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CREDIT NUMBER 6438-PK

# **Financing Agreement**

**(Higher Education Development in Pakistan)**

**between**

**ISLAMIC REPUBLIC OF PAKISTAN**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between the ISLAMIC REPUBLIC OF PAKISTAN (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to two hundred eighty-eight million seven hundred thousand Special Drawing Rights (SDR 288,700,000) (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 and Schedule 4 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is one and a quarter percent (1.25%) per annum on the Withdrawn Credit Balance.
- 2.06. The Payment Dates are January 1 and July 1 in each year.

- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Project Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Event of Suspension consists of the following, namely that the Project Implementing Entity's Legislation has been amended, suspended abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
- 4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of thirty (30) days after notice of the event has been given by the Association to the Recipient.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.02. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

### **ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is any of the Secretary, Additional Secretary, Joint Secretary, Deputy Secretary or Section Officer of the Recipient's Economic Affairs Division of the Ministry of Finance, Revenue and Economic Affairs.

6.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

The Secretary  
Economic Affairs Division  
Ministry of Finance, Revenue and Economic Affairs  
Government of Pakistan  
Islamabad,  
Pakistan; and

- (b) the Recipient's Electronic Address is:

Facsimile:                      E-mail:  
  
+92 (51) 910-4016              Secretary@ead.gov.pk

6.03. For purposes of Section 11.01 of the General Conditions:

- (a) The Association's address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America; and

- (b) The Association's Electronic Address is:

Telex:                      Facsimile:                      E-mail:  
  
248423 (MCI)              1-202-477-6391              [CMUPakistan@worldbank.org](mailto:CMUPakistan@worldbank.org)

AGREED as of the Signature Date.

**ISLAMIC REPUBLIC OF PAKISTAN**

**By**



\_\_\_\_\_  
**Authorized Representative**

**Name:** \_\_\_\_\_  
Noor Ahmed

**Title:** \_\_\_\_\_  
Secretary

**Date:** \_\_\_\_\_  
17-Jun-2019

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**



\_\_\_\_\_  
**Authorized Representative**

**Name:** \_\_\_\_\_  
Patchamuthu Illangovan

**Title:** \_\_\_\_\_  
Country Director

**Date:** \_\_\_\_\_  
16-Jun-2019

## **SCHEDULE 1**

### **Project Description**

The objectives of the Project are to support research excellence in strategic sectors of the economy, improve teaching and learning and strengthen governance in the higher education sector.

The Project consists of the following components (“Components”):

#### **Component 1: Nurturing Academic Excellence in Strategic Sectors**

- 1.1 Promoting Innovative and Relevant Research:* (i) Support multisectoral/multidimensional research on specific themes within sectors of national interest through provision of Grand Challenge Fund Grants (“GCF Grants”) to universities; and (ii) support technological research in specific sectors undertaken with academia-industry collaboration to develop marketable products and services through provision of Technology Transfer Support Fund Grants (“TTSF Grants”) to universities, and provision of technical assistance to ORICs on intellectual property.
- 1.2 Encouraging Entrepreneurship and Self-Employment:* (i) Remodel selected Business Incubation Centers (“BICs”) for research commercialization ecosystem development based on mapping and needs assessment and monitor their performance; and (ii) support development of start-ups through provision of Innovator Seed Fund Grants (“ISF Grants”) to students, recent graduates and/or faculty from universities.
- 1.3 Local Challenge Funds:* Support universities to establish and strengthen their research capacities in locally relevant socio-economic issues and/or research addressing any of the Sustainable Development Goals through provision of Local Challenge Fund Grants (“LCF”).

#### **Component 2: Supporting Decentralized Higher Education Institutions for Improved Teaching and Learning**

- 2.1 Strengthening the Affiliation System:* (i) Revise the universities’ affiliation regulations; (ii) establish units within quality enhancement cells of affiliating universities (QECACs), as well as change teams in their public Affiliated Colleges to manage/coordinate the affiliation system and strengthen the affiliation

mechanisms between universities and colleges; and (iii) develop minimum quality standards for QECACs and the public Affiliated Colleges' change teams.

- 2.2 *Bringing Education in Public Affiliated Colleges and Affiliating Universities with International Best Practices:* (i) Facilitate the implementation/roll out of 4-year Bachelor Programs based on semester/credit structures through developing/reviewing standards and specifications, monitoring and evaluating faculty and students' performance and providing support/training to faculty in public Affiliated Colleges for the implementation thereof; (ii) support selected Affiliating Universities by providing integral teaching learning tools (e.g. libraries and reference books, basic laboratory equipment, etc.) as needed for the proper roll-out of the 4-year Bachelor Programs; (iii) monitor the implementation of gender policies against sexual harassment in universities; (iv) develop a new Associate Degrees program structured on a 65-68 credit hour semester system and roll-out of said degree programs in selected public Affiliated Colleges, including development of curricula and provision of training to faculty and management; and (v) support the development and implementation by the National Academy for Higher Education ("NAHE"), directly or through universities' training centers, of a comprehensive capacity building plan for faculty and administrative staff of public Affiliated Colleges and Affiliating Universities on managerial, academic and pedagogical skills required for the roll-out of the revised Associated Degrees and 4-year Bachelor Programs.
- 2.3 *Improving the Relevance of Affiliated Colleges to Support the Local Socio-Economic Landscape:* (i) Support and encourage students, in particular female students and students from disadvantaged backgrounds, to transition from 2-year Associate Degrees to 4-year Bachelor Programs through provision of bridge programs; (ii) pilot assessments of students in public Affiliated Colleges to measure their progress linked to Project activities; (iii) carry out tracer studies to assess the longer-term impact of Project activities on the performance of students of public Affiliated Colleges in the labor market; and (iv) pilot the transformation of selected public Affiliated Colleges into Community Colleges through development of the requisite curriculum and development of staff to increase access to academic, technical and vocational trades learning.
- 2.4 *Connecting Public Affiliated Colleges to Pakistan Education and Research Network:* Support the expansion of Pakistan Education and Research Network ("PERN") to selected public Affiliated Colleges to provide them access to a campus network, and/or free WiFi to staff and students, and/or smart classroom facilities.

### **Component 3: Equipping Students and Higher Education Institutions with Modern Technology**

- 3.1 *Improving the Policy Environment for ICT Use:* (i) Prepare a new ICT strategy for the higher education sector, laying down the overall vision on the use of technology, possible strategies to leverage PERN to develop blended education content, potential technology needs and the pedagogical and didactical model underlying blended learning; and (ii) Review quality assurance and accreditation standards and guidelines to facilitate innovation in the higher education sector.
- 3.2 *Enhancing Pakistan Education and Research Network Activities:* (i) Improve the governance system for PERN, including allocating greater human resources to manage PERN and developing a model to further diversify generation of income to manage and sustain PERN; (ii) facilitate greater control of universities over their campus networks; (iii) improve identity and access management by giving universities identity provider status; and (iv) create a certified pool of master trainers to conduct training programs on PERN network management and service offerings in universities.
- 3.3 *Expanding Pakistan Education and Research Network Vertically:* Expand cloud services under PERN, including expansion of data centers to create storage to enable other cloud services that can be offered through PERN, procurement of high-performance computing cluster for research purposes, and development of a platform for blended learning in universities.

### **Component 4: Higher Education Management Information System and Data Driven Services**

- 4.1 *HEC's Data Repository:* Design and implement a web-based data system holding information on key variables on students, enrolments, staff, financials and facilities in universities.
- 4.2 *Digitization of University Administration:* (i) Implement a cloud-based enterprise resource planning system to manage universities' human resources, finances and procurement tasks; and (ii) establish and implement a digital student administration package that manages the student lifecycle, including the admissions, registrar function, alumni relations and student scholarship/aid functions.



**Component 5: Capacity Building through Partnerships, Project Management, Monitoring and Evaluation**

- 5.1 *Capacity Building:* (i) Develop/establish the National Academy of Higher Education; (ii) develop quality standards for standardization of teaching/learning, institutional effectiveness and good governance in higher education; and (iii) establish university partnerships and twinning arrangements with international universities for a sustained transfer of knowledge and expertise and enhance the capacity of HEI's faculty members and management staff in research and development and entrepreneurship.
- 5.2 *Regulation of Higher Education Sector:* Develop criteria for the award of autonomy status to qualifying universities, including granting preferential status for accessing HEC's research and support funding, establishing new programs and/or determining own curricula, and independently awarding tenure to faculty.
- 5.3 *Universities Funding:* (i) Help universities to devise marketing, outreach and donor recognition plans; (ii) design and execute a comprehensive capacity building program for universities to develop and implement fundraising and income generating activities, and (iii) assist the universities in developing medium/long term (5-10 years) strategic plans for fundraising and income generation activities.
- 5.4 *Project Management:* Build the institutional capacity of HEC and its PCU, NAHE, the Affiliating Universities and their QECACs, ORICs, BICs, the Affiliated Colleges and their change teams, and/or any other relevant HEIs responsible for Project implementation, through the provision of technical assistance and equipment.
- 5.5 *Monitoring & Evaluation:* Carry out Project monitoring and evaluation, verification of DLIs/DLRs, including through third party verification agency, and undertaking or commissioning of studies.

## **SCHEDULE 2**

### **Project Execution**

#### **Section I. Implementation Arrangements**

##### **A. Budgetary Appropriation for the Credit**

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity in accordance with the provisions of this Agreement and the Recipient's policies and budgetary procedures.
2. Notwithstanding the provisions of paragraph 1 above, in the event that any of the provisions of this Agreement, including the instructions that the Association shall have specified by notice to the Recipient pursuant to Section 2.01(b) of the General Condition (including the Disbursement and Financial Information Letter), were inconsistent with the budgetary procedures of the Recipient, the provisions of this Agreement and related instructions shall govern.

#### **Section II. Project Monitoring, Reporting and Evaluation**

The Recipient shall ensure that the Project Implementing Entity furnishes to the Association each Project Report not later than fort-five (45) days after the end of each calendar semester, covering the calendar semester.

#### **Section III. Withdrawal of the Proceeds of the Financing**

##### **A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to: (a) finance Eligible Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Eligible Expenditures Program under Components 1, 2 and 4 of the Project	39,700,000	100%
(2) Eligible Expenditures Program under Components 1, 2 and 4 of the Project	193,400,000	100%
(3) Goods, works, consulting services, non-consulting services, Training and Incremental Operating Costs under Components 3 and 5 of the Project	55,600,000	100%
<b>TOTAL AMOUNT</b>	<b>288,700,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) under Categories (1) and (2), until and unless the Project Implementing Entity has adopted the Operations Manual pursuant to Section I.B of the Schedule to the Project Agreement, in a manner and substance satisfactory to the Association;
  - (c) under Category (2), until and unless the Recipient and/or the Project Implementing Entity, as the case may be, has/have:
    - (i) complied with the instructions under the Disbursement and Financial Information Letter and any additional instructions specified in accordance with Section 2.01(b) of the General Conditions, including the submission to the Association of the applicable interim unaudited financial reports and budget execution reports for the EEP evidencing the incurrence of Eligible Expenditures for which payment is requested; and

- (ii) furnished evidence satisfactory to the Association that the DLR(s) for which payment is requested has/have been achieved.

2. Notwithstanding the provisions of Part B.1(c) of this Section III:

- (a) if, with respect to any DLR(s), the Association is not satisfied that such DLR(s) has/have been fully achieved by the end of the DLR Period corresponding to such DLR in the table in Schedule 4 to this Agreement, then the Association may, at any time, by notice to the Recipient, decide to: (i) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to such DLR(s), which, in the opinion of the Association, corresponds to the extent of achievement of said DLR(s), said lesser amount to be calculated in accordance with the formula set out for the Allocated Amounts for said DLR(s) in the table in Schedule 4; (ii) upon consultation with the Recipient reallocate all or a portion of the proceeds of the Financing then allocated to such DLR(s) to any other DLIs and/or DLR(s); and/or (iii) cancel all or a portion of the proceeds of the Financing then allocated to such DLR(s); and
- (b) the amounts to be disbursed upon submission of any withdrawal application under Category (2) for the achievement of DLR(s) shall be determined by the addition of all Allocated Amounts, or eligible disbursement portion determined by the applicable formula in the case of Scalable DLRs, corresponding to all DLR(s) met and verified at the date of submission of the withdrawal application, netted of the aggregate amounts disbursed under Categories (1) and (2) above, as of the date of such submission..
- (c) if, at any time, the Association determines that any amounts of the Financing were withdrawn without evidence of actual spending by the Project Implementing Entity under the EEP or without evidence of satisfaction of other criteria set forth in this Agreement, the Recipient shall refund any such amounts to the Association as the Association shall specify by notice to the Recipient.

3. The Closing Date is June 30, 2024.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each January 1 and July 1:	
commencing July 1, 2024 to and including January 1, 2044	<b>1.65%</b>
commencing July 1, 2044 to and including January 1, 2049	<b>3.40%</b>

\* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

**SCHEDULE 4**

**Disbursement Linked Indicators, Disbursement Linked Results and Allocated Amounts**

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
<b>1. Number of Competitive Research Grants and ISF Grant awarded</b>	HEC has developed and adopted an Operations Manual for the Project which includes the grant funding mechanism for the Competitive Research Grants and ISF Grants.*	(i) HEC has awarded a total of 75 Competitive Research Grants (25 GCF Grants, 35 TTSTF Grants and 15 LCF Grants);**and (ii) HEC has awarded 15 ISF Grants .**	(i) HEC has awarded additional 75 Competitive Research Grants, over and above those awarded in Year 2 (25 GCF Grants, 35 TTSTF Grants and 15 LCF Grants);** and (ii) HEC has awarded additional 15 ISF Grants, over and above those awarded in Year 2.**	HEC has awarded additional 15 ISF Grants, over and above those awarded in Years 2 and 3.**	
<i>Allocated Amounts</i>	US\$1 million	(a) (i) US\$21.5 million for GCF Grants of which US\$8.6 million upon the first 10 GCF Grants awarded, and thereafter US\$860,000 for each additional	(a) (i). US\$21.5 million for GCF Grants of which US\$8.6 million for the first 10 GCF Grants awarded, and thereafter US\$860,000 for each additional	US\$2 million of which US\$1.09 million for the first 8 ISF Grants awarded, and thereafter US\$130,000 for each additional ISF Grant awarded.	

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
		<p>GCF Grant awarded; (ii) US\$5 million for TTSF Grants of which US\$2.1435 million for the first 15 TTSF Grants awarded, and thereafter US\$142,825 for each additional TTSF Grant awarded; and (iii) US\$4 million of which US\$2.18 million for the first 8 LCF Grants awarded, and thereafter US\$260,000 for each additional LCF Grant awarded.</p> <p>(b) US\$2 million of which US\$1.09 million for the first 8 ISF Grants awarded, and thereafter US\$130,000 for each additional ISF Grant awarded.</p>	<p>GCF Grant awarded; (ii) US\$5 million for TTSF Grants of which US\$2.1435 million for the first 15 TTSF Grants awarded, and thereafter US\$142,825 for each additional TTSF Grant awarded; and (iii) US\$4 million of which US\$2.18 million for the first 8 LCF Grants awarded, and thereafter US\$260,000 for each additional LCF Grant awarded.</p> <p>(b) US\$2 million of which US\$1.09 million for the first 8 ISF Grants awarded, and thereafter US\$130,000 for each additional ISF Grant awarded.</p>		
<b>2. Outcomes achieved under the</b>			30 Competitive Research Grants	(i) 40 Competitive Research Grants	(i) 60 Competitive Research Grants

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
<b>Competitive Research Grants awarded under the Project</b>			awarded in Year 2 have achieved 30 percent of their outcome targets.**	awarded in Year 2 have achieved 60 percent of their outcome targets**; and (ii) 30 Competitive Research Grants awarded in Year 3 have achieved 30 percent of their outcome targets.**	awarded in Year 2 have achieved 80 percent of their outcome targets**; and (ii) 40 Competitive Research Grants awarded in Year 3 have achieved 60 percent of their outcome targets.**
<i>Allocated Amounts</i>			US\$7.25 million of which US\$4.8 million upon achievement of outcome targets for at least 20 Year 2- Competitive Research Grants; and thereafter US\$245,000 for each additional Competitive Research Grant reaching the outcome targets.	(a) US\$11.5 million of which US\$8.625 million upon achievement of outcome targets for at least 30 Year 2- Competitive Research Grants; and thereafter US\$287,500 for each additional Year 2 - Competitive Research Grant reaching the outcome target;	(a) US\$ 20.5 million of which US\$13.66 million upon achievement of outcome targets for at least 40 Year 2 - Competitive Research Grants; and thereafter US\$342,000 for each additional Year 2 Competitive Research Grant reaching the outcome targets;



DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
				(b) US\$7.25 million of which US\$4.8 million upon achievement of outcome targets for at least 20 Year 3-Research Competitive Grants; and thereafter US\$245,000 for each additional Year 3 Competitive Research Grant reaching the outcome targets.	(b) US\$11.5 million of which US\$8.625 million upon achievement of outcome target for at least 30 Year 3 Competitive Research Grants; and thereafter US\$270,000 for each additional Year 3-Competitive Research Grants reaching the outcome targets.
<b>3. Number of functional QECACs in Affiliating Universities (AU).</b>	3 AUs have functional QECACs.**	An additional 3 AUs, over and above those counted for Year 1 target, have functional QECACs.**	An additional 4 AUs, over and above those counted for Years 1 and 2 targets, have functional QECACs.**	An additional 5 AUs, over and above those counted for Years 1, 2 and 3 targets, have functional QECACs.**	An additional 5 AUs over and above those counted for Years 1, 2, 3 and 4 targets, have functional QECACs.**
<i>Allocated Amounts</i>	US\$3 million of which US\$1 million for each functional QECAC	US\$3 million of which US\$1 million for each functional QECAC	US\$4 million of which US\$1 million of each functional QECAC	US\$5 million of which US\$1 million of each functional QECAC	US\$5 million of which US\$1 million of each functional QECAC
<b>4. Development and implementation of</b>	HEC has carried out a needs assessment study for developing New	5 New Associate Degree Programs have been developed by HEC in accordance	(i) 60 Affiliated Colleges have enroled the first cohort of students in at least one	(i) Additional 70 Affiliated Colleges, over and above those considered for Year 3	(i) Additional 70 Affiliated Colleges, over and above those considered for Year

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
<b>Associate Degree programs</b>	Associate Degree Programs.*	with international best practices.**	of the New Associate Degree Programs developed in Year 2;**  (ii) Additional 5 New Associate Degree Programs, over and above those accounted for Year 2 target, have been developed by HEC in accordance with international best practices.**	target, have enrolled the first cohort of students in at least one of the New Associate Degree Programs developed in Years 2 and 3;**  (ii) Additional 5 New Associate Degree Programs, over and above those accounted for Years 2 and 3 targets, have been developed by HEC in accordance with international best practices.**	3and 4 targets, have enrolled the first cohort of students in at least one of the New Associate Degree Programs developed in Years 2, 3 and 4;**  (ii) Additional 5 New Associate Degree Programs, over and above those accounted for Years 2, 3 and 4 targets, have been developed by HEC in accordance with international best practices.**
<i>Amounts Allocated</i>	US\$500,000	US\$2.5 million of which US\$0.5 million for each New Associate Degree Program developed.	US\$4.3 million of which: (a) US\$30,000 per Affiliated College upon achievement of at least 50% of the target (i); and (b) US\$0.5 million for each New Associate Degree Program	US\$4.6 million of which: (a) US\$30,000 per Affiliated College upon achievement of at least 50% of the target (i); and (b) US\$0.5 million for each New Associate Degree Program	US\$4.6 million of which: (a) US\$30,000 per Affiliated College upon achievement of at least 50% of the target (i); and (b) US\$0.5 million for each New Associate Degree Program

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
			developed for target (ii).	developed for target (ii).	developed for target (ii).
<b>5. Implementation of 4-year Bachelor Programs</b>	19 Affiliated Colleges have enrolled the first cohort of students in a 4-year Bachelor Program.**	Additional 19 Affiliated Colleges, over and above those considered for Year 1 target, have enrolled the first cohort of students in a 4-year Bachelor Program.**	Additional 19 Affiliated Colleges, over and above those considered for Years 1 and 2 targets, have enrolled the first cohort of students in a 4-year Bachelor Program.**	Additional 19 Affiliated Colleges, over and above those considered for Years 1, 2 and 3 targets, have enrolled the first cohort of students in a 4-year Bachelor Program.**	Additional 19 Affiliated Colleges, over and above those considered for Years 1, 2, 3 and 4 targets, have enrolled the first cohort of students in a 4-year Bachelor Program.**
<i>Allocated Amounts</i>	US\$1.875 million	US\$1.875 million	US\$1.875 million	US\$2.1875 million	US\$2.1875 million
<b>6. Development and implementation of Skills Courses for Community Colleges</b>	HEC has carried out a needs assessment study for the development of Skills Courses.*	HEC has developed 5 Skills Courses.**	(i) 6 Community Colleges have implemented at least one of the Skills Courses developed in Year 2**; (ii) HEC has developed additional 5 Skills Courses, over and above those accounted for Year 2 target.**	(i) Additional 7 Community Colleges, over and above those considered for Year 3 target, have implemented at least one of the Skills Courses developed in Years 2 and 3**; (ii) HEC has developed additional 5 Skills Courses, over and above those accounted for Year 2 target.**	(i) Additional 7 Community Colleges, over and above those considered for Year 3 and 4 targets, have implemented at least one of the Skills Courses developed in Years 2, 3 and 4**; (ii) HEC has developed additional 5 Skills Courses, over and above those accounted for Years 2, 3 and 4 targets.**

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
<i>Allocated Amounts</i>	US\$500,000	US\$2.5 million of which US\$0.5 million for each Skills Course developed.	US\$4.3 million of which: (a) US\$0.3 million for each Community College for target (i); and (b) US\$0.5 million for each Skill Course developed for target (ii).	US\$4.6 million of which: (a) US\$0.3 million for each Community College for target (i); and (b) US\$0.5 million for each Skill Course developed for target (ii).	US\$4.6 million of which: (a) US\$0.3 million for each Community College for target (i); and (b) US\$0.5 million for each Skill Course developed for target (ii).
<b>7. Proportion of faculty and staff trained.</b>	10% of faculty and staff of public Affiliating Universities and public Affiliated Colleges implementing New Associate Degree Programs and 4-year Bachelor Programs have been trained.***	An additional 20% of faculty and staff of public Affiliating Universities and public Affiliated Colleges implementing New Associate Degree Programs and 4-year Bachelor Programs, over and above the 10% required under Year 1 target, have been trained.***	An additional 20% of faculty and staff of public Affiliating Universities and public Affiliated Colleges implementing New Associate Degree Programs and 4-year Bachelor Programs], over and above the cumulative 30% required under Years 1 and 2 targets, have been trained.***	An additional 20% of faculty and staff of public Affiliating Universities and public Affiliated Colleges implementing New Associate Degree Programs and 4-year Bachelor Programs, over and above the cumulative 50% required under Years 1, 2 and 3 targets, have been trained.***	An additional 10% of faculty and staff of public Affiliating Universities and public Affiliated Colleges implementing New Associate Degree Programs and 4-year Bachelor Programs, over and above the cumulative 70% required under Years 1, 2, 3 and 4 targets, have been trained.***
<i>Amounts Allocated</i>	Upon achievement of at least 50% of the target, US\$175,000 for each	Upon achievement of at least 50% of the target, US\$175,000 for	Upon achievement of at least 50% of the target, US\$175,000 for	Upon achievement of at least 50% of the target, US\$175,000 for	Upon achievement of at least 50% of the target, US\$175,000 for

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
	percentage point of staff and faculty trained, up to US\$1.75 million.	each percentage point of staff and faculty trained, up to US\$3.5 million.	each percentage point of staff and faculty trained, up to US\$3.5 million.	each percentage point of staff and faculty trained, up to US\$3.5 million.	each percentage point of staff and faculty trained, up to US\$1.75 million.
<b>8. Expansion of Pakistan Education Research Network (“PERN”)</b>	<p>(i) 75 additional HEIs, over and above those considered as baseline, have been connected to PERN**;</p> <p>(ii) 15 additional HEIs, over and above those considered as baseline, offer campus-wide Eduroam**; and</p> <p>(iii) 21 HEIs have established smart classrooms.**</p>	<p>(i) 90 additional HEIs, over and above those considered as baseline plus those required in Year 1, have been connected to PERN**;</p> <p>(ii) 15 additional HEIs, over and above those considered as baseline plus those required in Year 1, offer campus-wide Eduroam**; and</p> <p>(iii) 26 additional HEIs, over and above those required in Year 1, have established smart classrooms.**</p>	<p>(i) 75 additional HEIs, over and above those considered as baseline plus those required in Years 1 and 2, have been connected to PERN**;</p> <p>(ii) 20 additional HEIs, over and above those considered as baseline plus those required in Years 1 and 2, offer campus-wide Eduroam**; and</p> <p>(iii) 23 additional HEIs, over and above those required in Years 1 and 2, have established smart classrooms.**</p>	<p>60 additional HEIs, over and above those considered as baseline plus those required in Years 1, 2 and 3, have been connected to PERN.**</p>	
<i>Allocated Amounts</i>	US\$12.9 million of which:	US\$15.25 million of which:	US\$13.45 million of which:	US\$140,000 per additional HEI	

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
	(a) US\$140,000 for each additional HEI connected to PERN; (b) US\$90,000 for each additional HEI offering campus-wide Eduroam; and (c) US\$50,000 for each HEI with established smart classroom(s).	(a) US\$140,000 for each additional HEI connected to PERN; (b) US\$90,000 for each additional HEI offering campus-wide Eduroam; and (c) US\$50,000 for each HEI with established smart classroom(s).	(a) US\$140,000 for each additional HEI connected to PERN; (b) US\$90,000 for each additional HEI offering campus-wide Eduroam; and (c) US\$50,000 for each HEI with established smart classroom(s).	connected to PERN up to US\$ 8.4 million.	
<b>9. Universities digitizing their administration</b>	(i) HEC has established a central Data Repository**; and (ii) 10 universities have piloted a digitized administration.**	(i) Universities have directly fed data into HEC's Data Repository using a web-based reporting system**; and (ii) Additional 10 universities, over and above those counted in Year 1, have piloted the digitized administration.**	(i) HEC has produced and published an annual report using the information derived from its Data Repository**; and (ii) Additional 10 universities, over and above those counted in Years 1 and 2, have migrated their administration to a digitized system.**	(i) HEC has published a second annual report and a strategic plan, leveraging data from the its Data Repository**; and (ii) Additional 10 universities, over and above those counted in Years 1, 2 and 3, have migrated their administration to a digitized system.**	(i) HEC has published a third an annual report using information derived from its Data Repository**; and (ii) Additional 10 universities, over and above those counted in years 1, 2, 3 and 4, have migrated their administration to a digitized system.**
<i>Allocated Amounts</i>	(a) US\$ 7 million upon the establishment of	(a) US\$ 7 million upon the verification	(a) US\$ 7 million upon publication of	(a) US\$ 7 million upon publication of	(a) US\$ 7 million upon publication of HEC's

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	RESULTS EXPECTED TO BE ACHIEVED BY YEAR 1	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 2	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 3	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 4	RESULTS EXPECTED TO BE ACHIEVED IN YEAR 5
	HEC's central data system; and (b) US\$7 million upon achievement of target (ii).	of data being fed directly into HEC Data Repository; and (b) US\$7 million upon achievement of target (ii).	HEC's annual report; and (b) US\$7 million upon achievement of target (ii).	HEC's second annual report and the strategic plan; and (b) US\$7 million upon achievement of target (ii).	third annual report; and (b) US\$7 million upon achievement of target (ii).

\*These DLRs are time-bound and shall be achieved in the Year in which the DLRs have been listed.

\*\* These DLRs shall be achieved in the Year in which they are expected to be achieved, or up to the earlier of: (a) twelve (12) months later than the expected Year of achievement, or (b) the Closing Date.

\*\*\* These DLRs shall be achieved in the Year in which they are expected to be achieved, or up to the earlier of : (a) twenty four (24) months later than the expected Year of achievement, or (b) the Closing Date.

## **APPENDIX**

### **Definitions**

1. “Affiliated College” means a public higher education institution offering Associated Degrees and 4-year Bachelor Program, operating under the dual management control of the respective provincial governments in which the institution is located (for administrative matters) and the academic supervision of an Affiliating University to which is has been affiliated.
2. “Affiliating University” and the acronym “AU” mean a public or private university or degree awarding institution operating under the regulatory purview of HEC, which has established an affiliation relationship with one or more Affiliated Colleges.
3. “Allocated Amount” means the amount allocated to each individual DLR, or determined for each DLR pursuant to the respective formula set forth in the respective row for each DLI in the table provided in Schedule 4 to this Agreement.
4. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
5. “Associate Degree” means a two-year college degree offered in Affiliated Colleges.
6. “Business Incubation Center” and the acronym “BIC” mean a center established within a university to provide incubation support to startups and/or startup ideas, including through trainings on business plan development, marketing, enterprise management and proposal writing.
7. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
8. “Community Colleges” means collectively the Affiliated Colleges offering 2 year degrees focused on developing market-driven technical and vocational skills.
9. “Competitive Research Grants” means, collectively, the GCF Grants, the TTSTF Grants and the LCF Grants.



10. “Component” means each of the individual parts of the Project entitled: “Component 1: Nurturing Academic Excellence in Strategic Sectors,” “Component 2: Supporting Decentralized Higher Education Institutes for Improved Teaching and Learning,” “Component 3: Equipping Students and Higher Education Institutions with Modern Technology,” “Component 4: Higher Education Management Information System and Data Driven Services,” and “Component 5: Capacity Building through Partnerships, Project Management, and Evaluation.”
11. “Data Repository” means the centralized, national-level web-based data repository system to be established and administered by HEC under Component 4.1 of the Project, for purposes of: (i) monitoring and evaluating the performance of the Recipient’s higher education system; and (ii) planning of, and evidence-based decision-making on, sectoral strategies and interventions.
12. “Disbursement-Linked Indicator” and the acronym “DLI” mean each of the disbursement-linked indicators set forth in the first column of the table provided in Schedule 4 to this Agreement.
13. “Disbursement-Linked Result” and the acronym “DLR” mean each of the disbursement-linked targets/results set forth in columns second to sixth of the table provided in Schedule 4 to this Agreement.
14. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impact on the livelihoods of such persons.
15. “DLR Period” means, in respect of any DLR, the period specified in the table provided in Schedule 4 to this Agreement, within which such DLR is set to be achieved.
16. “EAD” means the Economic Affairs Division of the Recipient’s Ministry of Finance, Revenue and Economic Affairs, or any successor thereto.
17. “Eduroam” means is a trademarked global service provided by PERN that enables students, researchers and staff from participating HEIs to obtain Internet connectivity across campus and when visiting other participating HEIs.

18. “Eligible Expenditures Program” and the acronym “EEP” means collectively, incurred by HEC, the Affiliating Universities, the Affiliated Colleges and/or the Grant Recipients as a result of the implementation of Project activities (including the GCF Grants, TTSF Grants, ISF Grants or LCF Grants) and to be recorded by HEC under the Budget/Account Codes ID 5850, ID5867, (sub-codes IU003 to IU0073; Z0211209 to Z0211273); ID5914 (sub-coded PR0001 to PR0052; Z0211303 to Z0211345); ID5940 (sub-codes Z0211501 to Z0211503); ID5042 (sub-codes DL 0001 to DL 0024; Z0211750 to Z0211760) and ID 93101-A05270 (for the GCF Grants, TTSF Grants, ISF Grants or LCF Grants) .
19. “Environmental and Social Cell” means the unit within the PCU to be established and maintained by the Project Implementing Entity pursuant to Section I.E.4 of the Schedule to the Project Agreement.
20. “Environmental and Social Management Framework” and the acronym “ESMF” mean the environmental and social management framework prepared and adopted by the Project Implementing Entity, satisfactory to the Association and disclosed on the Association’s website on April 23, 2019, setting forth the guiding principles, acceptable standards and procedures (including organizational arrangements, consultation protocols and budgetary allocations) for: (a) the screening and assessment of the potential adverse environmental and social impacts (*inter alia*, health and safety issues, impacts on natural habitat, forests, and pest management) of Project activities, including those arising from the implementation of the GCF Grants, TTSF Grants, ISF Grants or LCF Grants; and (b) the preparation, whenever required, of the relevant ESMP(s), as such framework may be amended from time to time with the prior written concurrence of the Association.
21. “Environmental and Social Management Plan” and the acronym “ESMP” means each activity-specific the environmental and social management plan prepared, or to be prepared, by the Project Implementing Entity and/or the Grant Recipients pursuant to the provisions of the ESMF, and disclosed, or to be disclosed, on the respective Project sites, setting forth the measures to be taken during the implementation and operation of the relevant activities/assets financed under the Project (including any assets or activities financed under GCF Grants, TTSF Grants, ISF Grants or LCF Grants) in order to avoid, minimize, mitigate or offset their potential adverse environmental and social impacts (including health and safety issues), or to reduce them to acceptable levels, together with adequate budget, institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as such plan may be amended from time to time with the prior written concurrence of the Association.

22. “Fiscal Year” or “FY” means the Recipient’s and the Project Implementing Entity’s fiscal year, which begins on July 1 of each calendar year and ends on June 30 of the next calendar year.
23. “4-year Bachelor Programs” means a four-year degree offered in Affiliated Colleges and Affiliating Universities with 8 semesters and about 120 credits to complete.
24. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018.
25. “Grand Challenge Fund Grant” and the acronym “GCF Grant” means a grant provided by the Project Implementing Entity under Component 1.1.(i) of the Project to support large and multisectoral/multidimensional research projects, under the terms and conditions and subject to the eligibility criteria set forth in the Operations Manual, and to be awarded in accordance with Section I.C of the Schedule to the Project Agreement.
26. “Grant Agreement” means each of the written agreement to be entered by the Project Implementing Entity with Grant Recipients for the award of a GCF Grant, TTSTF Grant, ISF Grant or LCF Grant, as the case may be, pursuant to Section I.C.3 of the Schedule to the Project Agreement.
27. “Grant Recipient” means any awardee(s)/recipient(s) of a GCF Grant, TTSTF Grant, ISF Grant or LCF Grant, selected pursuant to the criteria set forth in the Operations Manual.
28. “HEC” means the Recipient’s Higher Education Commission, established pursuant to the Project Implementing Entity’s Legislation.
29. “Higher Education Institutions” and the acronym “HEIs” mean, collectively, the higher education institutions awarding tertiary education degrees (including universities, degree awarding institutions, colleges, community colleges, etc.) falling within the purview of the HEC and/or the departments responsible for higher education system in the respective province.
30. “ICT” means information, communication and technology.
31. “Incremental Operating Costs” means Project-related costs incurred by the Project Implementing Entity in connection with office rental, office consumables,

utility fees, operation and maintenance of office equipment and vehicles, bank charges, advertising, media projections, newspaper subscriptions, periodicals, printing and stationery costs incurred for the Project, in-country travel costs, boarding/lodging and per-diems for Project staff, and salaries of contractual staff (other than consultants) required for Project management, but excluding salaries of civil servants.

32. “Independent Verification Agent(s)” means the entity/ies (consulting firm/s) to be hired by the Project Implementing Entity pursuant to Section I.D of the Schedule to the Project Agreement for purposes carrying out the verification of DLRs in accordance with the verification protocol agreed between the Association and the Project Implementing Entity.
33. “Indigenous Peoples” means any distinct, vulnerable, social and cultural group within the territory of the Recipient, that: (i) self-identifies as such and claims, and is recognized by others as, having a distinguishable cultural identity; (ii) has collective attachment to geographically distinct habitats or ancestral territories in the Project area, and to the natural resources in these habitat and territories; (iii) has customary cultural, economic, social and political institutions that are separate from those of the dominant society and culture; and (iv) has an indigenous language, often different from the official language of the Recipient.
34. “Innovator Seed Fund Grant” and the acronym “ISF Grant” means a grant provided by the Project Implementing Entity under Component 1.2(ii) of the Project, to support the commercialization of services or products or the incubation of start-ups, under the terms and conditions and subject to the eligibility criteria set forth in the Operations Manual, and awarded in accordance with Section I.C of the Schedule to the Project Agreement.
35. “IPP” means each of the indigenous peoples plan prepared and adopted by the Project Implementing Entity and or the Grant Recipients pursuant to Section I.E2 of the Schedule to the Project Agreement and in conformity with the IPPF, which plan shall set forth the principles, procedures organizational arrangements and budget to implement Project activities affecting Indigenous Peoples, and to insure the Indigenous Peoples may benefit from the Project in culturally and socially compatible manner.
36. “IPPF” means the indigenous peoples planning framework prepared and adopted by the Project Implementing Entity, satisfactory to the Association, and disclosed on the Association’s website on April 23, 2019, which sets out the principles, organizational arrangements (including consultation, budget and disclosure), and design criteria to be applied to the screening of Project activities (including the GCF Grants, TTSF Grants, ISF Grants or LCF Grants) which affect, or may affect,

the Indigenous Peoples, for purposes of preparing, whenever applicable, the respective IPPs, as such framework may be amended from time to time with the prior written agreement of the Association.

37. “Local Challenge Fund Grant” and the acronym “LCF Grant” means a grant provided by the Project Implementing Entity under Component 1.3 of the Project to strengthen research for solution for pressing socio-economic problem within the locality of the Grant Recipient, under the terms and conditions and subject to the eligibility criteria set forth in the Operations Manual, and awarded in accordance with Section I.C of the Schedule to the Project Agreement.
38. “MoF” means the Recipient’s Ministry of Finance, Revenue and Economic Affairs, or any successor thereto.
39. “MoFEPT” means the Recipient’s Ministry of Federal Education and Professional Training, or any successor thereto.
40. “National Academy for Higher Education” and the acronym “NAHE” mean the institution proposed to be established under the Project under the auspices of HEC to plan and undertake training and capacity building activities for faculty and staff of HEIs.
41. “New Associate Degree Program” means each of the Associate Degree programs to be developed by the Project Implementing Entity pursuant to Component 2.2.(iv) of the Project and referred to in DLI/DRLs #4 in Schedule 4 to this Agreement.
42. “Operations Manual” means the manual to be prepared by the Project Implementing Entity pursuant to Section I.B of the Schedule to the Project Agreement.
43. “ORIC” means each of the offices of research and innovation and commercialization established within a university to serve as a pivotal point for the development of research proposals for the commercialization of research products.
44. “Pakistan Education and Research Network” and the acronym “PERN” mean a fiber-optic network administered/sponsored by HEC that intended to connect all HEIs, providing both an internet connection and online services to facilitate teaching, learning and research.

45. "PD&R" means the Recipient's Ministry of Planning, Development and Reform, or any successor thereto.
46. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
47. "Project Coordination Unit" and the acronym "PCU" mean the unit to be established by the Project Implementing Entity pursuant to Section I.A(b) of the Schedule to the Project Agreement.
48. "Project Implementing Entity" means the HEC.
49. "Project Implementing Entity's Legislation" means the Recipient's Higher Education Commission Ordinance 2002, as amended to the date of this Agreement.
50. "QECAC" means the units to be established under Component 2.1 of the Project within the quality enhancement cell of Affiliating Universities to be responsible for monitoring the affiliation and enforcing the affiliation requirements and academic standards of the respective Affiliated Colleges.
51. "Safeguard Documents" means, collectively, the ESMF, IPPF, IPP(s) and ESMP(s).
52. "Scalable DLRs" means, collectively, all such DLRs whose Allocated Amounts, in Schedule 4 to this Agreement, provide a formula for determining/calculating the corresponding amounts to be disbursed in proportion to the level of achievement of the respective DLRs stated targets.
53. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
54. "Skills Courses" means 2-year degree courses offered by Community Colleges focused on technical and vocational skills.
55. "Steering Committee" means the committee to be established by the Project Implementing Entity pursuant to Section I.A(a) of the Schedule to the Project Agreement.

56. “Sustainable Development Goals” means the seventeen developmental goals proposed and adopted by the United Nations (“UN”) members in 2015 as part of the UN 2030 agenda for sustainable development.
57. “Technology Transfer Support Fund Grant” and the acronym “TTSF Grant” means a grant provided by the Project Implementing Entity under Component 1.1(ii) of the Project, to support promising technological research on existing prototypes or advance models for industrialization/commercialization in specific sectors, under the terms and conditions and subject to the eligibility criteria set forth in the Operations Manual, and awarded in accordance with Section I.C of the Schedule to the Project Agreement.
58. “Training” means the reasonable costs of training, workshops and conferences conducted in the territory of the Recipient, or, subject to prior approval by the Association, attended abroad by the Project Implementing Entity’s officials and staff in connection with the Project, including the purchase and publication of materials, rental of facilities, course fees and travel and subsistence of trainees.
59. “Year 1” means the first year of implementation of Project activities, expected to take place in the Fiscal Year 2019/20 in order to achieve the results shown in the second column of the table in Schedule 4 to this Agreement.
60. “Year 2” means the second year of implementation of Project activities, expected to take place in the Recipient’s Fiscal Year 2020/21 in order to achieve the results shown in the third column of the table in Schedule 4 to this Agreement.
61. “Year 3” means the third year of implementation of Project activities, expected to take place in the Recipient’s Fiscal Year 2021/22 in order to achieve the results shown in the fourth column of the table in Schedule 4 to this Agreement.
62. “Year 4” means the fourth year of implementation of Project activities, expected to take place in the Recipient’s Fiscal Year 2022/23 in order to achieve the results shown in the fifth column of the table in Schedule 4 to this Agreement.
63. “Year 5” means the fourth year of implementation of Project activities, expected to take place in the Recipient’s Fiscal Year 2023/24 in order to achieve the results shown in the sixth column of the table in Schedule 4 to this Agreement.