

**PROJECT INFORMATION DOCUMENT (PID)  
APPRAISAL STAGE**

Report No.: 31835

<b>Project Name</b>	Strengthening Higher Education Program
<b>Region</b>	South Asia
<b>Sector</b>	Tertiary education (75%); Vocational training (25%)
<b>Project ID</b>	P089040
<b>Borrower(s)</b>	ISLAMIC REPUBLIC OF AFGHANISTAN
<b>Implementing Agency</b>	Ministry of Higher Education
<b>Environment Category</b>	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
<b>Safeguard Classification</b>	<input type="checkbox"/> S <sub>1</sub> <input type="checkbox"/> S <sub>2</sub> <input checked="" type="checkbox"/> S <sub>3</sub> <input type="checkbox"/> S <sub>F</sub> <input type="checkbox"/> TBD (to be determined)
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### 1. Key development issues and rationale for Bank involvement

Over the past 24 months, the government of Afghanistan has made significant efforts in reviving the higher education sector in parallel with ongoing progress in primary and secondary education. Seventeen higher education institutions have reopened their doors and enrollment has jumped from 4,000 students in 2001 to 31,000 in the fall of 2003. As in primary education, the enrollment profile is skewed with 69 percent of students in their freshman and sophomore years. With students returning from Pakistan and other countries and the students graduating from high schools, demand for higher education will also be on the rise. The government's response to the evolving higher education sub sector has been the drafting of a new higher education law. Furthermore, for the first time ever, the government is allowing private institutions to operate in Afghanistan.<sup>1</sup>

There is an urgent need for well-educated and trained leadership in all sectors of the economy. Rebuilding higher education is a pressing and critical need for Afghanistan. First, there is a critical shortage of professionals and leaders – engineers, technicians, administrators, accountants, agriculturist, business leaders, etc., -- to meet the needs of reconstruction, growth and poverty reduction. It is an essential and immediate need for the country to begin to develop these human resources. Second, higher education constitutes the apex of the education system, and sets the quality standards for the rest of education. It is university professors who provide the key content for many textbooks and reading materials. It is university graduates who teach in senior secondary schools, which in turn produce primary school teachers. It is essential to build a tradition of academic quality at this level in order to rebuild the quality tradition for the rest of

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<sup>1</sup> Two concrete initiatives are already in a relatively advanced planning stage in this respect, one being the establishment of the American University of Kabul designed after the model of AU in Beirut and Cairo, and the other being a branch campus of the Gulf Medical College.

the education sector. Third, because institutions take a long time to build, the development process needs to start at the outset, in order to cope with the rising demand for the future.

Independent from immediate reconstruction needs, Afghan universities suffer from a large majority of the problems that typically plague public tertiary institutions in many developing countries: low quality, lack of relevance, insufficient funding, and weak governance and management. While these problems have certainly been exacerbated by war and its negative economic consequences, they reflect deep structural dysfunctions that require careful attention. Key issues facing the higher education are discussed below.

**Poor quality and relevance of education.** The low quality of higher education is the result of a number of factors. The number of qualified professors is insufficient as many had left the country during the conflict years. Those who stayed in the country have been isolated from the outside world and are out of touch with major developments in teaching and research. Many faculty lack sufficient credentials and expertise for their critical role in academe. More than a half (52%) of professors in 17 tertiary education institutions in Afghanistan have only Bachelor's degrees, 41% have Masters, and only 7% have PhDs. Curricula, teaching materials and pedagogical methods are grossly outmoded, with a particular lack of up-to-date textbooks and heavy reliance on dictation as the principal way of imparting knowledge to students. The table below shows the summary of students and professors by institution in Afghanistan in 2003.

**Fragmented institutions and lack of focus in each.** Given the current size of the country and its economy, there are far too many higher education institutions in Afghanistan. Not surprisingly, many of them would not qualify as a tertiary level institution under any international standard or norm. The average enrollment is 1,770 students per institution. Six institutions have less than 500 students; for example, Kunduz Pedagogic Institute has only 164 students, and Takhar "university" 319 students. Some institutions appear extremely inefficient; the student to professor ratio is 5 to 1 in Khost University, and 7 to 1 in Kandahar University. The limited resources allocated for higher education are spread out thinly. The consolidation options should ensure that most institutions are able to attain an economically viable size that would stand a better chance of reaching reasonable quality standards.

**Lack of appropriate physical facilities for the University.** In all cases, the physical infrastructure is still less than adequate. Electricity and water supply are often insufficient and/or not functioning. Classroom, laboratory and library facilities are very rudimentary. Basic computer facilities are lacking for both instruction and administration. Ongoing repair and rehabilitation activities are ad-hoc, and facility planning based on a strategic plan for the university is non-existent. Kabul University, for example, has a generous campus area, but there was no facility planning till this year.

**Lack of linkages with the economy:** The Afghan higher education institutions do not have a tradition of linkages with the productive sectors. Faculties and departments work in isolation from employers. Neither the universities nor the polytechnics have a Board of Trustees with representatives from the world of work and civil society. Creating such linkages and conducting tracer studies on a regular basis will be an important aspect of improving the relevance of higher education programs.

***Inefficient and insufficient financing:*** In the absence of any form of cost-sharing, the higher education institutions' budget is barely sufficient to cover salaries, free dormitory costs and highly subsidized meals for the students. Resources are not available for the purchase of indispensable pedagogical inputs such as internet access, textbooks, journals and lab material. Budgets are allocated purely on the basis of historic trends without any objective criteria, thereby offering no incentives for efficiency and innovation. Available resources such as classroom space are not used efficiently; most university classes finish at 1 pm.

***Outdated governance and management.*** The governance and management structure and norms are outdated. In addition, most higher education institutions that have little autonomy, if any, are subject to rigid administrative regulations and rules. There is also little experience with performance indicators to guide management and planning, and no Management Information System (MIS) to support a move in that direction. Professors are civil servants and their pay scale is convoluted with civil service grades and academic ranks.

While the reconstruction needs are overwhelming in the higher education sector as in other sectors, the present situation also offers a unique opportunity to undertake courageous reforms that may not be possible in other countries where the key actors in the higher education community have entrenched positions that make change difficult if not impossible. The former Minister's attempt during the constitutional Loya Jirga to introduce a clause in the new Constitution that would have allowed for tuition fees in public universities was not successful. But there are other critical reforms that could be implemented in the near future, such as rationalizing the employment status and salary scale of faculty, allowing private higher education, establishing an accreditation system and rationalizing the budget allocation process.

The Bank is expected to be a lead agency in helping the government design a comprehensive, long-term higher education development program which can mobilize various foundations, private sector contributions, and linkages with top-quality universities abroad. The Bank can make significant contributions in at least two areas. First, the Bank is in a unique position to introduce a comparative global perspective on recent tertiary education developments and reform and adapt to specific national context and needs. Second, extensive technical and practical experience with tertiary education projects over the past 20 years has given the Bank relevant and concrete implementation lessons that can be used in ameliorating the issues faced by the higher education sub sector in Afghanistan.

## **2. Proposed objective(s)**

The development objective of the proposed program is to progressively restore basic operational performance at a group of core universities in Afghanistan. This will provide an institutional base for an agenda focusing on tertiary education development, capacity building and reform.

The proposed program is envisaged as the first-phase of a long-term higher education development in Afghanistan. In addition, it aims to act as a catalyst to attract various resources to Afghan tertiary education with a long-term development framework.

### **3. Preliminary description**

The program will support the strategic planning and implementation of the development and reform program at key higher education institutions through block grant (investment) and university partnership program (software). This is envisaged as the first phase of the Bank's long-term support in the development of higher education system in Afghanistan.

#### **Component 1. Program Development and Quality Improvement in Key Higher Education Institutions (US\$ 38.5 million)**

##### *1.1. University Partnership Programs (US\$7.5 million)*

This component would facilitate and finance partnership program agreements for three universities in Kabul (Kabul Education University, Kabul Technical University, Kabul University) and four regional universities (Heraat, Balkh, Nangarhar, Kandahar) with established foreign universities, including those from the Region. Foreign universities are expected to contribute to a share of the financing for this objective. Financial and technical contributions from foundations will be actively sought in the process. The partnership program would include, but not be limited to:

- ③ Support for the strategic development planning process at national and institutional levels
- ③ Support for curriculum revision and development
- ③ Support for preparing facility (including library, lab) development plan
- ③ Visiting professorships in Afghanistan for the partner institutions
- ③ Fellowships for Afghan professors to study at partner institutions
- ③ Joint-research and publication program
- ③ Support in administrative reforms

Priorities will be given to faculties which address the national development needs and enhances national identify of Afghanistan, including, engineering, agriculture, finance, administration, IT, public health, and literature/languages.

Memorandum of Understanding (MOU) between the institution(s) in Afghanistan and an overseas university will be signed for three years. However, the annual renewal of the MOU will be subject to the satisfactory performance of the partner university.

##### *1.2. Block Grants to Universities/Faculties (US\$31 million)*

To complement Component 1.1, block grants would be awarded to key faculties and universities, with annual renewal subject to adequate performance against targets. The seven universities listed in component 1.1 will be participating in the block grants. First, faculty would develop a strategic development plan with technical support from the faculty of partner universities. Based on the plan and the prioritization of university and faculty needs, grant proposals would be prepared. As part of the grant proposal preparation, at least two consultations with faculty and students are required to ensure that prioritization of the institution's needs have been decided upon in a consultative manner. An independent committee would evaluate the grant proposals,

ensuring that it is focused on outcomes, and award the block grants. The independent committee to evaluate the block grant proposal would consist of: Deputy Ministers of Higher Education (Administration and Academic Affairs), the director of planning in MOHE, a representative from the private sector, and a representative from a “peer” university. Criteria and positive and negative lists of block grants will be agreed upon before the program effectiveness.

The usage of the grants and achievement of early targets will be assessed by an independent committee. Upon successful implementation of an annual plan and the preparation of the following year plan, the next tranche of block grants would be released. Bi-annual meetings will be held for participating universities/faculties to share the experience of strategic planning and block grant implementation, which will create opportunities for cross-fertilization.

Three universities in Kabul and two in provinces will begin the block grant during the first year of program implementation. Based on the lessons learned from the first year, the other two universities in provinces will begin the block grant program from the second year.

## **Component 2. Higher Education System Development (US\$1.5 million)**

### *2.1 Support for New Governance System (US\$ 0.75 million)*

Technical assistance would be made available to the Ministry of Higher Education to define the relationship between the Ministry and higher education institutions and to facilitate/promote the autonomy and accountability of the institutions. A simple and decentralized Management Information System will be developed. Support would also be given to review the financing strategies of higher education, including rationalizing of funding formula, mobilizing of external resources. Support would be given to institutions to implement credit system, and to address any other institutional development plans.

Technical assistance will also be provided to advise the government on the reform of the employment structure including career paths, salary scale and incentive system (including the opportunity to consult) of the university professors.

### *2.2 Support for a Quality Assurance, Accreditation System (US\$ 0.75 million)*

Support would be provided for the development of an autonomous accreditation and quality assurance system for both public and private universities. One of the options will be link up with a regional accreditation and/or quality assurance body.

## **4. Safeguard policies that might apply**

The environment and social safeguards framework for Afghanistan will be operationalized through the project’s arrangements for implementation, monitoring and capacity building.

The proposed program has been prepared under the Bank’s *Operational Policy 8.50 Emergency Recovery Assistance*. The Environmental and Social Safeguard Framework developed for emergency projects in Afghanistan will be applied. The program is classified as environmental category “B.” As a result of more than two decades of conflict, the exodus of trained personnel,

low salaries, and the lack of exposure to new approaches, Afghanistan's institutional capacity is weak, especially in such specialized areas as safeguard policies.

## **5. Tentative financing**

Source:	(\$m.)
BORROWER/RECIPIENT	0
INTERNATIONAL DEVELOPMENT ASSOCIATION	40
Total	40

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