Higher Education Reforms Project
(IDA Credit No. 5586-NP)
Third Implementation Review and Support Mission
September 16 – October 6, 2016
Aide Memoire

I. Introduction and Acknowledgements

1. A World Bank team led by Mohan Prasad Aryal carried out the third Implementation Review and Support Mission for the Higher Education Reforms Project (HERP) from September 16 to October 6, 2016. The objectives of the mission were to assess: (a) the progress in overall Project implementation including Capacity Building and Project Management; (b) the achievement of Disbursement Linked Indicators (DLIs) and reporting on Eligible Expenditure Program (EEP) for year-one (2015 - 2016); (c) the preparation for achievement of year-two (2016 - 2017) DLIs; (d) the achievement of Key Performance Indicators (KPIs) and Intermediate Results Indicators (IRIs); (d) governance and management issues including University Grants Commission (UGC) key appointments; and (e) the progress with monitoring and evaluation, and compliance with safeguard and fiduciary requirements. The team visited three higher education institutions (HEIs) in Chitwan, Makawanpur, and Bara districts.

2. This Aide Memoire summarizes the findings and recommendations, and reflects agreements reached with officials of the Ministry of Finance (MOF), National Planning Commission (NPC), Ministry of Education (MOE), UGC, Tribhuvan University (TU), and Student Financial Assistance Fund Development Board (SFAFDB). This Aide Memoire was discussed at a pre-wrap meeting chaired by Dr. Dilli Ram Rimal, Secretary, MOE and at a wrap-up meeting chaired by Mr. Madhu Marasini, Joint Secretary, Budget Division, MOF on October 6, 2016. The mission expresses its appreciation for the kind cooperation received from officials of GON, UGC, TU, SFAFDB, and beneficiary HEIs. The mission also expresses special thanks to Hon. Minister Mr. Dhani Ram Paudel, MOE; and Hon. Member Prof. Geeta Bhakta Joshi, NPC for policy commitments in higher education reforms. The list of persons met is attached in Annex 1. As agreed during the meeting, this document will be classified as a public document as per the World Bank’s Access to Information Policy.

II. Key Project Data

<table>
<thead>
<tr>
<th>Project Data</th>
<th>Project Performance Ratings²</th>
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<tr>
<td>Board Approval:</td>
<td>February 19, 2015</td>
</tr>
<tr>
<td>Effectiveness Date:</td>
<td>May 22, 2015</td>
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<tr>
<td>Original Closing Date:</td>
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<td>MTR Date (Actual if completed, scheduled if not):</td>
<td>Planned - December 2017</td>
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<tr>
<td>Original Amt:</td>
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<td>Amount Disbursed as of Sept 30, 2016:</td>
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Ratings: HS=Highly Satisfactory; S=Satisfactory; MS=Moderately Satisfactory; MU=Moderately Unsatisfactory; U=Unsatisfactory; HU=Highly Unsatisfactory; NA=Not Applicable; NR=Not Rated

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¹ Mohan Prasad Aryal (Task Team Leader), Maya Sherpa (Economist), Harsha Aturupane (Lead Education Specialist), Dilip Parajuli (Senior Economist), Rajendra Dhoj Joshi (Higher Education and Governance Specialist - Consultant), Uddhav Kumar Bhandari (Senior Economist - Consultant), Timila Shrestha (Financial Management Specialist), Pradeep Kumar Shrestha (Consultant), Shambhu Prasad Upreti (Senior Procurement Specialist), Ramesh Raj Bista (Consultant), Annu Rajbhandary (Environmental Specialist), Drona Pun (Consultant), Ishwor Neupane (Consultant), and Jaya Karthi (Program Assistant).

² Last performance ratings are as per the Implementation Status & Results Report (ISR) from May 2016.
III. Achievement of Project Development Objectives Status

3. The Project Development Objective (PDO) is to support reforms in selected institutions for improving quality, relevance, and efficiency of higher education; and to assist under-privileged students for equitable access.

4. The progress of the project is being monitored through achievement of yearly targets for seven DLIs corresponding to systemic reforms, five KPIs measuring outcomes, and IRIs (Annex 2). DLIs 2 through 7 for year-zero (July 17, 2014 – July 16, 2015) have been achieved. Four of seven DLIs (DLI 2, DLI 4, DLI 6, and DLI 7 (a)) for year-one have been almost achieved, and remaining four DLIs (DLI 1, DLI 3, DLI 5, DLI 7 (b)) partially achieved. Project implementation suffered due to long delay in the appointment of UGC Member-Secretary (for 16 months) and Commission members (for 9 months). The Member-Secretary and two Commission members have recently been appointed on September 29, 2016 during the mission period. More detailed account of the progress towards achievement of year-one DLIs is presented in Section IV.

5. KPIs for year-one have been partially achieved: (i) four new HEIs have been accredited against the target of eight. Two HEIs are expected to be accredited by November 15, 2016; (ii) percentage of students enrolled in identified priority areas at Bachelor’s and Master’s levels reached 17.07 percent and 17.04 percent against the year-one target of 13 percent and 17 percent respectively; (iii) 315 underprivileged students (from bottom two poorest quintiles) at the higher secondary level (HSL) from the science stream, and 2,535 students at the Bachelor’s level have received scholarship against the year-one target of 500 and 2,500 respectively. The share of girls selected for the support at the HSL is 28 percent against the target of 45 percent, and at the Bachelor’s level 63 percent against the target of 40 percent; (iv) the average time taken for announcement of results of the 1st, 2nd and 3rd years of TU centralized under-graduate programs in Humanities and Social Sciences, Management, and Education faculties has been reduced to 5 months and 13 days compared to the year-one target of 7 months and year-two target of 6 months; and (v) as agreed in the project document, the publications in refereed journals by research grants recipient will start from year two onwards. Based on the progress made in year-one and progress made to date, the rating for likelihood of achieving the PDO is retained at ‘Satisfactory’.

IV. Current Implementation Status

6. The overall year-one project implementation has been delayed due to the April-May 2015 devastating earthquake followed by the protracted trade disruption resulting in the fuel crisis, and delays in filling the key vacant positions of the UGC. The recent appointments at UGC are expected to help expedite project implementation. The rating of the Project Implementation has, therefore, been retained at ‘Moderately Satisfactory’.

Component 1: Implementation of Reforms

7. This component includes systemic reforms in four results areas supported through Results-Based Financing. While the progress in achieving the year-one targets has been slow, sufficient preparatory works have been completed towards achieving them. The progress on achievement of year-one DLIs as well as preparatory activities for achieving year-two DLIs are briefly described below. A full account of the progress on outcome, intermediate results and DLI indicators is presented in Annex 2.

8. DLI 1-Accreditation: HEIs are showing increasing interest in quality assurance and accreditation (QAA). Four HEIs have been accredited, additional two are expected to be accredited by November 15, 2016. Three additional HEIs have completed peer review process with engagement of international experts, and pre-visits to five HEIs have been completed. Additional nine HEIs have been qualified for the first round review, and self-study reports of additional 15 HEIs have been approved. Based on the above progress, additional 14 HEIs are expected to be accredited in the next 5 to 8 months surpassing the year-
two cumulative target of 18 HEIs. DLI target of establishing a Quality Assurance and Accreditation Agency (QAAA) is yet to be met. An understanding has been reached with MOE/UGC on how to achieve this target, and it is expected to meet by February 28, 2017.

9. **DLI 2-Performance-based financing:** Seventy-three HEIs (against the first year target of 45) have been selected for performance-based financing (PBF). Sixty HEIs have signed Memorandum of Understanding (MOU) with UGC and thirteen with Tribhuvan University Project Implementation Office (TUPIO). The first tranche of PBF has been released to 21 HEIs, additional 21 HEIs have been recommended for release of PBF. UGC and TUPIO have agreed to release PBF to other institutions by November 30, 2016.

10. **DLI 3-Institutional Autonomy:** While TU has passed all policy related documents and Rules for autonomy including academic autonomy and examination reforms by its Senate, there has been a delay in granting autonomy to constituent and affiliated campuses by TU. The Public Administration Campus has been granted autonomy in year-one against the target of two. There has been protracted delay in processing the application for autonomy from the Padma Kanya Campus. There is also lack of other applications from potential campuses for opting autonomy. This indicates the inadequacy of arrangements for facilitating autonomy to achieve the cumulative target of granting autonomy to four campuses within the first two years.

11. Five campuses\(^3\) have applied for academic autonomy, and the review of proposals from two campuses has reached an advanced stage. If these campuses are granted academic autonomy by November 30, 2016, as expected, they should be able to start programs under academic autonomy starting from January 2017 session, and the year-one target of granting academic autonomy to two institutions will be met. The cumulative year-two target for granting academic autonomy to four campuses may be met from remaining three pipeline applications.

12. Although successive TU management have been showing unwavering commitment to promote autonomy the progress in this front has not been encouraging. This has been, in part, associated with the lack of clarity or confidence about what results autonomy could yield. As reported during the mission, the recent visit of TU officials to autonomous colleges in Karnataka and Bangalore University (please refer to Annex 4 for lessons from the visit) has convinced them that there is no alternative to autonomy for enhancing quality and efficiency of higher education. This conviction should help to accelerate the pace of progress towards granting autonomy to constituent and affiliated campuses. It was agreed that TUPIO will prepare a strategy and action plan to expedite autonomy by November 15, 2016.

13. **DLI 4-Examination Reforms:** TU has overachieved year-one targets for DLI 4. Academic calendar of seven program-years of Master’s level programs operating under the annual system, for which examinations are administered by the Office of the Controller of Examinations (OCE), have been adhered to compared to the target of three. These programs are: second year (2011/12 intake) of Public Administration; and first year (2012/13 intake) of Public Administration, Rural Development, Sociology and Anthropology, Political Science, Nepali, and Education. Public Administration programs under the annual system have been discontinued and replaced by the semester system programs. Therefore, for the second years five remaining programs have been chosen for adhering to the academic calendar. Other Master’s level academic programs targeted for adhering to academic calendar in year-two are: first year Population, Culture, Psychology, and 2\(^{nd}\) year Education.

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\(^3\) HEIs which have applied for academic autonomy are Ilam Multiple Campus; Central Technology Campus; Kailali Multiple Campus; Butwal Baniya Campus, and Janapriya Multiple Campus.
14. The average time taken for publication of results of centralized undergraduate programs in three faculties (Education, Management, and Humanities and Social sciences) has been reduced to 5 months and 13 days against the target of seven and six months for year-one and year-two respectively.

15. **DLI 5-Academic Reforms:** Achievement of the target of this DLI- introduction/revision of 20 programs in year-one - is being delayed. While applications for 54 programs were submitted by different HEIs, 17 programs were evaluated by UGC expert team and others are under evaluation. Four out of the 17 programs have received UGC approval, while the remaining 13 programs, already in implementation, will get approval upon submission of missing documents confirming that these programs have been duly approved. It was agreed that UGC in coordination with TU and other universities will facilitate submission of these documents and approval of the programs by **November 30, 2016.**

16. **DLI 6-Equity:** Overall, DLI 6 has achieved 95 percent of year-one target. Scholarships have been deposited to the bank accounts of underprivileged students from the bottom two poorest quintiles - 315 (target 500) for Grade 11 science stream, and 2,535 (target 2,500) for Bachelor’s level. Student selection for year-two is on track. Application forms of 1,850 students for grade 11 science stream and 8,000 students for bachelor programs collected for selection from bottom two quintiles against the year-two target of supporting 500 and 2,500 students respectively. SFAFDB will publish the year-two scholarship recipients’ final list by **April 30, 2017.**

17. **DLI 7-Academic Excellence:** The first part of year-one target of this DLI has been overachieved. UGC has selected first batch of 270 research projects and funds have been released to 172 projects against the year-one target of 100 projects. Among the major category of awarded projects are faculty research, PhD and MPhil Fellowship, MPhil and Master thesis preparation support, small research, development and innovation grants, and research trainings. Under the second part, TU Service Commission has published call of application for recruitment of 18 faculty members (Associate Professors, and Professors) based on academic excellence following the Rule, which was passed by the TU Senate (year-zero DLI target). This Rule differs from the main stream Rule for promotion in terms of the weighting it assigns to the scholarly achievements such as publication in referred journals and supervision of PhD students, which is significantly higher than that of the main stream Rule. TU Service Commission will complete the selection of 18 faculty members by **March 31, 2017.**

Component 2: Capacity Building and Project Management

18. UGC has completed an Organizational and Management Survey for preparing its long-term strengthening and capacity development plan. An assessment of institutional capacity to implement project activities has also been completed by the UGC, TUPIO, and SFAFDB as envisaged in the Governance and Accountability Action Plan (GAAP). However, the recruitment process for the additional staff for the UGC identified by the assessment has been slow. The Public Service Commission has initiated the process for recruitment of a number of regular staff. Recruitment of an account officer under the project by the UGC is at the final stage. Recruitment of the Director of the Reform Division, who will also act as the technical coordinator for the project, additional two officers in the Quality Assurance and Accreditation Division, and one staff in EMIS Unit has been delayed. UGC will fulfil these posts by **December 31, 2016.** (details are presented in **Annex 3**). TUPIO is fully staffed.

19. SFAFDB has adequate staff positions for implementation of the Project. SFAFDB has prepared its Organization and Management Plan consistent with its scope of work as defined in the Formation Order. It is being reviewed for GON approval. There is an increased ownership of GON of SFAFDB. Starting FY 2017/18 a budget line item will be created in the Red book for funding the SFAFDB from GON regular resources in addition to HERP resources.

20. Implementation of TU examination reforms is progressing well. The major reforms include adherence of academic calendar in centralized Master level programs, timely publication of examination
results for centralized Bachelor level programs, and computerization of the examination system all the way from student registration to transcript distribution. TUPIO has been providing technical support, including job induction training, to OCE to strengthen the examination module of TU EMIS developed earlier. Student data migration to the new software is in progress. The education section was first to try out this module, which is now being followed by the management, science, and humanities and social science sections. TUPIO has also constituted a high level technical committee to help operationalize the system. TUPIO will share a plan of operationalization of the program by November 4, 2016.

21. Autonomy of constituent and affiliated campuses is one of the major reform agenda of TU. TU passed the Autonomy Rule in 2006 and has made subsequent revisions including provisions for academic autonomy in 2015. Stakeholder consultations have been organized to disseminate the provisions of autonomy. A study visit to India was organized recently (September 4-10, 2016) for TU key officials, an UGC official, and campus chiefs of campuses aspiring for autonomy. The objective was to familiarize with the outcomes of and lessons from implementation of autonomy of higher education institutions in India initiated from 1992. The study visit team was encouraged to learn that the government and affiliated colleges in India have made significant progress towards academic excellence after they opted for academic autonomy within the framework of the National Policy on Education (1986-1992). All institutions visited - four autonomous colleges, the affiliating Bangalore University, and the UGC – underlined that academic autonomy is the only pathway for academic excellence. The study visit was a reassurance to build confidence for the delegation that TU has made a right choice by embarking on autonomy. (Please refer to Annex 4 for a brief report about the visit and lessons learned).

22. Quality assurance and Accreditation Division (QAAD) of UGC has made good progress in the dissemination of QAA, and orientation workshops for HEIs in all five regions of the country. Separate programs were also organized at TU, Kirtipur and Purbanchal University (PU), Biratnagar. A number of HEIs including four schools of PU, four schools of Pokhara University (PokU) and two additional schools of Kathmandu University have joined QAA. The Central Departments of TU have also shown interest to participate in QAA process.

23. The UGC Research Division has also made a good progress in information outreach to invite research proposals. Apart from overachieving the year-one DLI targets on research, the Division has also played proactive role towards ensuring research integrity. The UGC policy on research misconduct has been drafted by a team of experts including ex-justice of the Supreme Court of Nepal. Once the policy is endorsed, the university coordination committee led by the UGC will oversee its implementation at individual universities. TU has also formed a separate committee to investigate the issue of possible research misconduct including the ones covered in recent media. These are the efforts UGC, TU and other universities have made towards ensuring good academic governance in higher education system.

24. The mission noted a need of revising the UGC Project Implementation Manual (PIM) which among others will address the following improvements: (i) consistency in different sections of the PIM; (ii) capacity building of HEIs including TU Service Commission for selection of faculty members based on academic excellence; (iii) governance and management of HEIs; (iv) coordination between Deans’ offices and campuses in developing new/ revising existing academic programs; (iv) academia industry collaboration through matching funds; (v) revision of performance grants framework based on recommendations made by the HERP 2nd Implementation Review and Support Mission in March 2016 and experience of implementation to date; and (vi) better fund flow between UGC/TUPIO and the beneficiary institutions. It has been agreed that UGC will share the revised draft of the PIM for IDA review by November 15, 2016.

25. The mission noted that the shares of beneficiary students in the higher secondary level science stream and bachelor level students are different in the Project Appraisal Document and the Financing Agreement. The mission agreed that the Bank will review to rectify this inconsistency and inform SFAFDB by November 25, 2016.
26. UGC in consultation with TUPIO and SFAFDB has agreed to submit the DLI Progress Report 3 with achieved DLI and the Eligible Expenditure Program by November 15, 2016. The World Bank will complete the verification process for permissible reimbursement in a month after the report is received. The approximate additional value of achieved DLI as discussed in the mission would be around SDR 4.0 million.

27. Key issues in implementation and agreed actions are summarized in Annex 3.

V. Safeguards Management

28. The Bank safeguard team visited three institutions, out of which two campuses have already signed MOU with UGC/TUPIO. It was observed that authorities of grant recipient campuses were partially aware of the Project’s safeguard requirements and the need to comply with Project’s safeguard documents viz. Environmental Management Framework (EMF) and Social Management Framework (SMF). These frameworks provide adequate guidance to the institutions to undertake environmental and social safeguards screening using checklist and comply with other safeguards needs. According to the EMF/SMF, during the selection of proposals, the screening should be completed and endorsed by the UGC. It was learnt that the beneficiary institutions, recently selected for participation in the Project, are yet to conduct screening for identifying the key environmental/social issues.

29. The mission further noted that all the three visited HEIs were fully operational in their own premises with adequate land space for expansion and rehabilitation of physical facilities fully avoiding any possibility of triggering involuntary resettlement policy. The mission was also pleased to see during the field visit that the HEIs were in compliance with GON regulations as well as Bank's policy of Indigenous People Development Policy (OP 4.10) to enhance equitable access to higher education contributing towards meeting the key result - "Equity" that corresponds to DLI-6 under HERP. Similarly, all the HEIs visited were providing scholarships to the students from indigenous and vulnerable communities including Dalits and poor of both genders though in limited number. The overall girl students’ share was encouraging in all HEIs – as high as up to 70% in Shaheed Smriti Campus, Chitwan.

30. The team also noted during the field visit that the HEIs, which were recently selected for support, have to make necessary preparation to comply with grievance redressing, record keeping and documentation requirements as specified in the EMF/SMF. The grievance handling mechanisms were informal and performed largely through word of mouth without proper recording.

31. The mission recommended UGC/TUPIO to hire Environmental Safeguards consultant to assist the grant recipients in carrying out the environmental and social screening, flag out the issues and propose appropriate mitigation measures. The beneficiary institutions implementing infrastructure development needs to prepare EMPs and include the requirements in the contractual document for effective compliance. In addition, training and awareness /refresher programs on EMF and SMF also need to be carried out periodically to disseminate information at the campus level regarding the safeguards issues and mitigate them during implementation. UGC/TUPIO have agreed to provide inventory of the beneficiary HEIs, which have already signed MOU with UGC/TUPIO and administered ES screening checklists for documentation purposes. The team also suggests UGC/TUPIO/SFAFDB to make further progress towards: (i) augmenting scholarship to disadvantaged groups, in particular girls; (ii) setting up a grievance redress mechanism; and (iii) making the sanitation environment more friendly to females.

32. Based on inadequate progress and needs for making further improvements as explained above, the overall safeguards rating is downgraded to "Moderately Satisfactory".

V. Monitoring and Evaluation

33. UGC was able to make 23 monitoring visits to the representative campuses last fiscal year. However, desk monitoring has been enhanced, through provision of framework for reporting, including building of compliance indicators, acquiring minutes of important meetings and other documents online.
34. Higher education statistical report for 2014/15 has been prepared and is expected to be published by November 30, 2016. As in previous years, the delay was caused by data issues. The share of campuses feeding online data did not increase compared to previous years. As agreed, UGC should encourage and support formation of Education Management Information System (EMIS) and data management units in all universities and campuses, so that accurate data are obtained on time. To enhance the capacity for providing required technical support to campuses and universities for strengthening their MIS, UGC needs to add an additional staff in its EMIS unit, which is vacant, by December 31, 2016.

35. The Examination module of TU EMIS has made good progress and efforts are underway to make it functional, all the way from student registration to mark-sheet distribution, in all faculties with annual programs at Bachelor and Master levels. Modules for individual campuses will be prepared and piloted in the coming months. Migrating student data from the old program into the new program will be done simultaneously. TUPIO has also constituted a high level technical committee to help operationalize the examination module of TUEMIS. This committee will closely coordinate with UGC EMIS task group also to help operationalize UGC EMIS system as both are closely linked.

36. As per the plan, SFAFDB will prepare and maintain cohort-wise comprehensive student database, tracking students from the time they apply to all the way when they graduate, including intermediate steps-indicating whether or not they were included in household verification, delisted or not, number of instalments received, etc. regularly. This will be a continuous process as the student enrollment and completion takes place every year. SFAFDB will also publish annual report regularly.

37. While UGC, TUPIO and SFAFDB have prepared annual monitoring and evaluation plan which includes well-defined annual targets, including both system and project indicators, these M&E plans will be updated for year-two and shared with Bank by November 15, 2016. Based on limited progress, the rating for M&E is retained at “Moderately Satisfactory”.

VI. Fiduciary Management

38. Procurement Management: The mission reviewed the procurement progress of the project. As agreed, UGC has hired Procurement Specialist, and TUPIO has hired Procurement Officer cum Civil Engineer. Updated procurement plan has been agreed in June 2016. One critical procurement regarding the selection of a consulting firm through Selection based on Consultants’ Qualifications (CQS) method for carrying out the Beneficiary Satisfaction Survey (BSS) could not materialize, even after several round of discussions for contract negotiations with the selected firm. This activity is critical for assessing the impact of the project intervention in terms of beneficiary satisfaction. Component 1 is DLI-based, and its EEP does not include procurable items, whereas only Component 2 contains procurement of goods and consulting assignments. Considering the delay in hiring the BSS consultant, overall rating has been downgraded to “Moderately Satisfactory”. The rebidding for the selection of the firm is now in progress.

39. Financial Management: The review team noted that the internal control action plan to mitigate the internal control deficiencies are being implemented by UGC, TUPIO and SFAFDB. As agreed, a Monitoring Officer has been hired by TUPIO. The selection process of Finance Officer for UGC has been completed and is expected to be recruited shortly. The review team also noted that the books of accounts have been maintained up-to-date in the three implementing agencies – UGC, TUPIO and SFAFDB. However, as sufficient details of the ‘Eligible Expenditure Program’ have not been maintained, it has been agreed to be maintain these by November 30, 2016 by each implementing agency. Substantial delays in receiving statement of expenditures (SOEs) from the TU cost centers have also been noted. It has been agreed that TUPIO will ensure regular follow-ups for timely and periodic (at least trimester-basis) collection of SOEs in the prescribed format. The review team emphasized that trimester information is required for EEP. As the review team noted some shortcomings, e.g. in calculating applicable taxes, the mission emphasized to implement the internal control action plan strictly in compliance with the approved policies and prevailing laws. The mission reiterated the importance of continuing the use of FMIS.
developed under SHEP in TUPIO/ relevant TU units. While the technical consultant hired is currently working on the exam module, it was agreed with TUPIO to obtain necessary technical expertise by November 30, 2016 to ensure the FMIS is operationalized. The internal audit of the UGC and SFAFDB is being conducted on trimester basis and internal audit reports except for the TUPIO have been received. It has been agreed with UGC and SFAFDB to appoint the internal auditors for 2016/17 by November 15, 2016 to ensure continuation of trimester internal audits. The mission reiterated that internal audit for TUPIO should also be conducted on trimester basis. The mission also reminded the project authorities that the unaudited financial report for FY2015/16 was due on October 15, 2016, and that the audit report is due on January 15, 2017.

40. The budget of NPR 945.70 million for FY 2016/17 for the project under IDA funding is considered adequate which is contributing to the Government’s National Program for Higher Education Reforms and Development. NPR 110.0 million has been budgeted under contingency for UGC which is to be allocated to the appropriate budget heads based on requirement.

41. Total disbursement as of September 30, 2016 including advance of USD 1.0 million to the designated account is USD 11.28 million which is around 18.0% of the Credit amount whereas the net disbursed amount excluding the advance is USD 10.28, which is about 16.4% of the Credit amount. Based on the overall assessment, the rating for financial management performance has been retained at “Moderately Satisfactory”.

VII. Project Management and Risk

42. The Project Management is making good progress after the UGC proactive actions followed by the recent key appointments including the Member Secretary which has remained vacant for almost 16 months. UGC Commission also has made a number of pending decisions to expedite implementation. In recognition of the recent progress made, the rating of Project Management is upgraded to “Moderately Satisfactory”.

43. Risk: Implementation of autonomy including academic autonomy through gradual replacement of TU centralized academic programs by campus specific academic programs may take time because of the vast amount of tasks to be completed in the current environment with frequent changes in country leadership, change of the management team of HEIs, limited experience of the campuses, and inadequate technical assistance in translating TU’s commitment into practice. Completion of Beneficiary Satisfaction Survey (BSS) (baseline) may take additional 8-9 months due to delays in selection of the survey firm, which may overlap with project support to the beneficiary HEIs. The overall project risk, therefore, remains “Substantial”.

VIII. Proposed Timing and Focus of Next Mission

44. The tentative dates for the next implementation review and support mission of the project is April 6-21, 2017. The next mission will focus on the: (i) DLI achievement for year-one and year-two; (ii) progress on all major reforms; (iii) release of funds to beneficiaries; (iii) project/ fiduciary/ safeguards management and M&E; (iv) BSS and evaluation; and (v) study on low pass rates in annual examinations of TU, and ways to increase the enrollment share in S&T.
Annex 1: List of Key Officials and Stakeholders met by the Mission

**Ministry of Education**
1. Mr. Dhani Ram Paudel, Minister
2. Mr. Shanta Bahadur Shrestha, Secretary
3. Dr. Dilli Ram Rimal, Joint Secretary
4. Mr. Baikuntha Prasad Aryal, Joint Secretary
5. Dr. Tulshi Thapaliya, Joint Secretary
6. Mr. Deepak Sharma, Under Secretary
7. Mr. Khagaraj Paudel, Under Secretary
8. Mr. Radha Krishna Ghimire, Under Secretary
9. Ms. Mina Poudel, Section Officer

**Ministry of Finance**
10. Mr. Madhu Marasini, Joint Secretary, Budget Division
11. Mr. Tek Bahadur Khatri, Under Secretary
12. Mr. Bimal Sapkota, Section Officer

**National Planning Commission**
13. Prof. Geeta Bhakta Joshi, Member
14. Mr. Phanindra Paudel, Section Officer

**University Grants Commission**
15. Prof. Parashar Prasad Koirala, Chairperson
16. Prof. Devraj Adhikari, Member Secretary
17. Prof. Hridaya Ratna Bajracharya, Technical Advisor
18. Mr. Subash Chandra Dhungel, Chief Administrative Officer
19. Dr. Deepak Kumar Khadka, Director, Research Division
20. Dr. Shyam Prasad Lohani, Director, QAA Division
21. Mr. Kedar Prasad Acharya, Finance Controller
22. Mr. Dinesh Bajracharya, EMIS Specialist
23. Mr. Kapil Risal, Administrative Officer
24. Mr. Dipesh Singh, Planning and Monitoring Officer
25. Mr. Jeewan Koju, Procurement Officer
26. Dr. Dul Raj Chimariya, M&E Officer
27. Mr. Dinesh Prajapati, Program Officer, Research Division
28. Mr. Sagar Mani Neupane, Program Officer, QAA Division
29. Mr. Binod Bhattarai, Planning and Program Officer
30. Ms. Usha Pokharel, Accounts Officer
31. Mr. Shiva Silwal, Procurement Specialist, UGC
32. Ms. Punita Upadhyay, Sr. Administrative Assistant - Reforms

**Tribhuvan University**
33. Prof. Tirth Raj Khaniya, Vice Chancellor
Student Financial Assistance Fund Development Board (SFAFDB)

49 Mr. Kedar Prasad Sah, Executive Director
50 Mr. Pallav Kasaju, Administrative Officer
51 Mr. Tara Chouhan, Monitoring Officer
52 Ms. Bijeta Dangol, Finance Officer

Saheed Smriti Multiple Campus, Chitwan

Members of the Management Committee, Heads of Departments/Sections, Teachers, Students, Administrative staff and representatives from Civil Society Organizations (CSOs) - total 40 persons

Makawanpur Multiple Campus, Hetauda

Members of the Management Committee, Heads of Departments/Sections, Teachers, Students, Administrative staff and representatives from Civil Society Organizations (CSOs) - total 70 persons

Thakur Ram Multiple Campus, Birgunj

Campus Chief, Heads of Departments/Sections, Teachers, Students, Administrative staff - total 50 persons

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4 Field visits were made to three campuses including the Shaheed Smriti Multiple Campus, Chitwan. A brief report about the campus visits and other interactions is presented in Annex 5.
### Annex 2: Updated Results Framework Monitoring Matrix

#### Project Development Objective Indicators

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<thead>
<tr>
<th>Indicator Name</th>
<th>Unit of Measure</th>
<th>Year 0 (2014-15) Baseline</th>
<th>Year 1 (2015-16) target</th>
<th>Current Value</th>
<th>Year 5 (2019-20) target</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of accredited HEIs</td>
<td>Number</td>
<td>12</td>
<td>20</td>
<td>16</td>
<td>125</td>
<td>Two HEIs are expected to be accredited by November 15, 2016</td>
</tr>
<tr>
<td>Percentage of students enrolled in identified priority areas</td>
<td>Percentage</td>
<td>Under Graduates: 12.6</td>
<td>13</td>
<td>17.07</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Post- Graduates: 16.7</td>
<td>17</td>
<td>17.04</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Number of under-privileged students supported under the Project</td>
<td>Number/Percentage</td>
<td>(a) Higher Secondary (HS)</td>
<td>Total: 0</td>
<td>(a) HS Total: 315</td>
<td>(a) HS Total: 2,000</td>
<td>Target of HS not achieved because some of the selected students in the first list were delisted after household verification and others could not open Bank account in respective districts.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(b) Bachelors</td>
<td>Total: 0</td>
<td>(b) Bachelors Total: 2,535</td>
<td>(b) Bachelors Total: 7,500</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female: 0%</td>
<td>Female: 45%</td>
<td>Female: 27.6%</td>
<td>Female: 45%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female: 0%</td>
<td>Female: 40%</td>
<td>Female: 62.5%</td>
<td>Female: 40%</td>
<td></td>
</tr>
<tr>
<td>Average time taken for announcement of results of Bachelors programs with centralized examinations at TU</td>
<td>Months</td>
<td>&gt;7</td>
<td>7</td>
<td>5.43</td>
<td>3</td>
<td>Year-two target of 6 months also achieved.</td>
</tr>
<tr>
<td>Number of publications in refereed journals by research grants recipients</td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>85</td>
<td>First lot of Research Proposals awarded.</td>
</tr>
</tbody>
</table>
## Disbursement Linked Indicators

<table>
<thead>
<tr>
<th>DLI</th>
<th>Year 0 (2014-15) Baseline</th>
<th>Year 1 (2015-16) target</th>
<th>Current Value (Year 1 achievement)</th>
<th>Year 5 (2019-20)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>Achievement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DLI 1: National accreditation system established and functioning</strong></td>
<td>A QAAA with functional autonomy established at UGC</td>
<td>Not yet achieved</td>
<td>8 HEIs accredited (cumulative 20 including 12 at baseline)</td>
<td>4 HEIs accredited (cumulative 16 including 12 at baseline)</td>
<td>35 HEIs accredited (cumulative 125)</td>
</tr>
<tr>
<td><strong>DLI 2: Performance-based financing (PBF) extended to HEIs</strong></td>
<td>Guidelines for PBF of campuses published by UGC</td>
<td>Achieved</td>
<td>First group of 45 HEIs selected as per PIM, Memorandum of Understandings (MOUs) signed; and first tranche of performance-based grants released</td>
<td>First group of 73 HEIs selected and MOUs signed; first tranche of performance-based grant released to 21 HEIs, and additional 21 HEIs recommended for release of PBF</td>
<td>Release of final performance-based grants to at least 45 HEIs from the three selected groups as per PIM (total at least 135 HEIs)</td>
</tr>
<tr>
<td><strong>DLI 3: Autonomy extended to additional campuses/schools</strong></td>
<td>TU autonomy campus rules for constituent campuses revised by TU Senate</td>
<td>Achieved</td>
<td>Autonomy granted to two campuses/schools (cumulative six including four at baseline)</td>
<td>Autonomy granted to one campus (cumulative five including four at baseline)</td>
<td>There are no Year 5 targets on DLI 3 – it completes in Year 4</td>
</tr>
</tbody>
</table>

---

5 HEIs which have applied for academic autonomy are Ilam Multiple Campus; Central Technology Campus; Kailali Multiple Campus; Butwal Banihya Campus, and Janapriya Multiple Campus.
<table>
<thead>
<tr>
<th>DLI</th>
<th>Year 0 (2014-15) Baseline</th>
<th>Year 1 (2015-16) target</th>
<th>Current Value (Year 1 achievement)</th>
<th>Year 5 (2019-20)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>Achievement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

**DLI 4: Examination reforms implemented and academic calendar enforced in TU**

- (i) Academic rules of TU revised and approved by TU Academic Council for completing academic calendar within one academic year; and (ii) a plan for examination reforms approved by TU (with especial focus on centralized examinations).

Achievement: Academic calendar of three program-years of centralized Master’s programs adhered to.

Remarks: Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative 15).

- Results for regular centralized Bachelor’s programs published within seven months on an average.

The average time taken for announcement of results is 5.4 months.

- Results for regular centralized Bachelor’s programs published within three months on an average.

Year-one and year-two targets of 7 and 6 months met.

**DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels**

- Areas of priority for new programs approved by UGC; and guidelines for selection of programs and institutions approved by UGC

Achieved: A total of 20 programs revised or introduced.

4 new programs approved/introduced.

Implementation of all 140 programs continued

13 new programs already introduced expected to be approved upon submission of missing documents.

**DLI 6: Poverty-targeted financial support for under-privileged students**

- PMT processes for selection of students revised by SFAFDB; and database and process computerized

Achieved: (i) First cohort (at least 3,000 students) selected through PMT; and (ii) funds released to at least 3,000 students

(a) First cohort (2,850 students) selected through PMT; and (ii) fund released to 2,850 students

(i) Funds released to at least 2,000 students as per schedule; and (ii) Plan for sustainability of the scheme approved

Target not reached because some of the selected students were delisted after household verification and some others could not open bank accounts.

---

6 Humanities and Social Sciences, Education, and Management.

7 50 to 60% of the target is for revision of existing programs, which can be in any area/discipline, and remaining 40 to 50% of the target is for introduction of new programs that have to be in identified priority areas.
<table>
<thead>
<tr>
<th>DLI</th>
<th>Year 0 (2014-15) Baseline</th>
<th>Year 1 (2015-16) target</th>
<th>Current Value (Year 1 achievement)</th>
<th>Year 5 (2019-20)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>Achievement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLI 7: Institutions supported for academic excellence in priority areas through RDI awards</td>
<td>Achieved (i) Existing research guidelines reviewed and revised by UGC; and (ii) Priority areas for support approved by UGC</td>
<td>(i) First batch of projects (at least 100) selected; and (ii) funds released as per schedule</td>
<td>Achieved. First batch of 270 research projects selected and funds released to 172 projects</td>
<td>(i) Final release of funds to at least 250 active projects as per schedule; and (ii) Plan for sustainability approved</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Parallel recruitment and promotion rules adopted by TU Executive Council</td>
<td>Achieved</td>
<td>First batch of faculty (at least ten) recruited and/or promoted based on excellence</td>
<td>Not achieved.</td>
<td>Fifth batch of faculty (at least additional ten) recruited and/or promoted based on excellence</td>
</tr>
<tr>
<td>Indicator Name</td>
<td>Unit of Measure</td>
<td>Year 0 (2014-15) Baseline</td>
<td>Year 1 (2015-16) target</td>
<td>Current Value</td>
<td>Year 5 (2019-20) target</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------</td>
<td>----------------</td>
<td>---------------------------</td>
<td>-------------------------</td>
<td>---------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>1. Number of institutions undertaking specified reforms</td>
<td>Number</td>
<td>15</td>
<td>45</td>
<td>73</td>
<td>135</td>
</tr>
<tr>
<td>2. Number of TU institutions granted autonomy</td>
<td>Number</td>
<td>4</td>
<td>6</td>
<td>5</td>
<td>14</td>
</tr>
<tr>
<td>3. Number of academic programs revised</td>
<td>Number</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>75</td>
</tr>
<tr>
<td>4. Number of new academic programs introduced in identified priority areas</td>
<td>Number</td>
<td>0</td>
<td>10</td>
<td>4</td>
<td>65</td>
</tr>
<tr>
<td>5. Computerization of records of all students eligible for appearing in examinations from TU constituent and affiliated campuses</td>
<td>Percentage</td>
<td>0</td>
<td>15</td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>6. Number of RDI projects supported in identified priority areas</td>
<td>Number</td>
<td>PhD level: 0 Faculty Research: 0</td>
<td>20</td>
<td>23</td>
<td>130</td>
</tr>
<tr>
<td>7. Direct Project Beneficiaries</td>
<td>Number</td>
<td>0</td>
<td>25,000</td>
<td>105,000</td>
<td>500,000</td>
</tr>
<tr>
<td>8. Female beneficiaries</td>
<td>Percentage</td>
<td>0</td>
<td>25</td>
<td>35</td>
<td>40</td>
</tr>
</tbody>
</table>
Annex 3: Key Implementation Issues and Agreed Actions

1. Establishing an autonomous QAAA within UGC is still pending. While the QAA system for HEIs established earlier in UGC is functional, and accreditation is progressing relatively satisfactorily, it is critical to avoid the perceived conflict of interest that the same agency (UGC) is engaged in the decision making for HEIs evaluation as well as funding. UGC in coordination with MOE will facilitate approval of rules and establish an autonomous QAAA within UGC by February 28, 2017.

2. Technical level coordination among different divisions and senior staff of UGC is weak. As agreed earlier the recruitment of a senior level coordinating position at UGC is still pending. UGC has agreed to recruit a Director level position in Reform Division, by December 31, 2016.

3. Poverty targeting (Proxy Means Testing-PMT) is becoming a well-accepted approach of GON support to underprivileged students. This was initiated during SHEP under MOE, and the SFAFDB was established in 2006 for implementation. Poverty targeting has now been extended to other Ministries including for the Poverty Card distribution. However, SFAFDB has been receiving only project funds through UGC. This has created a concern about the SFAFDB sustainability. To strengthen GON ownership, a budget line item will be created in the Red Book for funding the SFAFDB also from GON regular resources starting FY 2016/17. SFAFDB will coordinate with MOE and MOF to ensure that such a provision is included in the Red book for FY 2017/18.

4. TU officials have acknowledged the importance of autonomy for TU reforms. However, implementation of autonomy is lagging behind. Only five campuses have opted autonomy over 10 years after the Autonomy Rule was passed. The mission discussed about the criticality for TU to constitute a Task Force (TF) involving champions of autonomy from among TU officials and other stakeholders to facilitate the understanding of autonomy among key officials and other stakeholders. The mission also agreed with the TUPIO that the TF will articulate the concept and operational details of autonomy to ensure consistency in interpretation of Autonomy Rules. The TUPIO with support from the TF will organize dissemination of the materials prepared. It was also agreed that the TF will be retained till the end of the project to assist the TU management and the TUPIO Coordinator in furthering the agenda of autonomy. This would also help minimize the ups and downs in the implementation of autonomy TU has been facing after the leadership transition at the center and at campuses. The mission also agreed that TUPIO under the guidance of the TU management will prepare an action plan towards expediting autonomy in Padma Kanya Campus, Prithivi Narayan Campus, and other interested campuses by November 15, 2016.

5. The mission has noted that the average pass percentage of regular students in the final examination under the annual system of TU is in the range of 30 percent. Most of the campuses selected for project support were unable to receive allocated performance grants for “increased pass rate” due to their inability to increase pass rates. Even in some of the accredited campuses student pass rates are unacceptably low. The mission also discussed about the low enrollment share in Science and Technology (S&T) and that no visible changes have been observed in recent years. The mission has noted these as serious issue and agreed that UGC in coordination with TUPIO will commission studies to identify: (i) the causes of low pass rate and work out suggestions for improvements; and (ii) ways to increase the share of S&T. It has been agreed that the studies will be completed by April 30, 2017.

6. The BSS has been severely delayed due to the delay in the selection of the survey firm. Given that the shortlisted consulting firms declined to undertake the study because of the inadequate budget the UGC has agreed to invite fresh proposals from consultants after appropriate revisions in the Terms of Reference and revision of the cost estimates. The UGC will share a plan of hiring the firm and completion of the survey by November 4, 2016.
In order to address key issues, summary of agreed actions is presented in the following table:

<table>
<thead>
<tr>
<th>SN/DLI</th>
<th>Agreed Action</th>
<th>Target Completion Date</th>
<th>Responsibility</th>
<th>Status/Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component 1: Implementation of Reforms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. DLI 1</td>
<td>Approval of rules to establish QAAA and establishment of QAAA</td>
<td>February 28, 2017</td>
<td>GON/MOE/UGC</td>
<td>MOE/UGC have agreed to process a new amendment to the UGC Regulations limiting scope to the establishment of the QAAA only.</td>
</tr>
<tr>
<td></td>
<td>Complete Accreditation of two additional HEIs</td>
<td>November 15, 2016</td>
<td>UGC</td>
<td>Minimum one international expert should be involved in each of the peer review teams.</td>
</tr>
<tr>
<td>2. DLI 2</td>
<td>Release performance based grants to the selected remaining HEIs</td>
<td>November 30, 2016</td>
<td>UGC/TUPIO</td>
<td></td>
</tr>
<tr>
<td>3. DLI 3</td>
<td>Prepare Action Plan for expediting implementation of Autonomy</td>
<td>November 15, 2016</td>
<td>TUPIO</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Grant academic autonomy to two campuses that have reached an advanced stage of preparation</td>
<td>November 30, 2016</td>
<td>TU</td>
<td></td>
</tr>
<tr>
<td>4. DLI 5</td>
<td>Approval of 13 already introduced new programs</td>
<td>November 30, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Finalize selection of proposals for the curriculum revision from the applications received</td>
<td>December 15, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td>5. DLI 6</td>
<td>Publish year-two scholarship recipients’ final list</td>
<td>April 30, 2017</td>
<td>SFAFDB</td>
<td></td>
</tr>
<tr>
<td>6. DLI 7</td>
<td>Recruitment of first batch of faculty members at TU based on academic excellence</td>
<td>March 31, 2017</td>
<td>TUPIO/TU Service Commission</td>
<td>Year-one and year-two targets to be covered.</td>
</tr>
<tr>
<td><strong>Component 2: Capacity Building and Project Management</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td><strong>Project Management:</strong> Prepare an action plan for operationalization of examination and FMIS module of TU EMIS</td>
<td>November 4, 2016</td>
<td>TUPIO/ OCE</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Share the revised draft of UGC PIM</td>
<td>November 15, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Prepare a M&amp;E plan for HERP monitoring for year-two</td>
<td>November 15, 2016</td>
<td>UGC/ TUPIO/ SFAFDB</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Recruit a Director level position in Reform Division of UGC to support technical level coordination among different divisions</td>
<td>December 31, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Commission studies to identify: (i) causes of low student pass rate and</td>
<td>November 30, 2016</td>
<td>UGC/ TUPIO</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Task Description</td>
<td>Due Date</td>
<td>Responsible Party</td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>---------------------------------------------------------------------------------------------------------------------</td>
<td>--------------</td>
<td>----------------------------------</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Create budget line item in the Red Book for funding the SFAFDB also from GON regular resources in addition to HERP resources, starting FY 2017/18</td>
<td>May 30, 2017</td>
<td>MOE/ SFAFDB</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td><strong>Safeguard:</strong> Prepare/ update necessary documentation to comply with the EMF/SMF as specified in the UGC Guidelines</td>
<td>Semi-annual</td>
<td>UGC/ TUPIO/ SFAFDB/ Beneficiary Institutions</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td><strong>Procurement:</strong> Prepare a plan for selection of consulting firm and completion of the beneficiary satisfaction baseline survey</td>
<td>November 4, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Plan agreed to be prepared to complete the baseline survey by May 31, 2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td><strong>Financial Management:</strong> Maintain periodic details (at least trimester-wise) of EEP also at UGC incurred by all implementing agencies</td>
<td>November 15, 2016</td>
<td>UGC/TUPIO</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Prepare a plan to receive SOEs of EEP from TU cost centers in the agreed format</td>
<td>November 15, 2016</td>
<td>TUPIO</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Submit the Un-audited Report for FY 2015/16</td>
<td>November 15, 2016</td>
<td>UGC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Report was overdue on October 15, 2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Submit Audit Report for FY 2015/16</td>
<td>January 15, 2017</td>
<td>UGC</td>
<td></td>
</tr>
</tbody>
</table>
Annex 4: Study Visit to Autonomous Colleges of India by Tribhuvan University Senior Officials

Introduction and Background

1. A study visit team led by the Registrar of TU visited India from September 4-10, 2016. Autonomy of colleges is one of the major education reforms the Government of India (GoI) has initiated under the framework of the National Policy on Education (1986-92). GoI has also revised guidelines for autonomous colleges for the XII Plan period (2012-2017). India’s target is to make 10 percent of eligible colleges autonomous by the end of the XII Plan period. Altogether, there are around 35,000 higher education colleges in India and out of them so far 575 have been granted autonomy. Tamil Nadu and Karnataka are two of the front-runner states in the implementation of autonomy.

2. UGC (India) Policy documents state that the system affiliating colleges was originally designed to serve a small number of colleges. One-size-fits-all policy with respect to affiliation irrespective of unique characteristic colleges in terms of their strengths and weaknesses, and locational diversity has adversely affected the academic development of individual colleges. The policy document has further points that the exercise of academic freedom by teachers is a crucial requirement for development of the intellectual climate. Unless such a climate prevails, it is difficult to achieve excellence in higher education system. Hence, the National Policy introduced college autonomy, as an instrument for promoting academic excellence.

Visit Objectives

3. The objectives of the visit were to familiarize with experience of the implementation of autonomy, particularly:
   - The legal framework and management of autonomous colleges, and monitoring by UGC and affiliating university.
   - Exercise of autonomy by colleges with respect to curriculum development, examination conduction, certificate distribution, teacher/staff recruitment, and resource generation and use.
   - Public funding to the government and affiliated autonomous colleges and liability of the government to teachers and staffs.
   - Other lessons that are relevant in relation to TU reforms on autonomy.

Institutions Visited

4. Visited institutions: University Grants Commission, Delhi; Bangalore University; National Degree College (Autonomous), Bangalore; Government Science College (Autonomous), Bangalore; St. Joseph Colleges (Autonomous), Bangalore; Nitte Meenakshi Institute of Technology (Autonomous), Bangalore; and Indian Institute of Management, Bangalore.

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8 The team members were: Mr. Dilli Ram Upreti, Registrar, TU; Prof. Dr. Hari Prasad Sharma Parajuli, Member, TU Executive Council (TUEC); Associate Prof. Rajendra Kumar Poudyal, Member, TUEC; Associate Prof. Keshabraj Bastola, Controller, TU Office of the Controller of Examinations (TUOCE); Associate Prof. Dr. Dhruba Raj Pokharel, Asst. Dean (examinations), Faculty of Management; Dr. Sharad Chandra Thakur, Asst. Dean (examinations), Faculty of Humanities & Social Sciences; Prof. Dr. Dhan Bahadur Karhi, Campus Chief, Central Technology Campus, Dharan (TU autonomous); Associate Prof. Rajendra Kunwar, Former Campus Chief, Mahendra Ratna Multiple Campus, Ilam (TU autonomous); Dr. Ishwor Gautam, Campus Chief, Lunbini Baniya Campus, Butwal (TU affiliated, accredited); Dr. Padam Raj Joshi, Asst. Campus Chief, Kailali Multiple Campus, Dhangadhi (TU affiliated, accredited); Mr. Nabindra Prasad Bhandari, Deputy Administrator, TUOCE; Prof. Shankar Prasad Bhandari, Project Coordinator, TUOCE; Dinesh Prajapati, Program Officer, Research Division, UGC; and Mohan Aryal (Task Team Leader, HERP, World Bank)
Lessons Learned

A. Clarity on objectives of autonomy
5. The UGC Guidelines clearly articulate that an autonomous college will have the freedom to:
   - Determine and prescribe its own courses of study, and restructure and redesign the courses to suit local needs;
   - Prescribe rules for admission in consonance with the reservation policy of the state government;
   - Evolve methods of assessment of students performance, the conduction of examinations and notification of results;
   - Use modern tools of educational technology to achieve higher standards and greater creativity; and
   - Promote healthy practices such as community service, extension activities, projects for the benefit of the society at large, collaborative programs, etc.

B. Governance structure in autonomous colleges
6. UGC Guidelines have defined four-tier statutory bodies to be formed in an autonomous college, which include: (i) Governing Council; (ii) Academic Council; (iii) Board of Studies; and (iv) Finance Committee. While both government and affiliated (autonomous) colleges the study team visited have constituted the above structure, affiliated colleges with Trustees, philanthropists and other stakeholders have also constituted a broad-based governing structure which provides overall guidelines and support to the colleges to work within the UGC Guidelines.

C. Implementation of autonomy – a paradigm shift
7. The study visit team has observed that there has been a paradigm shift in the autonomous colleges after they have opted for autonomy. While there may be some variations from college to college, a general feature of the shift is presented below:

Reform in curricula and teaching-learning process
8. Curricula are revised every 2 to 3 year as per the market demand. Teaching-learning has become student centric with provisions of term papers, industrial visits, and a large number of add-on courses. In the National Degree College three undergraduate (UG) programs were being run before the autonomy. In the last ten years of autonomy they have added one more UG program, and seven Postgraduate (PG) programs. They also conduct add-on courses in each semester of UG programs. Autonomous colleges follow the clearly defined procedures to introduce a new course. The Board of Studies (BS) formulates the idea into a proposal including costing and forwards to the Academic Council (AC). The AC discusses the proposal, and if approved, submits to the Governing Body of the college for final approval and for permission to execute the proposal. The autonomous college then sends all approved proposals of the curricula to the affiliating University for information.

9. National Degree College informed that after the introduction of Communicative English and Human Resource Management as compulsory additional subjects (add-on courses), success rate of students in placements went up from 35 percent to 85 percent. Success story of the St Joseph’s College (autonomous) is more promising – apart from adding a number of new subjects including multidisciplinary ones in credit courses, the college has been offering 52 different add-on courses to meet the specific market needs.

Adherence of Academic Calendar
10. Autonomous colleges strictly follow their own academic calendar, which includes timely class start, class completion, exam conduction, and results publications (in one month after exam completion), and submission of students records to affiliating university for final certificate distribution/convocation. Final examination results are published in the predefined dates. Make-up exams also provide better opportunity for students to complete academic programs on time.
Clearly defined examination procedures

11. Each autonomous college conducts internal and semester exams following the defined procedures. Some colleges adopt the internal/semester weightage as 20:80, whereas others 30:70, which are agreed with the review team while granting autonomy. Weightage for internal exam consist of attendance, tests, and other class performances. For semester/final exams three sets of question papers in each subject are prepared by the board of examiner (BOE with an external examiner), which are received by the Controller, and one of these sets is picked by the Principal and printed before the end semester examination. One of the remaining sets is used for Supplementary Examination. Answer books are checked centrally under the supervision of a chief custodian. Students, who are not satisfied with exam results, are allowed to apply for photo copy of the answer book and revaluation, which is done only by the external examiners in the subject concerned. Students, who secure more than six percent in revaluation get their application fee reimbursed. PG end-semester answer books are checked by internal and external examiners independently, and the average mark is considered as final.

Governance and Management

12. An autonomous college prepares a calendar for meetings of various bodies to ensure that the implementation of the recommendations made by them is not unduly delayed for reasons of non-convening of such meetings. Teacher evaluation includes periodical self-evaluation, institutional assessment of teacher performance, student feedback, research appraisal and other suitable forms of teacher appraisal.

13. All recruitments of teaching staff are made by the Governing Body following the policies laid down by the UGC and State Government. Autonomous colleges in a given region also form a consortium for mutual cooperation/collaboration in chosen areas such as management skills, national services, entrance examinations, services projects, inter-collegiate/intra-collegiate sharing of expertise and human resources for teaching programs as well as credit transfer.

Fee Structure

14. Fee structure for aided programs (core subjects) of the autonomous college is set by the parent university in coordination with State Government. Such college can set own fee structure for unaided programs (innovative /market relevant programs introduced and implemented by the college itself). However, consent of university for such structure is also required.

Grant and Other Assistance

15. The visit team also noted that there has been a huge support from UGC, State Government and the affiliating university to implement autonomy. While the government autonomous colleges are fully funded by the government, UGC also provides grant assistance to affiliated autonomous colleges to meet their additional and special needs. The details are presented in the Guidelines for autonomous colleges during the XII Plan Period (2012-2017)9

16. The Nepal Delegation was highly benefitted from the visit and interaction with the senior officials of these institutions including Chairperson and Member-Secretary of UGC, Vice Chancellor, Registrars, Deans, Controller of Examinations, and other key officials of Bangalore University; senior officials of Management Committees of the visited autonomous colleges. The information collected during the visit and interaction held were highly beneficial for the team to reassure that autonomy and particularly academic autonomy for deserving colleges that TU has adopted in its policy, which is in implementation, is a right path towards academic excellence.

For further details about the autonomous colleges in India, please also visit websites10 of the autonomous colleges the study team visited.

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9 http://www.ugc.ac.in/pdfnews/0722837_guidelines-autonomous-colleges.pdf

10 1. National Degree College (Autonomous), Vanivilas Road, Bangalore; <http://ncbgudi.com/>; 2. Government Science College (Autonomous),
Annex 5: Brief Summary of Visit to Community and Constituent Campuses

1. A team comprising members from TUPIO and the Bank visited a number of TU campuses during September 22-23, 2016. The team interacted with campus chiefs, representatives from faculty members, campus management committee members, and students.

*Shaheed Smriti Multiple Campus, Chitwan*

2. This is a TU affiliated community campus established in 1980. It has around 2,000 students and 60 faculty members. The campus received certificate of accreditation in 2013. It is a well-recognized higher education institute in the region for its programs under the faculties of management, education, and humanities and social sciences with very low fees except for the Bachelor in Business Management (BBM) program, which is expensive. It has recently got approval to offer courses under the science faculty too. The campus runs in three shifts - morning, day and evening.

3. The campus received about NPR 7 crore (approx. US$ 0.7 million) during the previous project (SHEP) under performance and matching grants. However, it was not able to participate in the first year of HERP because it could not complete the audit process on time; but it is ready for participation this year. The campus is planning to apply for autonomy status. It offers various merit- and need-based scholarships. The biggest weakness, however, is that the campus has very low pass rate (14%) and low graduation rate (less than 20%). Additionally, the campus needs to further enhance its EMIS in order to be able record required information for proper management and informed decision making.

*Makwanpur Multiple Campus, Hetauda*

4. This is also a TU affiliated community campus that is located in the center of Hetauda Municipality. It is one of the largest campuses with more than 6,000 students and around 90 faculty members. It received certificate of accreditation from UGC in 2012. Average pass rate is 64%, which is well above the national average. It has a strong community participation and commitment. The campus has a well-developed EMIS with live information feeding system. It also has good linkage with industries in Hetauda and some of them even prefer to hire graduates from this campus. The campus provides good remuneration package to its staff, which are comparable to TU.

5. The campus received NPR 10 crore (approx. US$1.0 million) under the performance grant and NPR 2.5 crore under the matching grant during the previous project, most of which it used in building infrastructures. Part of it were used to finance PhD degrees of some faculty members. The campus is preparing to apply for academic autonomy and also to offer a new program of its own. With large infrastructure and satisfactory academic achievements, this campus has a lot of potential to become an autonomous college (with academic autonomy) leading to a deemed university status in the future. Some areas it needs strengthening is expansion of its library, including e-library, and enhanced focus on research and publication.

*Thakur Ram Multiple Campus, Birgunj*

6. It was established in 1952 and it is one of the oldest and one of the largest HEIs in Nepal. With large plot of land of its own and a number of buildings (quarter for teachers and boys and girls hostel), it could be one of the richest campuses too. It has more than 4,000 students and about 175 teachers (14 with PhD degree). The pass rate at bachelor level is 22% and at masters level is around 25%.

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11 Prof. Shankar Bhandari from TUPIO, Mohan Aryal, Uddhav Bhandari, Dron Pun and Ishwor Neupane from WB.
the campus received more than one crore (approx. US$0.1 million) from the previous project. Its future plan is to draw formal ties with number of industries, form an alumni association, and most of all, intensify stakeholder dialogue for moving towards autonomy.

**Summary of key findings:**
- Campuses seem to use most of the proceeds from the project in building new infrastructure.
- Campuses seem to fill their libraries mostly with text books instead of reference and other reading materials of student interest.
- Some faculty members have been supported for enhancing their academic degrees by enrolling in MPhil and PhD degrees.
- Pass rate is usually low.
- The campuses have been receiving good support from the community, including in leadership for the growth of the institute.
- While student fee and community contributions are the main source of funding in the two community campuses, a large share of funding for Thakur Ram Campus is from UGC.

**Suggestions:**
- Campuses seem to use project resources mainly to develop their infrastructure. Although buildings and classrooms are required, focus should also be given to invest more on improving teaching-learning activities in the classroom, including greater use of IT facilities, library/e-library, project works, etc. Also, it is not at all recommended to keep funds in the bank as they could give more returns if invested appropriately.
- The campuses need to develop their EMIS for proper record keeping and efficient management. MMC’s EMIS is a bit advanced, and possibility of hooking to TUEMIS and UGC’s HEMIS need to be explored.
- The campuses should establish a well-functioning career-counseling cell, and facilitation for enhanced collaboration with employers, for better on-site learning and job-placement.