



Program Information Document (PID)

Concept Stage | Date Prepared/Updated: 07-Jun-2018 | Report No:

**BASIC INFORMATION****A. Basic Program Data**

Country Pakistan	Project ID P161386	Parent Project ID (if any)	Program Name Assisting Governance and Access in Higher Education for Quality Enhancement
Region SOUTH ASIA	Estimated Appraisal Date 08-Feb-2019	Estimated Board Date 30-Apr-2019	Does this operation have an IPF component? Yes
Financing Instrument Program-for-Results Financing	Borrower(s) Islamic Republic of Pakistan	Implementing Agency Higher Education Commission	Practice Area (Lead) Education

Proposed Program Development Objective(s)

To improve teaching and learning for employable mid-level skills at participating institutions and strengthen research activities in strategic sectors of the economy.

COST & FINANCING**SUMMARY (USD Millions)**

Government program Cost	1,180.00
Total Operation Cost	200.00
Total Program Cost	185.00
IPF Component	15.00
Total Financing	1,180.00
Financing Gap	-980.00

FINANCING (USD Millions)

Total World Bank Group Financing	200.00
World Bank Lending	200.00

For Official Use Only



Total Government Contribution

980.00

B. Introduction and Context

Country Context

Pakistan is a lower middle income country with a gross per capita income of USD 1,510. Recent population census estimates put the population of Pakistan at about 209 million people, which according to Pakistan’s Vision 2025, is projected to grow to over 225 million by 2025 and will comprise mostly of youth (63% below the age of 30). Over the last 40 years, the country has experienced a major demographic transition, illustrated by high fertility rates from the 1960s to the mid-1980s, and a progressive decrease in fertility rates and dependency ratios thereafter. Pakistan has a window of opportunity to reap the “demographic dividends” from its expanding economically active population. Currently, 60% of the population lives in rural areas but there has been a shift towards urbanization. Pakistan is a federal parliamentary republic with Islamabad as its capital and four provinces and four territories.

Pakistan aspires to become one of the largest 25 economies of the world and achieve middle-income country status by 2025. Pakistan’s GDP for 2016 was USD 278 billion and currently, the GDP growth rate is 5.4% (highest in past nine years) and this upward growth trend is expected to continue reaching 5.8% in FY19. However, this growth trend is accompanied by some warning signs such as fall in exports and investment rates thus affecting the pace of fiscal reforms in the country. On the positive note, China-Pakistan Economic Corridor (CPEC), a USD 54 billion infrastructure development initiative, presents a fantastic opportunity for the socio-economic development of Pakistan. According to Pakistan Development Update 2017, CPEC is not only providing for the much-needed infrastructure investment but will also stimulate the industry in the country. To harness these economic opportunities and achieve its goal of becoming a middle-income country, Pakistan needs will need a well-established tertiary education system that is at par with international standards and can produce innovative and skilled workforce to boost its economic growth. The government has recognized this need by putting the emphasis on developing its social and human capital in its Vision 2025. The first pillar of the Vision “putting people first” includes plans to increase investments to and develop the education system including the higher education system in the country.

Sectoral (or multi-sectoral) and Institutional Context of the Program

In Pakistan, tertiary education refers to post-secondary education and is comprised of two distinct subsectors: Universities/degree awarding institutes and affiliated colleges (ACs). Each of the subsectors is governed by different regulations and faces challenges around governance and quality assurance. Both subsectors are comprised of public and private institutions with public institutions holding a slightly larger share of the sector and HEC predicts that this will continue to be the case. Universities come under the jurisdiction of the federal Higher Education Commission of Pakistan (HEC) whereas affiliated colleges (ACs) are under dual management. For administrative matters, they are under the control of their respective provincial higher education departments whereas for academic matters they are under the authority of their affiliating universities. ACs are funded by the provincial governments but their tertiary level degrees are awarded by the affiliating universities. ACs offer upper secondary grades (11 and 12) alongside tertiary level programs and serve as a transition between the two.

After decades of neglect, Pakistan’s tertiary education sector has seen a revival with the establishment of HEC in 2002



which was granted more funding and autonomy as compared to the previous institution. HEC introduced initiatives to improve quality and instill a culture of research. It closed low quality programs and controlled the mushrooming of substandard higher education institutions. Despite making considerable headway towards addressing the challenges facing the tertiary education system much remains to be accomplished, especially in the multi-layered governance of the sector.

The four major challenges in the way of meeting the priorities identified in the 11th Five Year Plan and the Higher Education Commission's ambitious Vision 2025 development strategy are: (a) low and inequitable participation in tertiary education; (b) poor quality of teaching and research conditions (including inadequate and irrelevant research, and limited links between Higher Education Institutions (HEIs) and the industrial and service sectors of the economy); (c) insufficient funding; and (d) below-par institutional governance and management, especially lack of the Higher Education Management Information System (HEMIS), which severely complicates long-term sectoral and institutional planning, monitoring, and accountability. These challenges are particularly exacerbated for affiliated colleges.

For Official Use Only

Relationship to CAS/CPF

The proposed program is in line with Pakistan Country Partnership Strategy. The CPS focuses on four strategic results areas: energy, private sector development, inclusion, and service delivery. Accordingly, the proposed program directly supports result area three and four within the CPS on Inclusion and Service Delivery. Supporting Affiliating Colleges is proposed to expand inclusion of students from remote areas and of women in quality tertiary education. Improved service delivery is aimed to be achieved through improved mechanisms of provision of tertiary education and management and governance of tertiary education.

The proposed program also indirectly supports CPS result area one and two, first by supporting select sectors for centers of excellence include energy, and secondly by providing support to private sector tertiary education providers and employable graduates

Rationale for Bank Engagement and Choice of Financing Instrument

The proposed program is in line with Pakistan Country Partnership Strategy. The CPS focuses on four strategic results areas: energy, private sector development, inclusion, and service delivery. Accordingly, the proposed program directly supports result area three and four within the CPS on Inclusion and Service Delivery. Supporting Affiliating Colleges is proposed to expand inclusion of students from remote areas and of women in quality tertiary education. Improved service delivery is aimed to be achieved through improved mechanisms of provision of tertiary education and management and governance of tertiary education.

The proposed program also indirectly supports CPS result area one and two, first by supporting select sectors for centers of excellence include energy, and secondly by providing support to private sector tertiary education providers and employable graduates.

The proposed instrument is Program for Results with Technical Assistance. The instrument is selected because there exists a clear government program which the World Bank program will support. Secondly, counterpart capacity exists with experience of World Bank DLI based operations. In addition, there are clear proposed output and outcome based results that are identified as DLIs, for instance, the instrument will allow for supporting innovative activities such as hackathons and competitive grants to colleges and universities.



C. Program Development Objective(s) (PDO) and PDO Level Results Indicators

Program Development Objective(s)

To improve teaching and learning for employable mid-level skills at participating institutions and strengthen research activities in strategic sectors of the economy.

PDO Level Results Indicators

The progress towards the development of the PDO is proposed to be measured by the following key results:

1. Increased relevance of research
2. Strengthened partnerships with industry
3. Improved skillset of college graduates
4. Data driven governance of tertiary education

To achieve the desired development outcomes, the program will address reforms in four results areas of excellence in strategic sectors, strengthening employable mid-level skills, innovative modes of delivery and data-driven governance. Quality assurance will be a cross-cutting theme across all four results areas. Each results area will have several program activities, which will be tracked by Disbursement Linked Indicators (DLIs).

D. Program Description

PforR Program Boundary

The government of Pakistan has put forth an ambitious plan, Vision 2025, to join the Upper Middle-Income Countries within the next 10 years. One of the pillars of the plan focuses on investing in the people. In line with this country wide vision, the Higher Education Commission of Pakistan (HEC) has outlined HEC Vision 2025 to develop the tertiary education sector in the country. This strategy presents a candid diagnosis of the problems in the sector, analyzes international trends and takes lessons from earlier reforms. Moreover, HEC Vision 2025 provides a bold plan that is aligned with the country's macro-economic vision. It embraces all segments of the tertiary education sector and sets qualitative as well as quantifiable targets, including financial ones. HEC Vision 2025 presents an opportunity for the World Bank to partner with the Government of Pakistan on its plans to achieve a substantive transformation of its tertiary education sector.

The Program for Results (PforR) instrument is well-suited to provide support to the Tertiary Education system in Pakistan given the existence of the home-grown strategy (HEC's Vision 2025) and its backing by the relevant authorities. HEC's Vision 2025 has outlined following eight key strategic priorities to develop its tertiary education sector.

1. Sustain and consolidate National Higher Education Commission

The first strategic priority for the government is to strengthen HEC to deliver the program agenda described in HEC Vision 2025 through a three-tier tertiary education system. Some of the activities under this area include reforming R&D grants and procedures to promote high quality research in newly developed centers of advanced studies in national high priority areas, establish 100 new Offices of Research, Innovation and Commercialization (ORICs), developing and funding



programs of national collaboration and support universities in implementation Pakistan's National Qualifications Framework (NQF) based on the Bologna Process.

2. Increase equitable access

The government of Pakistan plans to increase equitable access to tertiary education for its eligible (17-23 year-old) population increasing the capacity of existing universities, establishing new institutions of higher education and distance education. HEC plans to specifically improve the quality of affiliated colleges since they are the weakest link in the tertiary education sector in Pakistan. Some of the activities planned under this area are to development and implementation of college improvement plans, increasing and improving distance/online education sub-campuses, improved implementation of the quality assurance standards and increase the number of scholarships and tuition waver programs for students from under-served areas.

3. Excellence in leadership

This strategic priority area focuses on improving the effectiveness and efficiency of governance systems and produce visionary leaders for higher education institutions. This goal will be achieved introducing a merit based system for selecting university leaders, establishing an efficient governance system for universities, establishing a leadership institute to prepare senior management of universities, strengthening institutional monitoring and evaluation and revising the affiliating mechanism and establishing a system for their implementation to improve quality of affiliated colleges.

4. Increased faculty with highest academic qualifications

The aim of this strategic area is to increase the number of highly qualified faculty in HEIs and this will be achieved by preparing 10,000 PhD faculty for Pakistan HEIs in the next ten years through a US-Pakistan Knowledge Corridor program, establish PhD programs in Pakistan and building expertise to improve technical capacity of Tier I research universities.

5. Enhanced quality of curricular offerings

In order to improve the quality of tertiary education in Pakistan HEC plans to phase out all of the 1 and 2 year bachelor level programs by 2018 and replace them with the standard 4 year programs, introducing field work and internships in collaboration with community and business, establishing low cost split-degree graduate programs and refining the current system of curriculum development and review.

6. Research innovation and commercialization

The aim of this strategic area is establishing Pakistani HEIs as a source of new knowledge and improve Tier I universities' ranking to top 200 in the world. HEC plans to achieve these goals by increasing collaborative research between universities and industries, increase investments in ICT services such as to expanding the Pakistan Education and Research Network (PERN) and increasing research grants for research with the potential to lead to international patents.

7. Financial management and enhanced investment

HEC plans to work with the government in requesting funds from prominent international donors to achieve the goals listed in HEC Vision 2025.

8. IT imbedded higher education

The last strategic area of HEC Vision 2025 focuses on using the information technology to full potential to increase productivity, efficiency, research output and cost effectiveness of higher education in Pakistan. Some of the activities included under this strategic area are establishment of Smart universities to employ technology-embedded teaching, learning and research, create Smart campuses to provide WiFi services to students, faculty and researchers at HEIs,



building Smart classroom and using technology to make HEIs safe places for students.

Out of the above mentioned eight priorities the World Bank proposes to support the increase in equitable access, excellence in leadership, research, innovation and commercialization and IT embedded higher education. Support to these four strategic priorities is embedded in the four results areas of this PforR program and is described in detail in the section C. Proposed Development Objectives section. Each of the four HEC's strategic priority areas addressed under this program are briefly described below:

1. Increase in equitable access

This program will support increase in equitable access under its second (strengthening employable mid-level skills) and third (innovate modes of delivery) areas by focusing on quality of affiliated colleges and distance learning. Affiliated colleges play a key role in increasing equitable access to tertiary education. They cater to low-income students by charging lower fees. Colleges are also more accessible to women because they are wider-spread as compared to universities. Due to their flexibility for timing, location and lower cost, distance education programs are also attractive options for female students and students from the lower economic strata.

2. Excellence in leadership

This area is supported under the fourth results area of the program "data-driven governance of tertiary education." The program will support the transformation of governance of HEIs by training visionary and effective HEI leaders and establishing data system to increase use and analysis of data for policy making and program planning purposes.

3. Research, innovation and commercialization

The program will support research, innovation and commercialization under the first results area "excellence in strategic sectors" by creating graduate schools focusing on research and innovation in national priority areas described in the Vision 2025. These graduate schools will help achieve the goal of the government to establish Pakistani HEI as sources of knowledge creation. Other program potential program activities will be focused on improving Pakistani university rankings by supporting them to obtain international accreditations and increasing industry-academia partnerships.

4. IT embedded higher education

The program will support this key priority of HEC under its result area 3 "innovative modes of deliver" by supporting increased access to online education and free access to web-based resources for faculty and students on university and college campuses.

In addition, the World Bank program will provide technical assistance to HEC in the provision of services to the Universities and Colleges. In this regard, the proposed areas of technical assistance include improved financial management at HEC and institutional level, establishing data systems in the institutions and, support development of funding formula and studies, as needed on roles and responsibilities of provinces and federal state and tertiary education.

E. Initial Environmental and Social Screening

The proposed program is not expected to have significantly adverse environmental or social impacts. The program is expected to contribute to environmental sustainability through improved education research in the energy sector and on climate change issues. This will provide both climate mitigation (e.g. carbon benefits) and adaptation benefits over the longer-term. The program is not expected to entail the construction of new universities or structures so no land acquisition is expected. It will support the upgrading of facilities, including classrooms and science and computer



laboratories. As such, it may present low-level risks concerning worker safety, during the upgrades, and the safe handling and disposal of hazardous chemicals in laboratories. These risks will not pose unprecedented or unusual operational challenges.

In accordance with the Bank policies, an Environmental and Social Systems Assessment (ESSA) will be undertaken during preparation, which will: (i) examine Pakistan’s existing legal, regulatory, and institutional framework for environment and social management; (ii) determine any areas related to the proposed Program where measures need to be adopted to offset any environmental and social impacts; (iii) evaluate the implementing partners’ capacity to manage social and environmental issues related to the Program; and (iv) define measures to strengthen the system, and integrate those measures into the Program. The ESSA will also review the proposed Program activities to evaluate their effects on the environment and potentially affected people. It will seek to identify opportunities to improve the environmental sustainability of college and university operations (e.g. improved energy efficiency, waste management practices, etc.) and integrate environmental and social sustainability concerns, particularly regarding climate change, into student education.

Recommendations from the ESSA in terms of mitigation measures for relevant environmental and social risks and/or opportunities to improve environmental and social sustainability will be integrated into the PAP. Given the above issues, initial assessment of the environment and social risk level of the PforR is Low.

The ESSA document will be prepared by the Bank task team with environmental and social specialists taking the lead. Prior to appraisal, the draft ESSA will be disclosed alongside an updated PID with a summary of ESSA findings and recommendations. Consultations will be held with relevant stakeholders on the draft (and proposed specific actions, if necessary) before or during appraisal, and recommendations received will be incorporated in the final ESSA, which will be disclosed prior to World Bank Board consideration of the proposal.

For Official Use Only

CONTACT POINT

World Bank

Name :	Tazeen Fasih		
Designation :	Lead Economist	Role :	Team Leader(ADM Responsible)
Telephone No :	5220+80208 /	Email :	tfasih@worldbank.org
Name :	Francisco Marmolejo		
Designation :	Lead Education Specialist	Role :	Team Leader
Telephone No :	5785+79384 /	Email :	fmarmolejo@worldbank.org

Borrower/Client/Recipient

Borrower :	Islamic Republic of Pakistan		
Contact :		Title :	



Telephone No :		Email :	
----------------	--	---------	--

Implementing Agencies

Implementing Agency :	Higher Education Commission		
Contact :	Mahmoodul Hassan Butt	Title :	Advisor to HEC Chairman
Telephone No :	925190400120	Email :	mhbtt@hec.gov.pk

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

For Official Use Only