Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 22-Mar-2021 | Report No: PIDISDSA27900

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Tanzania	P166415	Higher Education for Economic Transformation Project	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
AFRICA EAST	22-Mar-2021	28-Apr-2021	Education
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	United Republic of Tanzania	Ministry of Education, Science and Technology	

Proposed Development Objective(s)

To strengthen the learning environment and labor market alignment of priority programs at beneficiary higher education institutions and improve the management of the higher education system

Components

Strengthening the Learning Environments and Labor Market Alignment of Priority Programs
Strengthening the Management of the Higher Education System
Project Coordination and Management
Unallocated

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	425.00
Total Financing	425.00
of which IBRD/IDA	425.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	425.00

IDA Credit	425.00

Environmental and Social Risk Classification

Substantial

Decision

The review did authorize the team to appraise and negotiate

B. Introduction and Context

Country Context

1. **Tanzania is a geographically large, diverse, and strategically important lower middle-income country (LMIC) on the Indian Ocean.** Out of 54 African countries, Tanzania is the fifth largest in terms of population, the 9th largest in terms of the size of economy (e.g. by Gross Domestic Product [GDP] in US$), and the thirteenth largest in terms of geographical area. Solid income growth over two decades has led the country to reach LMIC status in July 2020.

2. **The graduation from low income status reflects sustained macroeconomic and political stability as well as the country's rich natural resources endowment and strategic geographic position.** Macroeconomic stability has been crucial to Tanzania's growth: inflation rates have been low – below 5 percent since 2018 – and sustainable fiscal and current-account deficits have been financed by a combination of domestic and external sources. Over the past two decades, investment has been a key driver of economic growth: the rise in overall investment translated into a sustained accumulation of capital stock and has consistently accounted for roughly two-thirds of real GDP growth.

3. **COVID-19 has negatively impacted Tanzania's macroeconomic performance – decelerating GDP growth in 2020 – although Tanzania is one of the few economies in the region that avoided recession.**[1] The global economic slowdown adversely affected Tanzania's export- oriented industries, especially tourism and traditional exports, and has caused a drop in foreign investment. The exception is gold mining which has benefitted from rising prices since the onset of the pandemic. Although the government did not impose a lockdown, the pandemic initially spurred precautionary behaviors that slowed down domestic economic activity.

4. **Tanzania's vulnerability to the global pandemic remains high, and risks are tilted to the downside.** Under a severe outbreak, Tanzania's health care system would become heavily strained, and social distancing would paralyze most manufacturing and services. In early 2020, the Government of Tanzania implemented critical measures aimed at containing the spread of the COVID-19 and encouraged people to avoid unnecessary movements, practice hand hygiene and social distancing; and identified several public and private hospitals that would serve as isolation centers for people infected with COVID-19. The Government reported COVID-19 cases up to April 28, 2020. Availability of official information on COVID-19 infection and mortality rates is important in assessing the effectiveness of national public health response. In February 2021, the Minister of Health,

[1] Tanzania Economic Update 15th Edition, 2021

Community Development, Gender, Elderly and Children restarted efforts to contain the pandemic, urging the general public to take precautionary measures against the spread of infectious diseases including COVID-19, and urged wearing of masks, avoiding overcrowding in hospitals, and continued education of the population by health professionals.

5. **The poverty rate in Tanzania has been declining gradually.** The national poverty headcount has improved from 34.4 percent of population in 2007 to 28.2 percent in 2012 and further to 26.4 percent in 2018. Despite Tanzania's impressive GDP growth between 2012 and 2018, poverty reduction slowed, and growth has become less inclusive. Inequality has also risen during this period. The international poverty headcount (US$1.90/day at 2011 purchasing power parity) remained high and unchanged during this period, at 49 percent. With a Human Capital Index of 39 in 2020, Tanzania is ranked among the bottom 25 countries, at 152 out of 174.

6. **As a lower middle-income country, Tanzania requires sustained, steady growth while offering a more inclusive set of economic opportunities to improve living standards for the majority of Tanzanians.** National aspirations laid out in the Tanzania Development Vision (TDV) 2025 are to transition to a middle-income country with a high level of human capital development, characterized by improvements in the quality of livelihood of the people. Tanzania has made improvements in life expectancy, infant mortality, primary and secondary school enrollment rates, gender equality, and access to health, electricity, water, and sanitation. There is still a large agenda ahead, however, toward sustaining growth over the medium term, improving the inclusiveness of growth to reduce poverty, and strengthening upward economic mobility and economic security for the population.

7. **The short supply of workers with relevant skills is a major constraint to economic expansion.** A gradual shift in employment away from agriculture (which has seen a decrease of 13.5 percent from a high of 80.5 percent in 2001) to industry and services (which have increased by 3.9 and 9.6 percentage points, respectively) occurred between 2001-2014.[2] Employment growth in services accelerated over the period 2006–2014, with around 10 percentage points annual growth in services such as wholesale and retail, restaurants and hotels, transport, storage, and communication. Sustaining this economic transformation will be challenging, as about 40 percent of Tanzanian firms identified inadequate relevant workforce skills as a key business constraint, compared to the Sub-Saharan Africa (SSA) average of 23 percent.[3]

8. **Catering to the skills needs of high-skills firms in urban areas is particularly important.**[4] High-skill firms are likely exporters, Information and Communication Technology (ICT) or other innovating firms. They are exposed to greater competitive pressures from international trade or technological changes and/or introduce new products or processes into the market.[5] As a result, they have a greater need for higher-level skills than firms serving the domestic market, and skills gaps pose a greater constraint to their operations than to low-skill enterprises.[6] For over 45 percent of high-skill firms, skills shortages constitute major operational difficulties, compared to 37 percent of low-skills firms.

[2] The most recent Integrated Labor Force Survey Data is from 2014.
[3] Tanzania Enterprise Survey 2013.
4 TESS 2015, and Exports and Job Training, Paulo Bastos, Joana Silva, and Rafael Proença, World Bank Policy Research Working Paper 7676, 2016.
[5] Innovator firms are those which have introduced new products or processes in the last two years.
[6] The share of high skills firms is 50 to 63 percent across sectors, and 36 to 43 percent across regions, but the majority is located in the greater Dar es Salaam region. (TESS 2015).

9. **A more strategic mix of education and skills will help Tanzania further develop its productive sectors**[7] **and create jobs for the growing number of youth entering the labor market every year.** This is important, as about 800,000 to 1 million young people have been entering the labor market every year since 2015, with mostly low and medium levels of education and skills.[8] By 2030, this number is projected to reach 1.6 million per year. While the fast expansion of the youth demographic is a challenge, it also represents a unique economic opportunity, if efficient workforce and skills development policies are implemented.

10. **Shortage of skilled workers across essential sectors such as health and education is a big challenge**. The shortage of human resources in the health sector stands at 52 percent. Changes in the pattern of diseases from infectious to non-communicable diseases has expanded demand for expertise in a variety of specializations and areas with serious human capital shortages include emergency medical specialists, critical care specialists, and behavioral change specialists. Similarly, education is also in need of a greater number of skilled teachers, particularly in mathematics and sciences.

11. **Having attained lower middle-income status, Tanzania should continue to invest in reforms throughout its education pipeline that will lead to a skill composition of at least 26 percent medium-skilled and 12 percent high-skilled, based on estimates in the National Skills Development Strategy 2016/17-2025/26.** While urban workers with completed basic education are needed for many small, often informal businesses, higher skilled workers are critical to the emergence of a diversified, sustainable economy. Currently, only 16.6 percent of the Tanzanian workforce is medium-skilled and 3.5 percent high-skilled.[9] Despite steady expansion in access to education, in 2014, only 9 percent of the labor force had completed secondary education and just 1.3 percent had attended university.[10] Enrollment in Technical and Vocational Education and Training (TVET) and universities is still low.

Sectoral and Institutional Context

12. **Tanzania's higher education enrollments in recent years have fluctuated and its current enrollment rate of 6.1 percent is still below the Sub-Saharan Africa average (9.4 percent).**[11] In Tanzania, a completed university education yields an average annual income 3.5 times higher than a completed upper secondary education. The number of students enrolled in higher education institutions grew from 111,533 in 2016/17 to 211,558 in 2017/18 due to improvements in infrastructure and initiatives to provide higher education loans, but subsequently fell to 181,897 in 2018/19 as a result of closures of programs in private institutions determined to be of poor quality. Correspondingly, during the same period, the Higher Education Gross Enrolment Ratio (GER) rose from 6.9 percent to 8.5 percent and then dropped to 6.1 percent[12], which is below the SSA average of 9.4 percent, and those of Tanzania's neighbors: Kenya (11.5 percent) and Rwanda (6.7 percent).[13] In 2018/19, a total of 154,758 students were enrolled in Bachelor's, Master's, and PhD programs at 41 public and 43 private higher education institutions, and another 27,139 students attended non-degree courses.[14] Tanzania continues

[7] Government's key priority sectors include productive sectors (agriculture, mining, and manufacturing) and economic infrastructure (energy, ICT, transport and tourism).
[8] Moreno and Tanaka, 2015, Education Attainment Projections for Tanzania, World Bank.
[9] National Skills Development Strategy 2016/17-2025/26
[10] Integrated Labor Force Survey 2014.
[11] Ministry of Education, Science and Technology (MoEST) Annual Education Sector Performance Review (AESPR), 2019
[12] ibid
[13] World Bank EdStats data
[14] AESPR 2019

to lag behind the region in upper secondary enrolment with a GER of 7 percent, compared to Rwanda (30 percent) and Burundi (44 percent) which partly accounts for the low enrolment at higher education.[15]

13. **Student demand for higher education is expected to surge in the near future to at least 482,000 places by 2030, so the tertiary education system (public and private) must expand and be of better quality to accommodate these additional students.** According to projections, it is expected that demand for seats at the higher education level will increase to between 482,000 and 597,000 by 2030.[16] Without investments across the sector, there will remain a shortage of infrastructure, teaching equipment and academic staff with advanced training at the university level. This expansion of capacity cannot be remedied by public provision alone and will require reforms in the operating environment of private universities.

14. **Gender inequality in lower levels of education (especially upper secondary) persists at the university level, though the gender parity index in higher education has improved from 56.5 percent in 2013 to 67.4 percent in 2018.[17]** About 40.3 percent of students in higher education were women in 2018;[18] the proportion is much smaller in science, technology, engineering and mathematics (STEM) programs (33.6 percent), especially Engineering (19.6 percent), Mining and Earth Sciences (25 percent) and ICT (27.7 percent).[19] The male-female differences in enrolment arise from a smaller share of girls transitioning from lower to upper secondary schools and again from upper secondary to university compared to boys. Of the students that pass the O-level and A-level exams, 46 percent and 42 percent were female, respectively.[20] The World Bank-supported Secondary Education for Quality Improvement Project (SEQUIP, P163439), approved in 2020, includes interventions to address this persistent problem. The gender imbalance in higher education exacerbates inequalities elsewhere in Tanzania, such as fewer women leaders in research and innovation, government, professions, businesses and civil society organizations, and among universities' faculties as well. Only 27.4 percent of academic staff at universities are women, due to the lower share of female students in higher education overall, but also likely due to greater difficulties in getting permanent positions, promotions and access to research funding and leadership positions.[21]

15. **Although there is a need for higher skilled workers in the economy, many recent university graduates have struggled to find jobs, at least in part due to skills mismatches.** Skills mismatches usually occur when: (i) academic disciplines are not in line with disciplines in demand on the labor market; (ii) curricula are outdated and the content of programs have limited labor market relevance and emphasis on practical experience and soft skills; and (iii) teaching and learning facilities and technologies are outdated. The small size of the formal labor market also exacerbates graduates' unemployment issue.

16. **Demand-side considerations underscore the need for greater numbers of students in disciplines and programs sought after by the employers, such as civil engineering, mechanical engineering, mining engineering, agribusiness processing, tourism, and climate change impacts, among others.** Most students

[15] UNICEF, 2018
[16] Tanzania Public Expenditure Review FY19: Are Resources and Policies Aligned?
[17] MoEST AESPR 2019
[18] ibid
[19] Draft Basic Education Statistics Tanzania (BEST) 2019
[20] MoEST AESPR 2019
[21] MoEST BEST 2018

currently pursue studies in general humanities and social sciences subjects. Only 26 percent of students at universities study STEM subjects, although there is a large deficit of professionals in these fields.[22]

17. **The overall quality of post-secondary academic programs is low and does not prepare university graduates adequately for current and future formal jobs or self-employment.** The weak teaching and learning environment and inadequate support in terms of remediation, supervision and physical resources contribute to poor quality of training. Infrastructure, equipment and resources such as laboratory spaces, sufficient internet bandwidth and access to electronic journals are limited. The insufficiency of necessary lab equipment and materials is especially problematic for faculty seeking to conduct relevant, modern research. Currently, funds for research are inadequate, leading to weak production of novel findings, application of research to addressing local challenges, and impactful innovations. Professors and employers alike note weak technical, English, computer, soft skills and labor-market readiness of graduates.

18. **There is a shortage of well-trained lecturers and the majority use traditional teaching methodologies**. Due to a wave of age-related retirements and the recent recruitment of talented lecturers into positions within the Government, there are limited university lecturers, particularly in STEM areas. The proportion of academic staff with a Master's degree is 51.6 percent while instructors with a PhD account for only 32.6 percent of the total teaching staff.[23] In addition, many lecturers are not trained in the use of the latest technical developments and global knowledge in their fields, and use outdated, mostly lecture-based, teaching methodologies, limiting the development of adequate competences among students through group work, projects, presentations and other such approaches.

19. **Given the significant resource and capacity constraints, most higher education institutions are not currently able to access or use modern technologies to deliver training.** There is limited integration of digital content and applications, innovative pedagogical approaches using technology, information management systems and other ICT in the delivery of higher education across teaching and learning, research and management. Broadband is readily available to faculty and students only in some universities. Few higher education institutions use Open Educational Resources for teaching and learning as well as research. While some local digital content is available for use by universities, licensing issues discourage innovative ideas and technology uptake.

20. **Finally, the global pandemic has reinforced the need for higher education institutions to develop thoughtful resiliency plans.** Tanzania experienced a relatively short period of school closures. Universities closed in March 2020 and reopened in early June, with measures in place to support safe in-person delivery. Nonetheless, the Government is mindful of the need to invest in robust ICT and networking technologies in all its universities, to prepare for any prolonged remote delivery in the future. This focus on resilience will allow for increased international and domestic collaboration. There is considerable scope for technology to enable universities to promote more personalized learning, encourage greater collaboration and increase access to larger groups of students with more flexible learning options.

21. **To address the above challenges, the planning and management of the higher education system needs to become more evidence-based and agile.** More specifically, universities as well as the regulatory and

[22] MoEST AESPR 2019
[23] MoEST BEST, 2018

financing agencies need to be supported to use more cost-effective, innovative, adaptive, data-driven, and sustainable approaches in the following areas:

(a) ***Quality assurance process*** for assessing and registering institutions and accrediting programs of study and curricula. Though a process exists, it is neither effective in ensuring and raising the quality of university programs and involving the private sector, nor in streamlining the process of professional certification of students. For example, medical graduates of a private university did not receive their medical licenses by the Medical Council of Tanganyika, the professional body, as they did not consider the program adequate, although it had been accredited by the Tanzania Commission for Universities (TCU).

(b) ***Sustainability and efficiency of higher education financing,*** particularly the higher education student loans scheme, as this is already a substantial burden on the government budget due to growing demand, but also the need for ***increased resource mobilization among universities***.

(c) ***Business and governance environment for private universities,*** many of which are small and struggling to expand or offer higher quality programs. Competition with well-managed, high quality private universities can raise the game of public universities, as well as help with the expansion of student spaces. In addition, a fair playing ground with respect to student fees is important to promote a competitive environment between public and private funded universities.

(d) ***Higher education data systems:*** The most basic data on higher education is available at universities, TCU, and to some extent the Higher Education Student Loans Board (HESLB). However, improvements and data linkages between universities and agencies of the Ministry of Education, Science and Technology (MoEST) will help establish a robust data management system that enables innovative planning and decision-making.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

To strengthen the learning environment and labor market alignment of priority programs at beneficiary higher education institutions and improve the management of the higher education system.

Key Results

22. **Key results of the HEET project will be measured by the following indicators:**

(i) Students and faculty participating in internships/fellowships/forms of placement in industry, companies, or research institutions (sub-indicators for gender, individuals with disabilities, and students/faculty ratios) (number)
(ii) Degree programs within priority areas that are aligned to labor market needs (number)
(iii) Students benefiting from direct interventions to enhance learning (corporate indicator) (number)
(iv) Active use of a Tertiary Education Management Information System (TEMIS) (yes/no)
(v) Higher education institutions supported by the project that achieve a minimum threshold of the annual targets set in the performance agreements (number)

D. Project Description

23. The Project will provide a combination of university-level investments in improving the quality of learning environments and programs, and Ministry-level interventions that enhance the management of the higher education system and support a conducive policy environment. These interventions are organized under three components.

Component 1: Strengthening the Learning Environments and Labor Market Alignment of Priority Programs (US$329 million equivalent)

24. **This component will focus on strengthening and building the capacity of 14 public higher education institutions to become high quality centers of learning focusing on priority areas**. The Government identified 14 priority areas based on key disciplines required to build an industrial economy and propel forward Tanzania's development agenda. These disciplines are aligned with the priority economic sectors identified in Tanzania's *National Skills Development Strategy 2015/16-2025/26*, *Vision 2025* and the *Education and Training Policy 2014*, as having the greatest potential for growth over the coming decade and which function as cross-sector enablers.

25. **The 14 priority areas are**: (i) engineering and technology; (ii) ICT; (iii) material sciences; (iv) health sciences; (v) urban and environmental engineering and technology; (vi) renewable energy; (vii) water resources; (viii) climate change; (ix) agriculture and agribusiness; (x) wildlife conservation; (xi) tourism and hospitality; (xii) academic industry linkages; (xiii) humanities; and (xiv) education.

26. **The project will finance the implementation of institution-specific University Strategic Investment Plans (USIPs) that detail activities to meet the strategic objectives of improving the learning environment at the institution and enhancing the labor market alignment of priority degree programs.**[24] The USIP activities will be organized into three internally-focused areas to improve teaching and learning and three externally-focused areas to strengthen research and industry linkages. Areas to improve teaching and learning include: (i) renovation and/or construction of energy efficient infrastructure including lecture halls, laboratories and workshops that promote accessibility for those with disabilities and address gender considerations and safety concerns; (ii) capacity building of academic staff and university leadership including awareness on emerging environmental issues and teaching and advising students with disabilities; and (iii) curriculum review and reform, which will include introduction of innovative pedagogy and responsiveness to growing climate change issues. Areas to strengthen research and industry linkages include: (i) industry and private sector partnerships; (ii) promoting self-generated income through revenue-earning activities; and (iii) promoting applied research and innovation. Each higher education institution has developed a USIP that addresses its unique needs, challenges and context and has received technical assistance under the project to strengthen their plans and incorporate good practices that have demonstrated success in similar contexts globally.

27. **The HEET project will place a strong emphasis on the use of digital technology by universities to deliver training and manage administrative services.** There will be a focus on digitalizing all HEET project supported campuses and strengthening the capacity of universities to deliver online learning in order to build resilience to respond to shocks like the COVID-19 pandemic and ensure learning continuity. This online learning infrastructure will also help increase access to higher education for the growing youth population, as well as support new blended learning approaches that combine in-person instruction and virtual learning with potential for partnerships with international institutions of repute. In addition, universities will invest in digital platforms and efficiency enhancement systems by modernizing the management of administrative processes such as admissions, registrations, learning management and support services. Activities will include establishing the required ICT infrastructure for smart classrooms, virtual learning environments, workshops and campuses; improving connectivity including through greater linkage with the Tanzania Education and

Research Network (TERNET); digitizing learning materials and library resources and upgrading existing digital materials; training and exposing academic staff in pedagogies for Open, Distance and e-Learning (ODeL) programs; enhancing interactive online teaching and learning and providing support to students and staff on the same; training university staff to develop at least basic digital skills competency; and establishing digital platforms for core academic and administrative services. These activities will be embedded within the three USIP areas for teaching and learning. Partnerships with private sector providers of online learning resources and platforms will also be leveraged to promote blended learning and distance learning programs.

28. **To help engage relevant industry professionals in the design and delivery of priority degree programs and ensure their alignment to market needs, Industry Advisory Committees (IACs) will be set up at each institution**. These Committees will be responsible for supporting the review and update of program curricula, advising on applied research and innovation activities including facilitating transfer of technology across industry to faculties in universities, and supporting with outreach to the private sector for functional partnerships with universities and community. Each IAC will be composed of experienced professionals engaged across Tanzania's industries of relevance to the programs on offer at the respective faculty/college and will be constituted by beneficiary higher education institutions according to Terms of Reference agreed with the MoEST. The IACs will meet at least twice a year and will work closely with the internal quality assurance units at each institution, which will also be strengthened under this component to ensure that all priority degree programs are accredited and meet national standards established by regulatory bodies under MoEST. Universities will also pursue industry and private sector partnerships through internships and placements for students; faculty training; collaborations on research and innovation such as grants from industry for young entrepreneurs or joint applications for funding; support to establish career offices at universities; course offerings by visiting faculty from industry, mentorship programs; support to establish career offices at universities among others. IAC members will play an important role in identifying and facilitating such partnership opportunities. A national workshop will be held with members of the all the IACs to ensure harmonized understanding of the roles and responsibilities, accountability measures and functionality with exposure to good practices of similar bodies in well-performing education systems.

29. **The USIPs will also include interventions to enhance gender equitable participation in priority degree programs.** Each institution is required to integrate activities to address gender issues and encourage greater participation and retention of women in higher education programs, particularly in STEM disciplines. These activities include but are not limited to: (i) developing outreach programs to sensitize female secondary school students and communities about university programs, especially in STEM areas, and dispel misconceptions about women's STEM capabilities; (ii) preparing an institutional-level implementation plan, where absent, to operationalize the national gender equity strategy, to attract and retain women in priority degree programs and monitor progress towards targets which may include establishing a gender desk to support implementation of activities; (iii) creating safe environments in the institutions by promoting practices and implementing national policies and guidelines to safeguard against gender-based violence (GBV) and sexual exploitation and abuse (SEA), and establishing confidential GBV management processes with linkages to the national policing systems; (iv) introducing mentorship programs for women, especially in STEM areas; (v) constructing climate smart hostels/dormitories with renewable energy sources for women; (vi) ensuring all newly constructed infrastructure are designed/configured to provide a conducive learning environment for female students which include appropriately designed and sufficient bathrooms, nursing/break room/social rooms for breast feeding mothers and spaces that promote better safety for women; and (vii) increasing representation of women among academic staff and university leadership.

[24] About 260 priority degree programs are expected to be supported under the project

30. **In addition, universities will aim to foster more inclusive and equitable environments for students with disabilities**. Facilities constructed and renovated under the project will consider inclusivity elements per global standards and will be accessible to students with special needs. Institutions will also develop the capacity of academic staff to support and cater to the training needs of students with disabilities. In addition, MoEST will create centers of excellence for inclusive education at specific universities where the majority of students with disabilities are currently enrolled.[25] Investments will be concentrated at these universities to offer high-quality training, infrastructure, and equipment for students with varied disabilities. This will include renovation and rehabilitation of classrooms and lecture rooms to suit the needs of special needs education; construction or renovation of hostels to provide accommodation for students with disabilities; establishing specialized examination rooms; creating resource rooms with specialized equipment for disabled students; and introducing and/or strengthening existing academic and administrative support services for students with disabilities to promote their retention, graduation and entry into the workforce.

31. **Each institution will negotiate a performance agreement with the MoEST based on their respective USIPs.** These agreements will define annual performance indicators and milestones that promote shared governance and accountability whose achievement will be monitored by MoEST. Such performance contracts promote mission-driven strategic initiatives, institutional management as well as increased autonomy that improves the operational quality of these institutions. Negotiated performance agreements also encourage greater institutional ownership and more buy-in for difficult reforms, such as changing teaching practices or engaging private sector in curriculum reforms and university research projects. Taken together, the USIPs and the corresponding performance agreements will promote a culture of effective management and shared governance with MoEST and higher education institutions by emphasizing autonomy, accountability, quality, and institutional ownership.

Component 2: Strengthening the Management of the Higher Education System (US$78 million equivalent)

32. **This component will focus on enhancing the management of the higher education system.** A first sub-component will strengthen the capacity of key government departments and agencies responsible for the effective oversight and delivery of higher education in Tanzania. It will target MoEST which comprises two departments responsible for higher education, research and innovation - the Department of Higher Education and the Department of Science, Technology and Innovation. It will also promote reforms and improved operational capacity and delivery at three key Ministerial agencies – the Tanzania Commission for Universities (TCU), the Higher Education Students' Loans Board (HESLB), and the Commission for Science and Technology (COSTECH). A second sub-component will help strengthen public-private partnerships (PPPs) in higher education as well as finance quality improvements in select private universities and non-university institutions deemed critically important for the strategic management and delivery of quality instruction.

Component 3: Project Coordination and Management (US$ 8 million)

33. **This component will serve to build capacity within the MoEST to manage the day-to-day implementation and coordination of the HEET project, as well as monitor and evaluate its impact**. It will support the establishment of an efficient National Project Implementation Unit (NPIU), including a project coordinator; deputy project coordinator; financial management (FM) and procurement staff; environmental and social (E&S) safeguards staff; monitoring and evaluation (M&E) staff; and advisors/coordinators for private sector engagement, infrastructure development, gender

[25] The universities are: Muhimbili University of Allied Sciences; University of Dodoma; Moshi Cooperative University; Dar es Salaam University College of Education; Mkwawa University College of Education; Sokoine University of Agriculture; Mbeya University of Science and Technology; University of Dar es Salaam; and Open University of Tanzania

mainstreaming, inclusive education, and education technology. It would finance the salaries, where applicable, and capacity building of NPIU staff, as well as the operational costs of project implementation. This component would provide funds for the NPIU to carry out the following activities: (i) coordination of activities across institutions; (ii) procurement and FM of MoEST-implemented activities; (iii) ensuring compliance with and monitoring the implementation of E&S safeguards provisions; (iii) M&E including impact evaluation efforts/analytical studies/surveys; (iv) establishing and operating a grievance redress mechanism (GRM) for the project; and (v) audits of project financial statements and all financial documents.

Unallocated (US$10 million equivalent)

34. **An amount of US$10 million will be designated as unallocated funds**. This amount will serve as a planning reserve to buffer for future demands including losses due to exchange rate fluctuations or unforeseen but necessary activities critical to achieving the PDO.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

35. **The project presents a range of risks and impacts, both positive and negative**. Most of the environmental impacts and risk of the project will emanate from the physical construction activities taking place in the participating institutions. Potential risks and impacts envisaged from construction and workers camp sites include (i) waste such as metal, wood, paint, diesel and other residues); (ii) soil erosion; water and air pollution; (iii) noise from machinery and (iv) traffic disruption and accidents; and (v) occupational health and safety incidents. Mitigation of potential risks and impacts during the preparation and implementation of the project will be guided by an Environmental and Social Management Framework (ESMF). The ESMF will guide the assessment level of potential risks and impacts and subsequently the choice of appropriate instruments, Environmental and Social Impact Assessments (ESIAs) and/or Environmental and Social Management Plans (ESMPs) for each activity.

36. **The project has an explicit focus in reducing gender gaps when increasing access to higher education for both women and men**. However, women groups are not homogenous as there are sub-groups that include, disabled women, women living with albinism, and women from Vulnerable Groups who may be more subjected to barriers to information and benefits for socio-cultural reasons. Barriers to access and retention of female students related to Gender-Based Violence and other vulnerable individuals may also be likely if not give specific attention.

37. **Other risks will include those related to workers as delineated under Environmental and Social Standard 2 (ESS2).** Lack of compliance with the labor laws and regulations by contractors is not unusual and has been seen in other Bank-financed projects. Child labor is likely and Labor influx resulting from the envisioned construction under Component 1 may increase the risks of Gender Based Violence/Sexual Exploitation and Abuse (GBV/SEA). Construction works may result in involuntary land acquisition when universities need land outside their boundaries or loss of crops by the people who are farming within universities land. The project design will address issues of inclusion by ensuring universal access in constructed facilities as well as equal access to digitalized interventions.

38. **Other potential social risks related to HEET project interventions include social exclusion of beneficiaries due to disabilities, Sexual Orientation and Gender Identity (SOGI), and gender imbalance as well as being excluded from stakeholders' consultations and engagements.** Project ESMF, Resettlement Policy Framework (RPF), Stakeholder Engagement Plan (SEP) and ESMP/CESMP and where necessary Resettlement Action Plans (RAPs) will indicate various mitigations measures in details to address these risks.

E. Implementation

Institutional and Implementation Arrangements

39. **The proposed HEET project is designed to have interventions at the university level and national level, the latter encompassing key departments and agencies under MoEST.** Accordingly, the project has a two-tiered implementation structure with a total of 18 project implementation units (PIUs).

a. At the national level, a **National Project Implementation Unit (NPIU)** will be established in the MoEST led by the Department of Higher Education in collaboration with the Department of Science, Technology, and Innovation. It will be responsible for key project functions including project coordination, procurement, FM, and M&E. Similarly, an **Agency Project Implementation Unit (APIU)** will be established at each of the MoEST agencies – TCU, HESLB and COSTECH – to manage project activities for that agency. The NPIU will work with coordinators from the APIUs on day-to-day project implementation and management and will coordinate all technical assistance support to Ministerial agencies and project-supported universities.

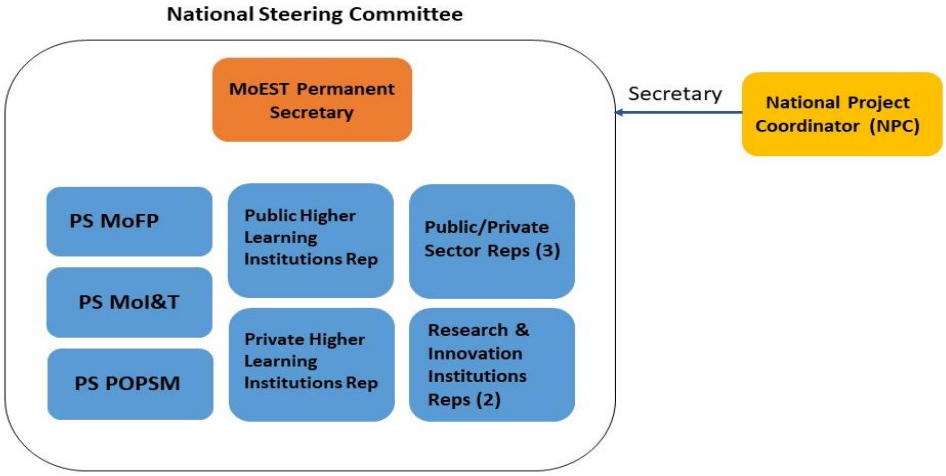
b. At the institutional level, a **University Project implementation Unit (UPIU)** will be established at each university supported by the project with similar coordination and management functions. Since interventions at the university level will be multidimensional encompassing different colleges, departments, disciplines, and programs, a senior staff at the level of the Deputy Vice Chancellor will be appointed to lead the UPIU with support from another senior staff member as needed. Additional members representing participating colleges/departments/programs will also be appointed to join the team depending on the nature of the project support to a respective university.

40. Each UPIU and APIU will be headed by a coordinator and have staff responsible for FM, procurement, E&S safeguards, and M&E. Other thematic focal point coordinators will be incorporated based on key project activities with universities and agencies.

41. A **National Steering Committee (NSC)** will be established with representatives from key project stakeholders including the central Government, national higher education institutions and public/private sector

institutions to ensure political commitment and linkage with the world of work. The NSC responsibilities will include (i) overseeing and providing policy and strategic guidance on the project implementation; (ii) advocating for and promoting coordination and collaboration between higher education providers, research and innovation institutions, and public/private sector; (iii) acting as a liaison between the project and Government and private sector at large; (iv) approving the yearly Annual Work Plan and Budgets prepared by the NPIU; and (v) carrying out high-level monitoring and supervision of project activities, including reviewing the project reports. The composition of the NSC is included in Figure 1 and the Terms of Reference of members will be provided in the Project Operational Manual. The NSC will also utilize sub-committees, as needed, to provide technical oversight to specific issues and areas to be determined during implementation.

Figure 1: National Steering Committee



42. The **National Project Coordinator (NPC),** head of the NPIU, will be the Secretary to the NSC. The NPC will work closely with project coordinators at the university and agency levels to ensure smooth project implementation.

43. A **Project Operations Manual, prepared and maintained by the NPIU,** will contain detailed operational procedures and technical and organizational arrangements for project implementation.

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