries offering attractive post-secondary, non-tertiary education alternatives such as Germany or Austria would be an exception.

9. Japan, Korea and Singapore represent an exception and were excluded from the correlation analysis. Corruption incidence in education in these countries is perceived to be very frequent, but students in all three of them perform above average in PISA.

10. Conclusions about causality should be made with extreme caution. Numerous problems emerge when otherwise solid source data is used for attempts to quantify corruption impact on the education system: determining the threshold for statistical significance, the fact that the TI index is based on perceptions without adjustment for cultural or individual differences in understanding what constitutes corrupt behaviour and, last but not least, the difficulty in establishing causal relationships correlation itself might be due to third factors which are not captured in the source indicators. Note that Japan, Korea and Singapore are excluded from the regression. All three have high performing systems according to PISA, but are perceived as having a corrupt education system. This could be due to a massive reliance on private tutoring for achievement.

11. Note that the same indicator is used in the staff and resources dimension below. There it is interpreted as a proxy for the attractiveness of the profession and is attributed a negative relationship to integrity. Above average values suggest a need for a check of conditions and practices of access to teaching.

12. The graph does not include data on education expenditure in Serbia, although it was considered in the analysis.

Annex D

INDICATORS ON PRIVATE TUTORING IN EUROPEAN UNION COUNTRIES

Country	Patterns
Austria	A 2010 telephone survey of 2 760 households with 4 406 children found that 20% of parents paid for tutoring (AK-Wien [Abteilung Bildungspolitik], 2010). This report echoed Wagner *et al.* (2003), who had stated that approximately 20% of secondary students "seem to get tutoring of one kind or another".
Belgium	Commercialised private tutoring has expanded rapidly since the mid-2000s (Bouillon 2010; Dehandschutter 2010). Meskens and Berkenbaum (2009) described it as a "juicy market" in which one child out of 10 is considered to need private tutoring.
Bulgaria	Tsakonas (2002) described private tutoring as "a flourishing industry". Home-based tutoring was said to cost the equivalent of EUR 5 per lesson, and on average general secondary school students were estimated to receive 160 lessons per year totalling the equivalent of approximately EUR 800.
Cyprus	A 2008 household survey (Cyprus, 2010) indicated that tutoring consumed 52.9% of household expenditures for secondary education (including direct fees to private schools). A 2003 study of 1 120 college students found that 86.4% had received private tutoring when in secondary school (Stylianou *et al.*, 2004).
Czech Republic	Informal observation indicates that tutoring is extensive and has expanded in recent years (Štech & Greger, 2010). Korpasová (2009) provided some evidence in a small-scale study of tutoring in English language.
Denmark	PISA data indicate low levels of extra tutoring in Scandinavian countries (see *e.g.* Southgate, 2009). The data do not distinguish between paid and free tutoring; but since data for the combined categories show low levels, the scale of private tutoring is presumably modest.
Estonia	A survey of stakeholders has been conducted by Kirss (2011). A government official estimated the prevalence at 30-40%, while others thought that at least half of the student body would receive private tutoring at some time. Tutoring is said to be common both in basic and in secondary education.
Finland	See remarks above about Denmark.
France	Melot (2007) reported estimates that 25% of lower secondary students and 33% of upper secondary students were receiving tutoring. In large Parisian lycées the proportions were even higher, perhaps as much as 75%.
Germany	Klemm and Klemm (2010) reported that 1.1 million pupils, representing 14.8% of the student population, received regular tutoring. This matched findings by Guill (2010a), who reported that 18.5% of Grade 8 students in an urban sample received tutoring.
Greece	A 2000 survey of first-year university students found that over 80% had attended preparatory schools of the "cramming" type (frontistirio), 50% had received individual private tutoring, and one-third had received both types (Psacharopoulos and Papakonstantinou, 2005). Liodakis (2010) noted expansion during the past decade and stated that "today almost all Grade 12 high school students attend shadow education".
Hungary	Among the 1 361 students at the University of Debrecen surveyed by Bordas *et al.* (2011), 60.5% stated that they had received private tutoring in secondary school. Ildiko (2004) stated that over three quarters of primary and secondary students received tutoring.
Ireland	A survey of 1 496 students who had completed their upper secondary education in 2003 indicated that 45% had received paid private tutoring during their last year of school. This was a significant increase from 32% of the same age group in 1994 (Smyth, 2009).
Italy	A 2010 search for "lezioni private» in Google (Italian version) delivered 369 000 items, most of which were advertisements of people offering tutoring. Press comments (*e.g.* Adoc, 2008; Messagero Veneto, 2009) described a "boom in the industry".
Latvia	Strode and Rutkovska (2008) sampled 600 parents, 10.8% of whom said that parents were expected to pay for individual or group tutoring. They also asked 604 teachers, 14.5% of whom said that parents were expected to pay for tutoring. Aizstrauta *et al.* (2004) surveyed 267 Grade 12 students in eight schools in Riga, Valmiera and Jurmala. They found that 46.4% received private tutoring.
Lithuania	Budiene and Zabulionis (2006) surveyed 801 first-year university students in 2004/05. Among them, 61.9% reported having received tutoring or attended preparatory classes in their final secondary year.
Luxembourg	Haag and van Kessel (2000) sampled 907 pupils in four lycées. One half had received private tutoring at some time, and one quarter were currently receiving tutoring. The highest proportion (40%) was in Grade 7.
Malta	A 5% sample of Grade 10 students undertaken by Vella and Theuma (2008) found that 51.9% were currently receiving tutoring and that 77.9% had done so at some time in their school lives. A decade earlier, Fenech and Spiteri (1999) had surveyed 1 482 upper primary and lower secondary pupils and found that 50.5% had received tutoring at some time.
Netherlands	PISA data suggest low levels of tutoring in the Netherlands, comparable to patterns in Scandinavian countries (OECD, 2011:33).
Poland	Murawska and Putkiewicz (2006) surveyed 849 first-year university students in 2004/05. Among them, 49.8% reported having received private lessons.
Portugal	A 2005 government survey of 30 686 candidates for the national university entrance examinations (cited by Ventura *et al.*, 2008) indicated that 54.7% had received tutoring in Grades 10 to 12. This was consistent with school-level studies (Neto-Mendes and Costa, 2007; Azevedo and Neto-Mendes, 2009).
Romania	A 2007 stratified random survey of 1 267 secondary students by Metro Media Transilvania and the Agentia pentru Strategii Guvernamentale (2007) in 160 schools of 40 counties indicated that 27% received tutoring. Three years later, a sample of 1 500 children aged 6-19 (*i.e.* including both primary and secondary students) found that 17% were receiving tutoring (Daedalus Millward Brown, 2010). A 2010 national random sample of 1 316 adults by the Romanian Institute for Evaluation and Strategy (Institutul Român pentru Evaluare si Strategie [IRES], 2010) found that 50% had employed tutors for their children.
Slovakia	Kubánová (2006a) surveyed 926 first-year university students in 2004/05. Among them, 56.0% reported having received tutoring and/or attended preparatory classes in their final secondary year.
Slovenia	Faganel (2010) reviewed websites advertising tutoring and indicating prices. The research did not identify the proportion of pupils receiving tutoring, but clearly showed that the phenomenon was common.
Spain	Gallardo (2010) estimated that 20% of pupils aged 6 to 18 were receiving tutoring. At the secondary level, a study of 2 535 secondary students in 48 schools of the Asturias region in 2008 (Álvarez Fernández *et al.*, 2009a, 2009b) found that 58.9% were receiving tutoring.
Sweden	See remarks above about Denmark.
United Kingdom	Ireson and Rushforth (2011) reported on their survey of 3 615 pupils in Years 6, 11 and 13 in England. Over a quarter (27%) indicated that they had had a tutor at some point during their schooling. A 2008 random telephone survey of 1 500 parents in England found that 12% of primary school pupils and 8% of secondary school pupils were receiving private tutoring (Peters *et al.* 2009).

Source: Bray, M. (2011), "The Challenge of Shadow Education – Private Tutoring and its Implications for Policy Makers in the European Union", an independent report prepared for the European Commission by the NESSE network of experts, Brussels, European Commission.

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ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Strengthening Integrity and Fighting Corruption in Education

SERBIA

Education matters. It is a gateway to prosperity of individuals and economies alike.

Integrity in education matters too. Corruption hinders prosperity, causes long-term damage to societies, and diminishes the efficiency of investment in their human potential.

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Contents