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**TRENDS AND OUTLOOKS**  
*(ISSUE 40)*

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R95 **Russian Economy in 2018. Trends and Outlooks. (Issue 40)** / [V. Mau at al; ed. Editors – Alexei Kudrin, doctor of sciences (economics), Alexander Radygin, doctor of sciences (economics), doctor of sciences Sergey Sinelnikov-Murylev, doctor of sciences (economics)]; Moscow: Gaidar Institute Publishers 2019. – 616 pp. – ISBN 978-5-93255-556-9

The review “Russian Economy. Trends and Outlooks” has been published by the Gaidar Institute since 1991. This is the 40th issue. This publication provides a detailed analysis of main trends in Russian economy, global trends in social and economic development. The paper contains 6 big sections that highlight different aspects of Russia's economic development, which allow to monitor all angles of ongoing events over a prolonged period: the socio-political issues and challenges; the monetary and budget spheres; financial markets and institutions; the real sector; social sphere; institutional changes. The paper employs a huge mass of statistical data that forms the basis of original computation and numerous charts confirming the conclusions.

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## The main developments in the education system in Russia in 2018<sup>1</sup>

In 2018, the main developments in the education system can be divided into the two unequal phases: one before the President's May 2018 Decree and the other after it. Before May 2018, the main attention was focused on teachers' salaries; the "struggle" to raise them to the average pay in a relevant region was already waged for six years running. Average salaries of higher-education teaching personnel attract less attention though by 2000 their value was to be equal to 200 percent of the average salary in a relevant subject of the Russian Federation where the higher educational institution was situated. From May 2018, the main focus in education was switched over to development of the "Education" national project and the volume of budget funding to be allocated on the specified goals. In addition, in the higher education system serious debates started on the issue of state accreditation of higher educational establishments.

### 5.7.1. Dynamics of average salaries of teachers

Before the presidential elections, the average salary of teachers used to grow. It is noteworthy that unlike previous years it was published on a monthly basis<sup>2</sup> till March 2018 (*Fig. 32*).

In principle, early in 2018 dynamics of the average salary of teachers were not much different from the changes seen in the previous years, but the very fact of publications of the data on a monthly basis pointed to the exceptional importance of this issue. After growth in H1, the average salary of teachers used to fall in Q3 of all those years and grew again in Q4, decreased somewhat in Q1 and started to grow again in Q2. In 2018, not even the minimum reduction of this indicator was registered in Q1. According to the data the Monitoring of Effectiveness of School Education carried out by the CCEE IAES RANEPА, early in 2018 the share of teachers who were dissatisfied with their salaries eventually fell to 60 percent (40 percent of teachers were satisfied with their salaries) against nearly two-thirds of dissatisfied teachers a year before. However, in the general

<sup>1</sup> This section was written by T.Klyachko, CCEE (Center for Continuing Education Economics) IAES, RANEPА.

<sup>2</sup> In previous years, the data were published on a quarterly basis.

education system the issue of teachers' dissatisfaction with their financial situation still exists.

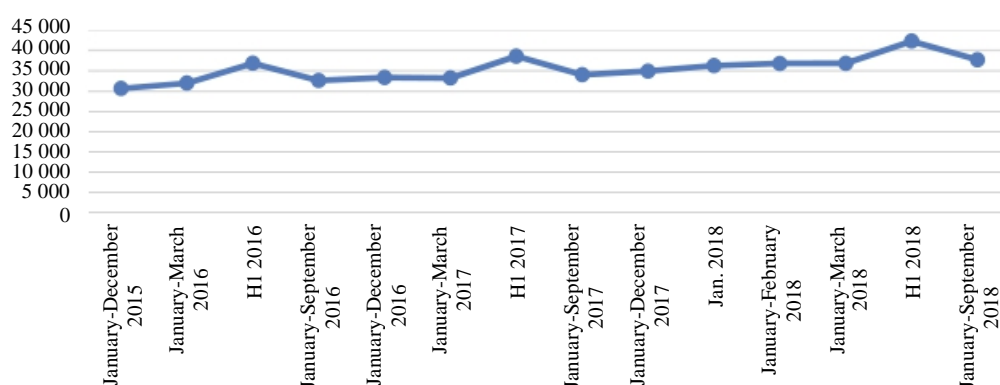


Fig. 32. Dynamics of average salaries of teachers in 2015 – January-September 2018.

Source: The Rosstat.

For nine months of 2018, teachers' average salaries in Russia amounted to 100.9% of the average pay across the national economy, having amounted to RUB 37,697. It is noteworthy that it was much higher – over RUB 63,539 (170.1 percent of the average salary in the Russian economy) – at schools which were at federal ownership, while at schools of subjects of the Russian Federation it was equal to RUB 62,039 (166.1 percent). On the contrary, the average salary of teachers at municipal schools was below the average pay across the national economy and amounted only to 85.7 percent of its level. This factor was behind the drive which emerged in 2017 to transfer municipal schools to the jurisdiction of subjects of the Russian Federation (that is, to “return the state” in the education system) on grounds that the measure in question would facilitate a substantial increase in teachers' salaries. According to proponents of this idea, up to 20 percent of subsidies for remuneration of teachers and payment of educational costs which are transferred from regional budgets to municipal ones fail to reach schools. All the assurances by financial experts that budget funds allocated for such subsidies are of a targeted nature, so they cannot be utilized outside the general education system are utterly dismissed. It seems the problem consists in the fact that municipal authorities do not always see to it that the allocated funds get to a school strictly in conformity with a per-capita norm, they seek to ensure stability (sustainability) of the municipal system as a whole and not prosperity growth of individual good schools<sup>1</sup>. At the same time, the abovementioned differentiation of teachers' salaries which took place in the past few

<sup>1</sup> For example, municipal authorities seek to preserve small schools within a walking distance from houses where school students live, rather than assign them the status of a branch of a big school. This can be explained by a drive to ensure a greater diversification of schools on one side and preservation of jobs at schools to prevent growth in the rate of unemployment amid narrow regional labor markets, on the other side.

years has spurred the governmentalization of schools to reduce accumulated tensions in the system. The fact that there are fewer regional schools and, consequently, teachers' average salaries at such schools can be much higher than in numerous municipal schools is not taken into account: probably, in the teachers community there is an opinion that if schools become a direct responsibility of regional authorities, the latter will have to increase budget expenditures on general education. At the same time, the issue whether a school is going to be municipal or regional is not of a great interest to teachers who are mainly after pay-rises and reduction of differentiation of their salaries. Also, it is noteworthy that there is a perception that if teachers' salaries are increased to the average salary in the region, teachers will not work for 1.5 salaries and/or earn extra money. This can be achieved only through a ban on work for more than one salary, but it is estimated that schools will need then additionally over 230,900 teachers, while expenditures on teachers' salaries are to be increased in such a case by at least RUB 136 billion a year. The specified measures do not necessarily guarantee that teachers will not be making extra money on the side, for example, as private tutors.

The struggle for teachers' pay-rises has pushed aside from the public focus the issues of quality of school training and teachers' professionalism, the standard of training of graduates of teacher training colleges and relevancy of pedagogical programs. It is noteworthy that some interest was taken to the substance of education only after the federal list of textbooks was reduced by one-third and it was declared that the procedure for expert review thereof had been modified. However, no serious discussions of the procedure for selection of school textbooks and their role in the modern educational process in a situation where study materials are available to students in the Internet took place.

### 5.7.2. The “education” national project

From May 2018, the main focus in the education system was switched over to development of the “Education” national project, as well as the volume of budget funding to be allocated for the specified goals. In addition, working groups were asked to develop measures to implement the goals and tasks set in Presidential Executive Order No. 204 of May 7, 2018 “On National Goals and Strategic Tasks in Development of the Russian Federation in the Period till 2024”. Ultimately, the “Education” national project included 10 federal projects:

1. Modern School;
2. Success of Each Child;
3. Support of Families with Children;
4. Digital Educational Environment;
5. Teacher of the Future;
6. Young Professionals (Promotion of Competitiveness of Vocational Education);
7. New Opportunities to Everyone;
8. Social Activity;
9. Export of Education;

#### 10. Social Elevators for Everyone.

Within the framework of the national project, it is expected to promote competitiveness of Russian general and vocational education, including higher education, facilitate early development of children and success of each kid through development of extended childhood education and radically increase the scope of coverage of the working population with vocational training. In addition, it is proposed to develop the digital educational environment, eliminate the shortage of places at kindergartens (nurseries) and schools and upgrade qualifications of Russian teachers who have to work in new conditions. Implementation of the “Education” national project is mainly regarded by the government as a budget maneuver in favor of the education system.

Within the “Modern School” federal project, it is planned to modernize facilities of 16,000 schools in rural areas and small towns by 2024 to carry out digital and humanitarian profile educational programs. It will require regional budgets’ additional expenditures to maintain such facilities and modernize them in the course of upgrading digital and humanitarian profile programs. Implementation of the national project to such an extent suggests a relevant increase in current expenditures of regional budgets (that is, beyond the frameworks of this project), which situation is highly unlikely given the existing economic conditions. Consequently, the effectiveness of budget expenditures within the frameworks of this federal project will gradually decline (as school facilities upgraded in 2019–2020 become obsolete).

The “Success of Each Child” federal project suggests quick expansion of the system of extended childhood education (ECE). It is to be noted that the Federation actually creates conditions for implementation of extended learning activities for children and the youth (up to 18 years old). Facilities of the “Kvantorium” technological park and the “Sirius” educational centers will be upgraded and higher educational institutions will participate more actively in the ECE. At the same time, maintenance of the ECE in subjects of the Russian Federation is mainly funded from regional and municipal budgets whose capacities are rather limited. However, this system is available on the permanent basis to kids from low-income families in rural areas and small towns.

As regards the “Support of Families with Children” federal project, it is planned to develop the infrastructure of pre-school facilities to increase the number of nursery groups for children of 1.5–3 years old and cover them with relevant services. In addition, within the framework of this project it is planned to set up the system of psychological and pedagogical support of parents (legal representatives) at the stage of early development of children, as well as persons who are willing to adopt children left without a parental care. It is noteworthy that the burden related to funding current pre-school education activities owing to growth in the number of nurseries (nursery groups) will increase gradually on regional and municipal budgets as early as the stage of implementation of this project.

The “Digital Educational Environment” federal project suggests establishment of the target-oriented model of educational environment which is to be introduced stepwise in

all the subjects of the Russian Federation. It is to be noted that the information content and functionality of open and generally accessible information resources will be gradually upgraded at educational establishments. Another line is promotion of the Internet data traffic speed at schools and other regional educational establishments. Within the framework of this project, upgrading of information resources can be carried out in future within the frameworks of federal projects and, consequently, be financed out of the federal budget. However, though costs related to implementation of this process are expected to decrease, expenditures related to promotion of the Internet data traffic speed will be ultimately funded by regional budgets unless it is specified from the very beginning that such expenditures remain the responsibility of the federal authorities.

The “Teacher of the Future” federal project is aimed at radical promotion of skills of Russian teachers. It is largely related to the wide-spread idea of late that the quality of education depends to a great extent on professionalism of teachers and to a lesser extent, on the size of classrooms and costs per student. This project can be successful in principle because the Federation takes considerable budget expenditures on implementation of extended vocational education programs which are currently funded by regional budgets. The main problem consists in maintaining advanced training programs, ensuring the quality of extended vocational education institutions (EVE) which are entrusted with carrying out such programs, as well as arranging such training. It would be more efficient to organize retraining of school teacher teams, rather than individual teachers and school managers. At the same time, it is necessary to switch over to a new format of advanced training programs where a teacher undergoes an advance training course not once in three years as it is envisaged by the Law “On Education in the Russian Federation”, but selects (together with his/her colleagues) a definite programs every year. Within the framework of this project, it would be expedient to expand substantially advanced training programs for school teachers and teacher-training colleges on the base of federal, research and backbone universities, rather than the existing regional extended vocational education institutions which find themselves in a serious need of upgrading their activities. This project may require more budget funds than it was originally planned. However, the federal project in question suggests that by means of inter-budget transfers the Federation will transfer funds on advanced training programs for teachers to regions. It means that such programs will be carried out on the base of regional institutes for development of education, that is, in an outdated and inefficient mode.

The “Young Professionals (Promotion of Competitiveness of Vocational Education)” project is meant to promote growth in the standard of Russian vocational education to the level of the world’s best examples. However, in principle, this project as regards secondary vocational education deals with training of labor force within the framework of the WorldSkills international project and this factor substantially diminishes its effectiveness provided that at present the flow to the system of secondary vocational education in Russia after finishing of the 9<sup>th</sup> form is directed mainly to training programs

for mid-ranking specialists. At the same time, the system of secondary vocational education (training of mid-ranking specialists) will enter in the near future the risk zone as regards funding because the number of trainees is rapidly growing, while no additional budget funding is allocated due to limitation of capacities of regional budgets that finance it. In addition, if Russia is going to switch over actively to innovation-based development in the mid-term prospect, it is necessary to modify the main lines of training in the secondary vocational education in favor of new profession lines. This objective will require both retraining of teachers and foremen of vocational training and active replacement of obsolete facilities of secondary vocational education establishments because training is based on mastering of practical skills. So, additional federal budget expenditures above the planned ones may be required.

Global competitiveness growth of the Russian higher education system should be facilitated through implementation of the 5/100 program for 30 Russian universities, but with more realistic success criteria set for Russian higher educational institutions on the international arena: by 2024 each leading university which has received state support is to achieve among other things the following results:

- Enter for at least two years in succession the top 1000 list of international university ratings (actually it was a failure of the 5/100 project in its previous format);
- Enter for at least two years in succession the top 200 list of minimum one subject or sectorial international rating;
- Install at least 10 online courses on international online education platforms with the total number of minimum 5000 listeners from at least five countries;
- Ensure that the share of the academic staff at the age of up to 35 years old is equal minimum to 20 percent of the entire academic staff.

So, such guidelines should facilitate sustainable outputs of activities of leading universities which are included in this federal project.

According to our own calculations, the volume of funding to support Russia's leading universities will amount to about RUB 500 million a year per university (for six years). It is noteworthy that the share of budget expenditures on the university component of this federal project does not exceed 3.5%–4% a year of the total federal budget expenditures on higher education in 2018. So, judging by financial parameters the project in question can be implemented without risks to the federal budget.

The “New Opportunities to Everyone” federal project is aimed at promotion of continuing education (vocational training and extended education). Unfortunately, effectiveness of this project will be rather low because it fails to solve important issues of increasing human capital by means of permanent renewal of workers' competence and creation of conditions for engagement in continuing education of pensioners who will be able then to extend their working careers after receiving new expertise and skills. The projects provides for the possibility of recognition of the results of informal education (including self education), but leaves the issue of service record unresolved, thus preventing creation of motivation for self education with workers and eventually promotion of human capital in Russia.



The “Social Activity” federal project is primarily meant to promote the volunteer movement, that is, the youth’s activity (a component of the youth policy). According to the available information, it is expected to allocate RUB 8.32 billion from the federal budget or on average RUB 1.39 billion a year, which sum is equal to 28.1 percent of federal budget expenditures on the youth policy in 2018 (as per the budget list as of August 1, 2018). On one side, it looks like a substantial increase in federal budget expenditures on the specified goal, while on the other side in 2018 federal budget expenditures on the youth policy fell by RUB 2.6 billion (as per the updated budget list as of August 1, 2018) as compared to 2017, while regional budget expenditures increased by RUB 5.3 billion. In other words, the burden on regions is growing as regards this line, too, so the prospects of effective implementation of the youth policy in the long-term prospect seem quite doubtful because the general burden on consolidated budgets of subjects of the Russian Federation is to increase dramatically in 2019–2024 and beyond.

The “Export of Education” federal project is solely funded from the federal budget: it is planned to allocate within six years RUB 107,493 billion on this project (on average about RUB 18 billion a year). The funds will be spent mainly on establishment and modernization of campuses of higher educational institutions. Growth in Russian human capital within the framework of this project is related to employment of foreign graduates of higher educational institutions in Russia. At the same time, the planned parameters of the specified employment – minimum 5 percent of the turnout of foreign graduates, that is, minimum 5,500 persons a year – seem insignificant to have a serious effect on the Russian labor market. However, what is meant here is the lower limit of the employed foreigners with a higher education degree received in Russia. Nevertheless, the target indicator set in the federal project will not motivate relevant institutions to facilitate actively employment in Russia of foreign graduates of Russian higher educational institutions or with Russian companies operating abroad.

The “Social Elevators for Everyone” federal project is aimed at promotion of professional and career growth through participation of people in various (probably, professional) contests (in 2024 it is planned to carry out 35 contests involving at least 1.7 million participants). The content and nature of such contests should be specified as the project unfolds; the project is funded entirely from the federal budget.

According to the calculations, the volume of funding allocated on the “Education” national project is explicitly insufficient enough to upgrade substantially the existing situation both in general education and vocational training (*Table 5*).

This situation can be explained by the fact that in accordance with the demographic forecast and growth in coverage of children of pre-school age with pre-school education the number of such children at pre-school institutions will be growing in the near future, so, additional funding is required to maintain that system at the level which it attained in 2017. A similar situation can be found in secondary vocational training where more and more students after finishing the 9<sup>th</sup> form go to in the past few years (as per the

forecast the number of students of vocational training institutions may increase more than 1.5 times over (from 2.1 million persons to 3.2 million persons) by 2024.

*Table 5*

**Dynamics of budget expenditures on education in 2019–2024, billion rubles**

	2019	2020	2021	2022	2023	2024
GDP	104974.9	111669.0	118446.1	125385.7	132469.5	139728.7
Expenditures on education without expenditures on national project	3779.1	4020.1	4264.1	4513.9	4768.9	5030.2
Expenditures on national project	110.10	131.50	141.80	120.30	119.80	124.20
Total expenditures on education	3889.20	4151.58	4405.86	4634.18	4888.70	5154.43
Share of expenditures on education in GDP, %	3.70	3.72	3.72	3.70	3.69	3.69

*Source:* own calculations.

According to calculations, with economic growth rates of maximum 2.5 percent a year maintained up to 2024, expenditures on educations in shares of GDP funded at the level of 2018 (that is, 3.6 percent) and the existing pattern of budget expenditures across education preserved, budget expenditures per kid in the pre-school education system will amount on average in nominal terms to RUB 118,300 (RUB 86,400 in real terms) in 2024 against RUB 107,500 in 2018; in general education – RUB 152,700 (RUB 111,500 in real terms) against RUB 115,500 in 2018; in secondary vocational education expenditures per student will be equal to RUB 101,200 (or RUB 73,900 in real terms) against RUB 108,600 in 2018, while in higher education expenditures grow in nominal terms up to RUB 431,100 in 2024 (RUB 314,700 in real terms) against RUB 288,300 in 2018.

So, firstly, despite implementation of the national project the education system will find itself in quite a complicated financial situation and, unfortunately, be unable to develop properly. In other words, all the innovations (digital educational environment, upgrading of teachers' skills in the vocational training system, establishment of technological parks and educational centers for support of gifted children and teenagers) will not be able to promote further the general standard of quality of the Russian education system. It is noteworthy that human capital will virtually stop growing in Russia (though some local breakthroughs are feasible).

Secondly, the analysis shows that there are substantial risks related to implementation of the “Education” national project in its present format, particularly, to regional budgets because only direct expenditures of regional budgets of subjects of the Russian Federation on implementation of the project – 6 percent of the total volume of expenditures – were taken into account. However, federal projects which are included in the “Education” national project do not take into account those expenditures which arise at the regional level as auxiliary ones. For example, in the “Modern School” federal project the building of new schools and liquidation of the third shift will require more teachers and maintenance personnel and, consequently, higher regional budget expenditures on labor remuneration. In addition, expenditures will grow on educational materials, maintenance and modernization of school buildings and other facilities as it was mentioned above. Consequently, it is necessary to increase substantially budget expenditures not only on project activities, but also ongoing operations in education. It

is believed that only an increase of at least to 4.4–4.6 percent of GDP (that is, up to the average level across the OECD countries) will permit to change for the better the situation in education and facilitate Russia's competitiveness on the international education market.

### 5.7.3. Accreditation of higher educational institutions

State accreditation of higher educational institutions has been an issue for not a single year. It aggravated with cancellation of accreditation and subsequent withdrawal of the license from the European University of St. Petersburg in 2017 (in 2018 the license was granted the university again, but the building in the center of St. Petersburg was never returned). In 2018, the Moscow Higher School of Social and Economic Sciences (renowned "Shaninka") failed to receive accreditation which situation prompted rectors to raise the issue of relevancy of the very procedure for receiving accreditation and composition of expert councils which conduct it. The Rosobrnadzor (Federal Education and Science Supervision Agency) is prepared to introduce some changes, but mainly of technical nature: better selection of experts and a larger volume of documents which can be transferred remotely. In a situation where federal state educational standards (FSES) are virtually aimed exclusively at developing of competences and the quantity thereof, practically nothing can be modified in state accreditation aimed at verifying implementation by higher educational institutions of FSES 3+ (FSES 3++). To change the approach to accreditation of higher educational institutions, it is necessary first to change the approach to FSES.

Actually, amid rapid development of new technologies and constantly growing information flows the drive to replace concrete knowledge by general competences is quite justified: it seems that concrete knowledge becomes outdated very soon. It is important for a person to study to learn, know how to search for the needed information, work in a team and develop excellent communication skills, project thinking, project work skills and other. Consequently, the results of education should represent not the list of concrete knowledge and skills, but a set of various competences a young specialist is expected to have (holder of a bachelor's degree or a master's degree) depending on the line of training or area of expertise. In different countries, such an approach is based on the fact that modern knowledge of subjects is developed and fixed in courses and programs, that is, there is a certain agreed upon general core base which each graduate of a higher educational institution is expected to learn. But this core base is actually supplemented with competences which students should have to use knowledge effectively. This is a kind of adjustment to rapidly changing requirements of the labor market.

Setting of competences proper in FSES without the consensus core base on each subject does not permit to achieve coordinated results of education, both fundamental and applied. Consequently, in this case, FSES fail to facilitate quality of higher education as regards at least its lower limit. In addition, FSES make it unfeasible to

compare the results of training at various higher educational institutions, though such a practice would be very important both to employers and graduates.

It means that approaches to development of FSES in higher education in Russia are in an urgent need of modification. The first step in the right direction would be a reduction of the number of training lines in Bachelor's programs to 20–25 (at present their number is twice as high and cannot be planned).

Accordingly, the state accreditation of higher educational institutions should primarily deal with examination of students' progress in learning the core base agreed upon by higher educational institutions.

In addition, in Russia the accreditation system in higher education is rather controversial. This can be explained by the fact that in the Russian system of higher education there are a few other mechanisms which assess effectiveness of higher educational institutions: the Monitoring of Effectiveness of Higher Educational Institutions (since 2012) and the admission quota distribution competition which should logically take into account the quality of educational services rendered by higher educational institutions, capacity of their academic personnel and the state of facilities and information base for receipt of state assignment and relevant budget funding.

However, there were notorious cases where not only accreditation, but also the license was withdrawn from a higher educational institution recognized effective by the Monitoring of Effectiveness of Higher Educational Institutions (see above). As the same time, higher educational institutions which were recognized ineffective could have state accreditation. It is to be noted that the Rosobrnadzor started to look into that situation only after receipt of the monitoring results.

Under the terms of the admission quota distribution competition, a participating higher educational institution is required to have a state accreditation to receive budget-funded places (state assignment) and budget funding. But a higher educational institution which has received admission quotas can be canceled the state accreditation within the same year.

In addition, one and the same higher educational institution can receive accreditation in respect of some programs and be denied it in respect of others. It is to be noted that unless one educational program (line/vocation) in the enlarged group of lines of training (EGLT) fails to be accredited, the entire line/vocation included in EGLT is not accredited, either.

At the same time, the quality of training at Russian leading higher educational institutions is determined by the entire range of factors which go far beyond the limits of traditional accreditation requirements. They are related to a certain extent to educational research skills of the academic staff of higher educational institutions. In such a case, special requirements need to be set to the academic and research personnel of such higher educational institutions (for example, the number of foreign professors who conduct training courses on a regular basis, the number of publications in rating journals, the rate of participation of academic and research personnel in international

conferences and seminars, the number of foreign students, the number of online courses on educational platforms and other).

An external (independent) assessment of higher educational institutions compared to state accreditation could be the one based on the national rating (ratings)<sup>1</sup> of higher educational institutions; also it is worthwhile to take into account the listing of a higher educational institution in internationally recognized institutional and subject ratings, as well as ratings of different branches of knowledge.

It is noteworthy that in carrying out accreditation the authorized bodies of executive authorities should be entrusted with responsibilities to ensure networking between different entities of the accreditation system, legal regulation and information support of expert teams.

At present, accreditation of higher educational institutions in the Russian Federation should be based on the following two principles: reputation of a higher educational institution and risk-oriented management. The risk-oriented management proceeds from the practice of the Rosobrnadzor which performs supervising functions and forms a “credit” history of higher educational institutions.

With this approach used, one can single out three groups of higher educational institutions:

1. The leading higher educational institutions are characterized by the following two parameters: a) They are entitled to set their own standards, b) they have a good “credit” history;
2. A group of higher educational institutions which have a “good” credit history;
3. A group of higher educational institutions with a “poor” credit history.

Accordingly, the first group (leading higher educational institutions) receives accreditation with no fixed term. However, this group is required to maintain full information openness.

The second group of higher educational institutions receives accreditation for the term of 12 years and then is accredited in accordance with a simplified procedure which is to be developed.

The third group of higher educational institutions is accredited in conformity with the standard procedure (once in six years).

Also, the national rating of higher educational institutions is to be developed (or it is feasible to utilize the “Three Missions of the University” rating developed by the Lomonosov Moscow State University). The movement within the framework of that rating – upgrading of positions within a period of several years may constitute grounds for a transfer of the higher educational institution to another group (a higher one, but such a transfer should be accompanied by the accreditation procedure). At the same time, in case of a sharp upturn or downturn in the rating, for example, within a year, the Rosobrnadzor has to carry out an inspection (accreditation). Also, a gradual (steady) downturn in the rating (for a few years) should prompt the Rosobrnadzor to subject that higher educational institution to scrutiny (accreditation).

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<sup>1</sup> Such ratings should be prepared by independent institutions with international participation.

Accreditation is to be carried out by renowned experts: they sign the conclusion on the accreditation due diligence. A group of such experts may include internationally renowned scholars. These experts (each expert) are allocated a budget to form a team of experts to carry out a due diligence under their guidance (teams may be different in carrying out accreditation of various higher educational institutions).

The accreditation procedure is based on a different approach to FSES: in each standard a core base (see above) is identified and progress in achieving it checked; simultaneously the development of definite (specified) competences (skills to do teamwork, search for the needed information, command of foreign languages and other) is examined. To check the progress in learning the core base, an open (permanently renewed) fund of evaluation tools is formed to carry out an independent evaluation of students' knowledge.

The above approach fits better international standards and norms established in this sector. Accreditation is aimed sooner at evaluating the progress both in achievement of the educational result and development of the university in compliance with new requirements set by the external environment, rather than formalizing the ultimate educational result.

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