Levels of education according to UNESCO’s International Standard Classification of Education (ISCED 2011)

**Early childhood education (ISCED 0):** Provides learning and educational activities with a holistic approach to support children’s early cognitive, physical, social and emotional development and introduce young children to organised instruction outside of the family context to develop some of the skills needed for academic readiness and to prepare them for entry into primary education. ISCED level 0 is further divided into two sub-levels: ISCED 01 and ISCED 02.

**Early childhood educational development (ISCED 01):** Characterised by a learning environment that is visually stimulating and language-rich. These programmes foster self-expression, with an emphasis on language acquisition and the use of language for meaningful communication. There are opportunities for active play, so that children can exercise their co-ordination and motor skills under supervision and through interaction with staff. Programmes providing only childcare (supervision, nutrition and health) are not covered by ISCED. Early childhood educational development programmes (ISCED level 01) are targeted at children aged 0 to 2 years.

**Pre-primary education (ISCED 02):** Characterised by interaction with peers and educators, through which children improve their use of language and social skills, start to develop logical and reasoning skills, and talk through their thought processes. They are also introduced to alphabetical and mathematical concepts, and encouraged to explore their surrounding world and environment. Pre-primary education programmes (ISCED level 02) are targeted at children aged 3 until the age to start ISCED 1. The upper age limit for the pre-primary education category depends in each case on the theoretical age of entry into ISCED level 1, i.e. primary education.

**Primary education (ISCED 1):** Usually begins at age 5, 6 or 7, and has a typical duration of 6 years. Programmes at ISCED level 1 are normally designed to give students a sound basic education in reading, writing and mathematics, along with an elementary understanding of other subjects such as history, geography, natural science, social sciences, art and music. The commencement of reading activities alone is not a sufficient criterion for classification of an education programme at ISCED 1. Programmes classified at ISCED 1 may be referred to in many ways, for example: primary education, elementary education or basic education (stage 1 or lower grades if an education system has one programme that spans ISCED 1 and 2).
Lower secondary education (ISCED 2): Programmes are designed to lay the foundation across a wide range of subjects and to prepare children and young people for more specialised study at upper secondary and higher levels of education. The beginning – or the end – of lower secondary education often involves a change of school for young students and also a change in the style of instruction. Programmes classified at ISCED level 2 may be referred to in many ways, for example: secondary school (stage one/lower grades), junior secondary school, middle school or junior high school. If a programme spans ISCED levels 1 and 2, the terms elementary education or basic school (second stage/upper grades) are often used.

Upper secondary education (ISCED 3): Programmes are more specialised than those at lower secondary and offer students more choices and diverse pathways for completing their secondary education. The range of subjects studied by a single student tends to be narrower than at lower levels of education, but the content is more complex and the study more in depth. Programmes offered are differentiated by orientation and often by broad subject groups. Programmes classified at ISCED level 3 may be referred to in many ways, for example, secondary school (stage 2/upper grades), senior secondary school or (senior) high school.

General, pre-vocational and vocational education: Programmes at ISCED levels 2 and 3 can also be subdivided into two categories based on the degree to which the programme is specifically oriented towards a specific class of occupations or trades and leads to a labour-market relevant qualification: general programmes and pre-vocational/vocational programmes.

General programmes: Refers to programmes that are not designed explicitly to prepare participants for a specific class of occupations or trades or for entry into further vocational or technical education programmes.

Pre-vocational/vocational programmes: This category encompasses both pre-vocational and vocational education. Pre-vocational education is mainly designed to introduce participants to the world of work and to prepare them for entry into further vocational or technical programmes. Successful completion of such programmes does not lead to a labour-market relevant vocational or technical qualification. Vocational programmes prepare participants for direct entry into specific occupations without further training. Successful completion of such programmes leads to a labour-market relevant vocational qualification.

For further details, see:


Levels of governance and administration

For international comparability, levels of governance and administration are described following a standard terminology. The report may, however, use the particular terms of a specific national context where country approaches are described in greater detail. For example, for Austria, the report may refer to “states” when information is presented in a
comparable format (e.g. for a group of countries with a similar approach or in comparative
tables) or to “provinces” when the Austrian funding system is analysed in greater detail.

Central level: The central level specifies authorities that make decisions or participate
in different aspects of decision making on a national scale. This includes, among others,
the central government, central education, financial and legislative authorities and central
auditing services. All authorities below the central level in administrative terms are
referred to as sub-central authorities at the sub-central level.

State level: The state level refers to the first territorial unit below the nation in federal
countries or countries with similar types of governmental structures. The state level
includes, among others, state governments, state education, financial and legislative
authorities, and state auditing services. In Austria, for example, the state level refers to the
level of the “provinces”. In Belgium, the state level refers to the level of the “Communities”.

Regional level: The region level is the first territorial unit below the national level in
countries that do not have a federal or similar type of governmental structure, and the second
territorial unit below the national level in countries with federal or similar types of
governmental structures. The regional level includes, among others, regional governments,
regional education, financial and legislative authorities, and regional auditing services. In
the Czech Republic and the Slovak Republic, for example, the regional level refers to the “self-
governing regions”. In Spain, the regional level refers to the “Autonomous Communities”.

Local level: The local level corresponds to the smallest territorial unit with a governing
authority, such as municipalities or communities. This includes local governments, local
education, financial and legislative authorities and local auditing services. The local
authority may be the education department within a general-purpose local government or
it may be a special-purpose government whose sole area of authority is education.

Public and private schools

Public: An educational institution is classified as public if it is controlled and managed by
a public education authority or agency, or by a governing body (council, committee, etc.) most
of whose members are either appointed by a public authority or elected by public franchise.

Private: An educational institution is classified as private if it is controlled and
managed by a non-governmental organisation (e.g. a church, a trade union or a business
enterprise, foreign or international agency), or a governing board which consists mostly of
members not selected by a public agency. A private institution can receive public funding
(publicly-subsidised private schools) or not (independent private schools).

Current and capital expenditure

Current expenditure: Current expenditure describes incurred costs with teaching and
learning activities, teachers’ and other educational staff’s salaries, other operating costs and
costs with assets that have a duration of less than one year, except where noted otherwise.
Operating costs refer to expenses associated with the maintenance and administration of a
school on a day-to-day basis (e.g. heating, electricity, small repairs, perishable instructional
materials, etc.).

Capital expenditure: Funding for capital expenditures covers spending on assets that
last longer than one year. It includes funds for construction, renovation or major repairs to
buildings (immovable) as well as on new or replacement instructional and non-instructional
equipment (e.g. furniture, laboratory equipment, computers, etc.).
Allocation mechanisms for current expenditure

Allocation mechanisms describe different approaches to distributing and transferring resources and funds for current expenditure to different levels of governance and administration, to school providers and to individual schools. The mechanisms are primarily based on the level of discretion that the recipient has in deciding on how the funding is used.

**Lump sum:** Consists of funding for the public sector and leaves discretion to sub-central authorities over the proportion allocated to early childhood and school education.

**Block grant:** Consists of funds that recipients (sub-central authorities or schools) can use at their own discretion for current expenditure in early childhood or school education.

**Restricted block grant:** Consists of funds that recipients (sub-central authorities or schools) can use at their own discretion, but within given areas of spending (e.g. operating costs).

**Earmarked grant:** Consists of funds that recipients (sub-central authorities or schools) are required to use for specific elements/items of current expenditure in early childhood or school education (e.g. teacher professional development, extra funds for special needs education).

**School-specific grant:** Consists of funds that sub-central authorities are required to use for current expenditure in specific schools (i.e. the grant specifies the amount of funding allocated to each school).

**Dedicated grant:** Consists of funds which are not administered by the school (e.g. teacher salaries which are directly paid by the relevant authority; operating costs directly paid by the relevant authority). In this case, funds are not transferred to individual schools.

Allocation mechanisms for capital expenditure

**Infrastructure investment programme:** Refers to a specific, usually central or state-level, initiative targeted at infrastructure investment following medium-term development plans or strategies at the national or sector level for a fixed period of time.

**Ad hoc decisions/Ad hoc grant:** Refers to an ad hoc agreement between the public funder and the entities receiving the funds.

**Competition:** Refers to an application process in which individual authorities and/or schools apply for funding for capital expenditure. The authority providing the funding selects the recipients based on the quality of their application as judged against relevant criteria.

Bases for the allocation of funding for current expenditure

The basis for the allocation of funding refers to the method which determines the amount of funding distributed to recipients (sub-central authorities and/or schools).

**Administrative discretion:** Typically refers to administrators’ assessment of the amount of resources that each school needs. It involves decision making about the allocation of funds based on professional judgement and expertise and might involve the use of indicators.

**Funding formula:** Refers to a universally applied rule using objective criteria to establish the amount of resources that the recipient (sub-central authority or individual
school) is entitled to. The relevant authority uses a formally defined procedure (e.g. a mathematical formula with a number of variables and related coefficients) to determine the level of public funds which should be allocated.

**Negotiated process:** Refers to negotiations and agreements between the funding provider and the funding recipient on the amount of funding (e.g. local authorities making a case for additional resources from relevant authority to respond to short-term needs, bargaining between different levels of governance for regular funding allocation).