RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

HIGHER EDUCATION REFORMS PROJECT

APPROVED ON FEBRUARY 19, 2015

TO

NEPAL

EDUCATION

SOUTH ASIA

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### ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI</td>
<td>Disbursement Linked Indicators</td>
</tr>
<tr>
<td>FBF</td>
<td>Formula-Based Funding</td>
</tr>
<tr>
<td>GON</td>
<td>Government of Nepal</td>
</tr>
<tr>
<td>HEIs</td>
<td>Higher Education Institutions</td>
</tr>
<tr>
<td>IDA</td>
<td>International Development Association</td>
</tr>
<tr>
<td>IPF</td>
<td>Investment Project Financing</td>
</tr>
<tr>
<td>IUFR</td>
<td>Interim Unaudited Financial Report</td>
</tr>
<tr>
<td>MOF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>MTR</td>
<td>Mid-Term Review</td>
</tr>
<tr>
<td>NAB</td>
<td>National Accreditation Board</td>
</tr>
<tr>
<td>NPHERD</td>
<td>National Program for Higher Education Reform and Development</td>
</tr>
<tr>
<td>OCE</td>
<td>Office of the Controller of Examinations</td>
</tr>
<tr>
<td>PBF</td>
<td>Performance-Based Funding</td>
</tr>
<tr>
<td>PDO</td>
<td>Project Development Objective</td>
</tr>
<tr>
<td>PIM</td>
<td>Project Implementation Manual</td>
</tr>
<tr>
<td>PMT</td>
<td>Proxy-Means Testing</td>
</tr>
<tr>
<td>QAA</td>
<td>Quality Assurance and Accreditation</td>
</tr>
<tr>
<td>QAAA</td>
<td>Quality Assurance and Accreditation Agency</td>
</tr>
<tr>
<td>QAAD</td>
<td>Quality Assurance and Accreditation Division</td>
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<td>RBF</td>
<td>Results-Based Financing</td>
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<tr>
<td>RDI</td>
<td>Research, Development and Innovation</td>
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<tr>
<td>SDR</td>
<td>Special Drawing Rights</td>
</tr>
<tr>
<td>SFAFDB</td>
<td>Student Financial Assistance Fund Development Board</td>
</tr>
<tr>
<td>SSR</td>
<td>Self-Study Report</td>
</tr>
<tr>
<td>STEM</td>
<td>Science, Technology, Engineering and Mathematics</td>
</tr>
<tr>
<td>TU</td>
<td>Tribhuvan University</td>
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<td>UGC</td>
<td>University Grants Commission</td>
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**BASIC DATA**

**Product Information**

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<th>Project ID</th>
<th>Financing Instrument</th>
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<tr>
<td>P147010</td>
<td>Investment Project Financing</td>
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<table>
<thead>
<tr>
<th>Original EA Category</th>
<th>Current EA Category</th>
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<tbody>
<tr>
<td>Partial Assessment (B)</td>
<td>Partial Assessment (B)</td>
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<table>
<thead>
<tr>
<th>Approval Date</th>
<th>Current Closing Date</th>
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<td>19-Feb-2015</td>
<td>30-Jun-2020</td>
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**Organizations**

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<th>Borrower</th>
<th>Responsible Agency</th>
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<tbody>
<tr>
<td>NEPAL</td>
<td>University Grants Commission</td>
</tr>
</tbody>
</table>

**Project Development Objective (PDO)**

**Original PDO**

To support reforms in selected institutions for improving quality, relevance, and efficiency of higher education; and to assist under-privileged students for equitable access.

**Summary Status of Financing**

<table>
<thead>
<tr>
<th>Ln/Cr/Tf</th>
<th>Approval</th>
<th>Signing</th>
<th>Effectivenesss</th>
<th>Closing</th>
<th>Net Commitment</th>
<th>Disbursed</th>
<th>Undisbursed</th>
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</thead>
</table>

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No
I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

Project Information:

1. The Project supports the Higher Education Reforms component and the Regular Program component of the government’s National Program for Higher Education Reform and Development (NPHERD). The Project Development Objective (PDO) is measured by five key performance indicators (KPIs): (i) number of accredited higher education institutions (HEIs); (ii) percentage of students enrolled in identified priority areas; (iii) number of under-privileged students supported under the Project; (iv) average time taken for announcement of results of bachelors programs with centralized examinations at TU; and (v) number of publications in refereed journals by research grants recipients. The Project is structured around two components: Component 1: Implementation of Reforms and Component 2: Capacity Building and Project Management. Component 1 is a Result Based Financing (RBF) clustered around four result areas and seven Disbursement Linked Indicators (DLIs) to help achieve the PDO.

Component 1: Implementation of Reforms

2. Results Area 1: Systemic and Institutional Reforms. This results area supports reforms associated with: (i) Institutionalization of the national accreditation system; (ii) more effective public funding of HEIs; (iii) greater institutional and academic autonomy of constituent and academic autonomy of affiliated campuses; and (iv) strengthening of the examination system. For this results area, the release of IDA funds is linked to the achievement of pre-specified targets for the following DLIs: (i) National Accreditation system established and functioning (DLI 1); (ii) performance-based financing extended to HEIs (DLI 2); (iii) autonomy extended to additional campuses/schools (DLI 3); and (iv) examination reforms implemented and academic calendar enforced in Tribhuvan University (DLI 4).

3. Results Area 2: Academic Reforms and Relevance. This results area supports academic reforms in universities and campuses focusing on the achievement of better learning outcomes in selected programs and includes introduction and expansion of programs in market-relevant and priority areas: Academic reforms introduce - Revision of existing programs and introduction of new programs (DLI 5).

4. Results Area 3: Equity. This results area supports underprivileged students in Grades 11 and 12 in science stream and the Bachelor level students with preferential treatment for female students through poverty targeted financial support (DLI 6).

5. Results Area 4: Academic Excellence and Research. This results area supports integration of teaching and learning with knowledge generation through global and national networking and university partnerships and introducing an alternative pathway for faculty career progression: Institutions supported for academic excellence in priority areas through Research, Development and Innovation (RDI) awards (DLI 7).

Component 2: Capacity Building and Project Management

6. This component supports effective implementation and monitoring of NPHERD, and finances inputs and activities required to achieve the above-stated results and enhance the capacity of the implementing, coordinating and participating agencies, including capacity building and carrying out various studies, surveys and assessments.

Progress Status:
7. The overall project implementation progress rating continues to be “Moderately Satisfactory” mainly due to slow progress in some of the activities such as accreditation of higher education institutions (HEIs) or completion of Quality Assurance and Accreditation cycle by HEIs, results publications of TU regular centralized bachelor programs, implementation of autonomy, establishment of a system of maintaining checklist to ensure compliance with the Memorandum of Understanding and guidelines by the grant recipients, and lower disbursement rate. The total disbursement as of June 30, 2019 is SDR 28.95 million (64.5%) which is below initial estimates. The extended efforts the Implementing agency has made are showing good indications towards meeting the project targets and the restructuring would further facilitate the process.

Project Development Objectives (PDO): The progress towards the achievement of the PDO continues to be rated Satisfactory. There is strong likelihood of the PDO being achieved because the foundation has been laid for meeting the targets for accreditation and autonomy. The implementing agency has made extra efforts to meet all end-of project (EOP) targets by project closing.

PDO Indicator-wise updates

8. Indicator 1 - Number of accredited HEIs: 34 HEIs have been accredited and 13 completed Quality Assurance and Accreditation (QAA) cycle till date against the cumulative target of 60 HEIs for year three of the project. To expedite the progress, the University Grants Commission (UGC) has made the QAA process mandatory for HEIs\(^1\). It has also strengthened the QAA Division by recruiting national experts and additional staff. As a result, visible improvements have been observed. The UGC has accelerated the review of self-study reports (SSRs) submitted by the HEIs. Among 256 HEIs whose Letter of Intent were accepted, 34 HEIs have been accredited, 13 HEIs have completed the QAA cycle and additional 63 are in the pipeline (pre-visit completed: 23 HEIs; performance review team (PRT) formed: 10 HEIs; SSR under review and revision: 30 HEIs).

9. Indicator 2 - Percentage of students enrolled in identified priority areas: Progress of this indicator is on track - percentage of students enrolled in identified priority areas reached 30% against 15% of year-three and 17% of end of project (EOP) target (Bachelor program), and 19% against 20% of year-three and 23% EOP targets.

10. Indicator 3 - Number of under-privileged students supported under the Project: Progress of this indicator is on track - (a) Higher Secondary total: 1,438 (against year-three target of 1,500); Female: 28.09% (b) Bachelor total: 7,434 (against year-four and EOP targets of 7,500); Female: 62.6%.

11. Indicator 4 - Average time taken for announcement of results of Bachelor programs with centralized examinations at TU reduced to 5.45 months against year-two target of 6 months and EOP target of 3 months. TU Office of the Controller of examination (OCE) is making all efforts by preparing weekly monitoring plan of activities of results publication to achieve the EOP target by project closing.

12. Indicator 5 - Number of publications in refereed journals by research grants recipients has reached 140 surpassing the cumulative EOP target of 85.

DLI Progress

13. DLI 1 - National accreditation system established and functioning. 34 HEIs accredited, 13 completed QAA cycle, and additional 63 are in pipeline as explained under PDO indicator 1 (above) against the year-three target of 60 (cumulative) and EOP target of 125 (cumulative). While there has been increased demand for accreditation, recommendation has been made to simplify the process to expedite implementation with extra incentives.

\(^1\) Decision to make QAA process mandatory for all HEIs was made by the UGC board on December 13, 2017.
14. **DLI 2 - Performance-based financing extended to HEIs.** This DLI is on track and has met year-four targets. A minor revision would be made in year-five target to strengthen academic autonomy by incentivizing accredited and autonomous community campuses exercising academic autonomy.

15. **DLI 3 - Autonomy extended to additional campuses/schools.** The overall progress and the recipient’s focus on Autonomy of HEIs is on track.

16. **DLI 4 - Examination reforms have been implemented and academic calendar enforced in TU.** First part of this DLI has achieved the EOP target. Academic calendar of 15 centralized Master program-year of TU is adhered to againsts the cumulative EOP target of 15. Whereas achievement against the second part of the DLI is lagging behind - the average time for results’ publication is reduced to 5.45 months against year-two target of 6 months. With the extended efforts of the TU Office of the Controller of Examination the EOP target is expected to be met by Project closing.

17. **DLI 5 - Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels.** Progress of this DLI is on track-86 programs revised/introduced. A number of institutions largely under TU have submitted request to conduct new autonomous programs. To promote the slow progress of Science, Technology, Engineering and Mathematics (STEM) share, HEIs introducing STEM programs in their institutions would also be accounted for this DLI in the restructuring. This would also contribute to the achievement of the EOP target.

18. **DLI 6 - Poverty-targeted financial support for under-privileged students.** Progress of this DLI is on track – year four target has been achieved.

19. **DLI 7: Institutions supported for academic excellence in priority areas through Research Development and Innovation (RDI) awards:** First part of this DLI has been overachieved - more than 1,210 research projects awarded against the EOP target of 500, and grants released. Second part of this DLI is lagging behind - first batch of 11 faculty recruited and/or promoted based on excellence. Given that the revised regulatory arrangement following the first batch recruitment is in place including other preparatory arrangements, additional 29 faculty will be recruited/promoted in year 5 and meet the year 4 cumulative target. Restructuring and reallocation of proportionate funds would be made to account the reduced target of the second part and the increased target of the first part of the DLI.

20. **Intermediate Results Indicators (IRIs):** The progress of the IRIs is largely on track. Given that universities other than TU are also participating in the reform including autonomy, they would also be accounted in the IRI 2.

21. **Disbursement.** Total disbursement as of June 2019 is SDR 28.95 million, which is 64.50%.

**Rational for Restructuring**

22. **Simplification of QAA process and Incentivizing Institutions.** With the UGC decision of making the QAA process mandatory, interest of HEIs for accreditation has significantly increased. And with increased capacity of QAA Division (QAAD) the potential and interested institutions are also receiving timely support - both guidance and technical review mobilizing inhouse experts/staff as well as national and international experts-peer reviewers. As a result, two group of institutions have emerged: “accredited” and “QAA cycle completed”. The “QAA cycle completed” institutions meet all requirements and criteria for being accredited and are only one step behind the accredited ones. These institutions qualify to become accredited after they complete peer reviewers’ additional recommendation. This revision will incentivize the institutions, QAAD and UGC to work

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2 Share of Science and Technology: 10%, Engineering: 5% and Agriculture, Animal Science and Forestry: 0.55%.
expeditiously towards getting more institutions to complete the QAA cycle while simultaneously working on increasing the pool of peer reviewers. To retain and consolidate this incentive both at UGC and higher level the proposed change is to include both categories of institutions (accredited and QAA cycle completed) as DLI.

23. **Shifting focus from governance autonomy to academic autonomy and tapping reform potential of institutions, central departments and programs.** The project in the design stage focused more on Governance/Administrative autonomy with an assumption that this would facilitate academic autonomy, the fundamentals of reforms under autonomy. However, the Governance/Administrative autonomy as the first part of DLI 3 could not leverage major academic reform under the affiliation system largely because of highly politicized teacher union.³ The academic autonomy, second part of the DLI 3 is bearing fruits. Therefore, more emphasis has been given to academic autonomy of programs (second part of DLI 3) and reduce the focus on governance/administrative autonomy.

24. **Encouraging share of STEM area in higher education enrollment, progress on RDI awards and publications to promote research and innovation.** Higher education institutions conducting programs in STEM area (Science, Technology, Mathematics and Computer Application) under DLI 5 will be incentivized. Given that the first part of DLI 7 has made significant progress in terms of research awards, publications and disbursements and the second part of DLI 7 is lagging behind due to politicized teacher union⁴, minor reallocation of funds (SDR 258,611.11) from the second part to the first part of DLI 7 has been made to encourage the progress. The year 4 first part of DLI 7 target of additional 100 research project has been increased to 200. For the second part the total number of faculty recruitment/promotion has been reduced from 50 to 40.

25. **Revision of annual DLI targets as per actual while keeping the project target intact.** There has been variation between the annual targets and achievements of the DLIs. The DLI table has been revised to reflect the actual achievement of completed period which vary from year 2 to year 5 for different sub-DLIs. The remaining years’ targets have been revised and yearly aligned in line with the existing rollover provision, while keeping the project target intact. Similarly, the unit price of the Disbursement Linked Results has also been recalculated and aligned wherever applicable. These have been explained in the section below and in Table 2.

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³ Affiliation system is practiced and prevalent only in four countries of South Asia: Bangladesh, India, Nepal and Pakistan.
⁴ Part (b) is the excellence-based faculty recruitment/promotion scheme, which is different from the existing scheme, gives low weightage on experience and very high weightage on publication in refereed journal and PhD is the minimum qualification.
II. DESCRIPTION OF PROPOSED CHANGES

26. The proposed changes include revision to the definition of DLI, reallocation of some targets and reallocation of funds between sub-DLIs within the same DLIs while keeping the overall DLI targets intact. Minor changes are also made to the results framework in line with the changes made to the annual Disbursement Linked Results (DLRs) within the same DLIs. While the DLIs are separated from Intermediate Results Indicators (IRIs), the Portal system has recorded them as New DLIs in the Data Sheet. The description of the proposed changes are as follows:

27. DLI 1: National accreditation system established and functioning. The DLI and the project target remain the same. The changes made within this DLI include:
   
   (i) Revision of definition of the annual Disbursement Linked Results (DLRs): In addition to “accredited” institutions, the definition of DLR result is broadened to include “QAA cycle completed” institutions. However, to incentivize the implementation process both at supply and demand sides the share of the total accredited HEIs should be more than 48%.
   
   (ii) The annual target is aligned with actual and planned in line with the existing provision of scalability and rollover for the annual results and the per unit cost of the revised target is SDR 32,684.21.

28. DLI 2: Performance-based financing (PBF) extended to HEIs. The DLI remains the same, and there are no changes in the annual results of the first sub-DLI. For the second sub-DLI, year 5 target has been revised by incorporating a DLR which reads ‘enhanced regular grants to all accredited and autonomous community campuses exercising academic autonomy’. This would be an annual performance-based block grant to incentivize the accredited autonomous community campuses, which are making visible progress in accreditation and academic autonomy. The GON NPHERD resources would be used for this enhanced regular grant and ensures continuity beyond the project.

29. DLI 3: Autonomy extended to additional campuses/schools. This DLI is revised with ‘Autonomy extended to additional campuses/schools /programs’ to encourage academic autonomy of programs as programs are also functioning as units to exercise academic autonomy. The first sub-DLI EOP target, which is largely being practiced as governance and administrative autonomy with little focus on academic autonomy, has been reduced from 14 to 9 campuses and the SDR 776,250.00 from this sub-DLI has been reallocated to the second sub-DLI. The unit price of the first sub-DLI remains the same. In line with the existing scalability and roll-over provision the duration of results achievement has been extended from four to five years. The second sub-DLI EOP target has been increased from 8 to 14 campuses/schools /programs. With the increased allocation for the second sub-DLI (SDR 776,250.00) reallocated from the first sub-DLI, the revised unit price of the second sub-DLI for the remaining period is SDR 194,062.50 (in average), which is less than the original provision. This has been agreed considering that managing autonomous programs would demand relatively lesser resources compared to campuses/schools, but with the same academic rigor.

30. DLI 4: Examination reforms implemented and academic calendar enforced in TU. There are no changes proposed in this DLI except for aligning the annual targets as per actual and planned while keeping the project target intact. There is early achievement of the first sub-DLI EOP targets, whereas the achievement of second sub-DLI annual targets is delayed. However, this does not affect disbursement owing to the existing roll-over provision, which also remains intact after restructuring.

31. DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels. This remains the same including the DLI allocation, unit price in average and the end of project targets. The only change is that the addition of programs in the areas of STEM (Science and
Technology, Mathematics, Computer Application) in additional colleges/HEIs will also be accounted as new programs – this is to address the low share of science and technology in higher education.

32. **DLI 6: Poverty-targeted financial support for under-privileged students**: No changes proposed in this DLI.

33. **DLI 7: Institutions supported for academic excellence in priority areas through RDI awards**: This DLI remains the same. The changes in the annual DLR results are: (i) year 5 target of the first sub-DLI has been increased from 250 projects to 350 and SDR 258,611.11 is reallocated to this sub-DLI from the second sub-DLI to encourage the reforms on research and publication. Even at reduced unit cost this would be an incentive to support additional well performing research projects under the National Program for Higher Education Reform and Development the HERP has been supporting. The scalability and roll-over provisions remain the same as in the PAD. Project target of the second sub-DLI has been reduced from 50 to 40 and accordingly proportionate reallocation has been made from this sub-DLI to the first sub-DLI noted above. Scalability and rollover provisions also remain the same for this sub-DLI as in the PAD.

34. Details of the proposed changes to the DLIs are presented in Table 1. The DLI allocations in Table 1 and in the DLI Matrix of the Results Framework are kept in SDR. This is in line with the Financing Agreement to easily record the actual disbursements made in SDR against seven DLIs in different time period during the four years of the project implementation.

**Changes to the Results Framework:**

**PDO Indicators**

35. Number of Accredited HEIs’ is revised with ‘Number of Accredited/ QAA cycle completed HEIs’. This change will not change the purpose and objective of the Result but will simplify the quality assurance and accreditation process and incentivize the Quality Assurance and Accreditation Division, the University Grants Commission and the Government by aligning support with the UGC decision of making the QAA process mandatory for HEIs. Annual targets also aligned with actual and planned, which is in line with the existing scalable and roll-over provisions wherever applicable. There are no changes in the project targets.

**Intermediate Result Indicators**

36. Number of TU Institutions granted autonomy’ is revised with ‘Number of TU/ other universities Institutions/ programs granted autonomy’ to encourage other universities and programs for autonomy, while TU will have largest share with around 82% of higher education enrollment.
Table 1: Details of changes in Disbursement Linked Indicators

<table>
<thead>
<tr>
<th>DLI</th>
<th>Total IDA Financing Allocated to DLI (SDR)</th>
<th>Year 0 (2014-15) Baseline to be achieved</th>
<th>Indicative timeline for DLI achievement (Original/ Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI 1: National accreditation system established and functioning</td>
<td>A QAAA with functional autonomy established at UGC</td>
<td>8 HEIs accredited (cumulative 20 including 12 at baseline)</td>
<td>10 HEIs accredited (cumulative 30)</td>
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<td>Total allocation</td>
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<td>Scalerability</td>
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<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
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<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Minimum threshold / Formula</td>
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<td>50% of the annual target</td>
<td>50% of the annual target</td>
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</tbody>
</table>

5 The DLI allocations are in SDR throughout the Restructuring paper. Given that all the seven DLI reimbursements during the four years were made in SDR equivalent NPR as per the Financing Agreement, converting them with different rates is cumbersome. This would be further complicated as the same year’s DLI results were partially achieved in multiple years as per the scalability and rollover provisions and therefore reimbursement rate for the same DLI in USD would be different. This is because all the seven reimbursements.
<table>
<thead>
<tr>
<th>DLI 2: Performance-based financing extended to HEIs</th>
<th>Total IDA Financing Allocated to DLI (SDR)</th>
<th>Year 0 (2014-15) Baseline to be achieved</th>
<th>Indicative timeline for DLI achievement (Original/ Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></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>
</tr>
<tr>
<td>Allocation</td>
<td>1,035,111.11</td>
<td>1,035,111.11</td>
<td>1,035,111.11</td>
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<tr>
<td>Scalability</td>
<td>No</td>
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<td>Yes</td>
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<tr>
<td>Rollover</td>
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<td>Yes</td>
<td>Yes</td>
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<tr>
<td>Minimum threshold / Formula</td>
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<td>30% of the annual target</td>
<td>30% of the annual target</td>
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<td></td>
<td>2b. FBF for autonomous campuses adopted by UGC</td>
<td>Criteria for PBF based regular funding for community campuses adopted by UGC</td>
<td>FBF based funds released to at least two autonomous campuses; and PBF based regular funds released to at least 30 community campuses</td>
</tr>
<tr>
<td>DLI</td>
<td>Total IDA Financing Allocated to DLI (SDR)</td>
<td>Year 0 (2014-15) Baseline to be achieved</td>
<td>Indicative timeline for DLI achievement (Original/ Actual)</td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------------</td>
<td>------------------------------------------</td>
<td>-------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>released to at least 30 community campuses (cumulative 60)</td>
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<tr>
<td>Allocation</td>
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</tr>
<tr>
<td>Scalability</td>
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</tr>
<tr>
<td>Rollover</td>
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<tr>
<td>Minimum threshold</td>
<td>NA</td>
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<tr>
<td>Total allocation</td>
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<td>2,070,222.22</td>
<td>2,070,222.22</td>
</tr>
</tbody>
</table>

**DLI 3: Autonomy extended to additional campuses/Schools/programs**

| Allocation | 517,500                     | 517,500                     | 258,750                     | 0                          | 0                          | 517,500                                                 |
| Scalability | No                      | Yes                         | Yes                         | Yes                         | Yes                         | Yes                                                     |
| Rollover | No                       | Yes                         | Yes                         | Yes                         | No                          | No                                                     |
| Minimum threshold / Formula | At least one institution granted autonomy | At least one institution granted autonomy |                                                            |                                                            | Minimum threshold: At least one institution granted autonomy; Formula: SDR258,750 for each additional campus/school |

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*Programs added, because university schools and central departments are functioning as separate entities like campuses running academic programs and with potentiality for high performance capacity by attaining institutional as well as academic autonomy of programs*
<table>
<thead>
<tr>
<th>DLI</th>
<th>Total IDA Financing Allocated to DLI (SDR)</th>
<th>Year 0 (2014-15) Baseline to be achieved</th>
<th>Indicative timeline for DLI achievement (Original/ Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TU adopts rules for academic autonomy of affiliated campuses by TU Senate</td>
<td>Two autonomous/accredited campuses or schools exercise academic autonomy</td>
<td>12 additional autonomous/accredited campuses/schools/central departments/programs exercising academic autonomy (cumulative 14)</td>
<td></td>
</tr>
<tr>
<td>Allocation</td>
<td>517,500</td>
<td>517,500</td>
<td>0</td>
</tr>
<tr>
<td>Scalability</td>
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<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Minimum threshold/ Formula</td>
<td>NA</td>
<td>50% of the annual target</td>
<td></td>
</tr>
<tr>
<td>Total allocation</td>
<td>5,175,000</td>
<td>1,035,000</td>
<td>1,035,000</td>
</tr>
<tr>
<td>DLI 4: Examination reforms implemented, and academic calendar enforced in TU</td>
<td>Academic rules of TU revised and approved by TU Academic Council for completing academic calendar within one academic year; and (ii) a Academic calendar of three program-years of centralized Master’s programs adhered to</td>
<td>Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative six)</td>
<td>Academic calendar of nine program-years of centralized Master’s programs adhered to (cumulative 15)</td>
</tr>
</tbody>
</table>

Minimum threshold: 50% of the annual target; Formula: 194,062.50 for each additional autonomous/accredited campus/school/central department/program exercising academic autonomy.
<table>
<thead>
<tr>
<th>DLI</th>
<th>Total IDA Financing Allocated to DLI (SDR)</th>
<th>Year 0 (2014-15) Baseline to be achieved</th>
<th>Indicative timeline for DLI achievement (Original/Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Year 1 (2015-16)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Year 2 (2016-17)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Year 3 (2017-18)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Year 4 (2018-19)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Year 5 (2019-20)</td>
</tr>
<tr>
<td></td>
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<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>plan for examination reforms approved by TU (with especial focus on centralized examinations)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allocation</td>
<td>517,647.05</td>
<td>517,647.06</td>
<td>1,552,941.18</td>
</tr>
<tr>
<td>Scalability</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Minimum threshold</td>
<td>At least two programs-year each year</td>
<td>At least two programs-year each year</td>
<td>At least two programs-year each year</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Results for regular centralized Bachelor’s programs published within seven months on an average</td>
</tr>
<tr>
<td>Allocation</td>
<td>0</td>
<td>258,823.53</td>
<td>0</td>
</tr>
<tr>
<td>Scalability</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Formula</td>
<td>NA</td>
<td>NA</td>
<td>Formula: SDR258,823.53 for every month reduced from six to three months</td>
</tr>
<tr>
<td>Total allocation</td>
<td>4,400,000</td>
<td>517,647.05</td>
<td>776,470.59</td>
</tr>
</tbody>
</table>

7 Humanities and Social Sciences, Education and Management.
**Indicative timeline for DLI achievement (Original/Actual)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels&lt;sup&gt;8&lt;/sup&gt;</td>
<td>Areas of priority for new programs approved by UGC; and guidelines for selection of programs and institutions approved by UGC</td>
<td>20 programs revised or introduced&lt;sup&gt;9&lt;/sup&gt;</td>
<td>Additional 60 programs revised or introduced (cumulative 80)</td>
<td>80 programs implemented</td>
<td>Additional 60 programs revised or introduced (cumulative 140), provided that all revised or introduced programs are implemented</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total allocation</td>
<td>6,210,000</td>
<td>1,035,000</td>
<td>1,035,000</td>
<td>1,035,000</td>
<td>0</td>
<td>517,500</td>
<td>2,587,500</td>
</tr>
<tr>
<td>Scalability</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Minimum threshold / Formula</td>
<td>NA</td>
<td>50% of the annual target</td>
<td>50% of the annual target</td>
<td>50% of the annual target</td>
<td>Minimum threshold: 50% of the annual target.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formula: SDR43,125 per program</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLI 6: Poverty-targeted financial support for under-privileged students</td>
<td>PMT processes for selection of students revised by SFAFDB; and database and process</td>
<td>(i) First cohort (at least 3,000&lt;sup&gt;10&lt;/sup&gt; students) selected through PMT; and (ii) funds released to at least 3,000 students</td>
<td>(i) Second cohort (at least 3,000 students) selected through PMT; and (ii) funds released to at least 4,500 students from</td>
<td>(i) Third cohort (at least 3,000 students) selected through PMT; and (ii) funds</td>
<td>(i) Fourth cohort (at least 500 students) selected through PMT; and (ii) funds released to at least 4,000</td>
<td>Funds released to at least 2,000 students as per schedule; provided that the plan for sustainability of the scheme has been approved</td>
<td></td>
</tr>
</tbody>
</table>

---

<sup>8</sup>Includes existing programs implemented in autonomous and accredited campuses following modality of autonomous programs and addition of academic programs in STEM areas in other campuses/HEIs. Addition of programs in the areas of STEM (Science and Technology, Mathematics, Computer Application) will be accounted for as revised programs.

<sup>9</sup>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.

<sup>10</sup>79% of the target is for students at Bachelors Level (HE) and remaining 21% of the target is for students at Higher Secondary Level altogether.
<table>
<thead>
<tr>
<th>DLI</th>
<th>Total IDA Financing Allocated to DLI (SDR)</th>
<th>Year 0 (2014-15) Baseline to be achieved</th>
<th>Indicative timeline for DLI achievement (Original/Actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>first and second cohorts as per schedule</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3,105,000</td>
</tr>
<tr>
<td>Scalability</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rollover</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Minimum threshold / Formula</td>
<td>30% of the annual target</td>
<td>30% of the annual target</td>
<td>30% of the annual target</td>
</tr>
</tbody>
</table>

**DLI 7: Institutions supported for academic excellence in priority areas through RDI awards**

- (i) Existing research guidelines reviewed and revised by UGC; and (ii) Priority areas for support approved by UGC
- (i) First batch of projects (at least 100) selected; and (ii) funds released as per schedule
- (i) Second batch of projects (at least additional 150) selected; and (ii) funds released to the two batches as per schedule
- (i) Third batch of projects (at least additional 150) selected; and (ii) funds released to the three batches as per schedule
- (i) Fourth batch of projects (at least additional 100) selected; and (ii) funds released to all batches as per schedule
- Final release of funds to at least 350 active projects as per schedule; provided that the plan for sustainability has been approved

| Allocation | 517,222.22 | 517,222.22 | 517,222.22 | 517,222.22 | 517,222.22 | 775,833.33 |
| Scalability | No | Yes | Yes | Yes | Yes | Yes |
| Rollover | No | Yes | Yes | Yes | Yes | No |
| Minimum threshold / Formula | 30% of the annual target | 30% of the annual target | 30% of the annual target | 30% of the annual target | 30% of the annual target | Minimum threshold: 30% of the annual target; Formula: SDR2,216.66 per project |
|-----|------------------------------------------|-----------------------------------------|------------------|------------------|------------------|------------------|------------------|
|     | Parallel recruitment and promotion rules adopted by TU Executive Council | First batch of faculty (at least ten) recruited and/or promoted based on excellence |                   |                  |                  |                  |                   |
| Allocation | 258,611.11 | 258,611.11 | 0 | 0 | 0 | 775,833.35 |
| Scalability | No | Yes | Yes | Yes | Yes | Yes |
| Rollover | No | Yes | Yes | Yes | Yes | No |
| Minimum threshold / Formula | No | 30% of the annual target | 30% of the annual target | 30% of the annual target | 30% of the annual target | Minimum threshold: 30% of the annual target; Formula: SDR25,861.11 per recruitment |
| Total allocation | 4,655,000 | 775,833.33 | 775,833.33 | 517,222.22 | 517,222.22 | 517,222.22 | 1,551,666.68 |
| Total | 41,400,000.00 | 6,986,202.60 | 7,245,026.14 | 6,210,165.03 | 4,657,885.62 | 3,622,444.44 | 12,678,276.17 |
### III. SUMMARY OF CHANGES

<table>
<thead>
<tr>
<th></th>
<th>Changed</th>
<th>Not Changed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Results Framework</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Disbursement Estimates</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Implementing Agency</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>DDO Status</td>
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<tr>
<td>Project's Development Objectives</td>
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<td>✔</td>
</tr>
<tr>
<td>Components and Cost</td>
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<tr>
<td>Loan Closing Date(s)</td>
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<tr>
<td>Cancellations Proposed</td>
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</tr>
<tr>
<td>Reallocation between Disbursement Categories</td>
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<tr>
<td>Disbursements Arrangements</td>
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<tr>
<td>Overall Risk Rating</td>
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<tr>
<td>Safeguard Policies Triggered</td>
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</tr>
<tr>
<td>EA category</td>
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<td>Legal Covenants</td>
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<tr>
<td>Institutional Arrangements</td>
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<tr>
<td>Financial Management</td>
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<tr>
<td>Procurement</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Implementation Schedule</td>
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<td>✔</td>
</tr>
<tr>
<td>Other Change(s)</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Economic and Financial Analysis</td>
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</tr>
<tr>
<td>Technical Analysis</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Social Analysis</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Environmental Analysis</td>
<td></td>
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</tr>
</tbody>
</table>

### IV. DETAILED CHANGE(S)
### DISBURSEMENT ESTIMATES

Change in Disbursement Estimates

<table>
<thead>
<tr>
<th>Year</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>10,388,945.02</td>
<td>6,928,714.65</td>
</tr>
<tr>
<td>2016</td>
<td>11,072,053.72</td>
<td>4,150,511.48</td>
</tr>
<tr>
<td>2017</td>
<td>11,399,376.66</td>
<td>12,125,178.69</td>
</tr>
<tr>
<td>2018</td>
<td>11,072,053.72</td>
<td>8,233,314.29</td>
</tr>
<tr>
<td>2019</td>
<td>11,399,376.66</td>
<td>8,384,594.52</td>
</tr>
<tr>
<td>2020</td>
<td>6,574,921.35</td>
<td>16,655,686.37</td>
</tr>
<tr>
<td>2021</td>
<td>1,992,400.42</td>
<td>8,522,000.00</td>
</tr>
</tbody>
</table>
## Results framework

**COUNTRY:** Nepal  
Higher Education Reforms Project

### Project Development Objectives(s)
To support reforms in selected institutions for improving quality, relevance, and efficiency of higher education; and to assist under-privileged students for equitable access.

### Project Development Objective Indicators by Objectives/ Outcomes

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>DLI</th>
<th>Baseline</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving quality, relevance, and efficiency of higher education <em>(Action: This Objective has been Revised)</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Accredited/ QAA cycle completed HEIs (Number)</td>
<td></td>
<td>12.00</td>
<td>125.00</td>
</tr>
<tr>
<td>Rationale: This change will not change the purpose and objective of the Result but will simplify the quality assurance and accreditation process and incentivize the Quality Assurance and Accreditation Division, the University Grants Commission and the Government by aligning support with the UGC decision of making the QAA process mandatory for HEIs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average time taken for announcement of results of Bachelors programs with centralized examinations at TU (Months)</td>
<td></td>
<td>7.00</td>
<td>3.00</td>
</tr>
<tr>
<td>Number of publications in refereed journals by the research grant recipients. (Number)</td>
<td></td>
<td>0.00</td>
<td>85.00</td>
</tr>
<tr>
<td>Percentage of students enrolled in identified priority areas (Text)</td>
<td></td>
<td>Under Graduates: 12.6; Post-graduates: 16.7</td>
<td>Under Graduates: 17.0; Post-graduates: 23.0</td>
</tr>
<tr>
<td>To assist under-privileged students for equitable access</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of under-privileged students supported under the Project (Text)</td>
<td>(i) Total Higher Sec (HS) : 0</td>
<td>(i) Total (HS) : 2,000</td>
<td></td>
</tr>
<tr>
<td>Indicator Name</td>
<td>DLI</td>
<td>Baseline</td>
<td>End Target</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-----</td>
<td>---------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Total Bachelor (B) : 0</td>
<td></td>
<td>(ii) % female(HS): 0</td>
<td>Total (B) : 7,500</td>
</tr>
<tr>
<td>% female(B): 0</td>
<td></td>
<td></td>
<td>(ii) % female(HS): 45</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>% female(B): 40</td>
</tr>
</tbody>
</table>

**Intermediate Results Indicators by Components**

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>DLI</th>
<th>Baseline</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Implementation of Reforms</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of institutions undertaking specified reforms (Number)</td>
<td>15.00</td>
<td></td>
<td>135.00</td>
</tr>
<tr>
<td>Number of TU/ Other universities' institutions/ programs granted autonomy (Number)</td>
<td>4.00</td>
<td></td>
<td>14.00</td>
</tr>
</tbody>
</table>

**Action: This indicator has been Revised**

*Rationale:*
*This change is to encourage other universities and programs for autonomy, while TU will have largest share with around 82% of higher education enrollment.*

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>DLI</th>
<th>Baseline</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of academic programs revised (Number)</td>
<td>0.00</td>
<td></td>
<td>75.00</td>
</tr>
<tr>
<td>Computerization of records of all students eligible for appearing in examinations from TU constituent and affiliated campuses (Percentage)</td>
<td>0.00</td>
<td></td>
<td>100.00</td>
</tr>
<tr>
<td>Number of new academic programs introduced in identified priority areas (Number)</td>
<td>0.00</td>
<td></td>
<td>65.00</td>
</tr>
<tr>
<td>Number of Research, Development and Innovation (RDI) projects supported in identified priority areas (Text)</td>
<td>PhD: 0;</td>
<td></td>
<td>PhD: 130</td>
</tr>
<tr>
<td>Indicator Name</td>
<td>DLI</td>
<td>Baseline</td>
<td>End Target</td>
</tr>
<tr>
<td>---------------</td>
<td>-----</td>
<td>----------</td>
<td>------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Faculty: 0</td>
<td>Faculty: 220</td>
</tr>
<tr>
<td>Direct project beneficiaries (Number)</td>
<td>0.00</td>
<td>500,000.00</td>
<td></td>
</tr>
<tr>
<td>Female beneficiaries (Percentage)</td>
<td>0.00</td>
<td>40.00</td>
<td></td>
</tr>
<tr>
<td>DLI 1: National accreditation system established and functioning (Text)</td>
<td>A QAAA with functional autonomy established at UGC</td>
<td>A total of 125 higher education institutions accredited</td>
<td></td>
</tr>
</tbody>
</table>

**Action: This indicator has been Marked for Deletion**

**Rationale:**
The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.

<table>
<thead>
<tr>
<th>DLI 2: Performance-based financing extended to HEIs (Text)</th>
<th>1. Guidelines for Performance Based Funding (PBF) of campuses published by UGC</th>
<th>1. A total of 135 HEIs supported with PBF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Formula Based Funding (FBF) for autonomous campuses adopted by UGC</td>
<td>2. At least 10 autonomous campuses supported through FBF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Criteria for PBF based regular funding for community campuses adopted by UGC; and PBF based regular funds released to at least 100 community campuses</td>
</tr>
</tbody>
</table>

**Action: This indicator has been Marked for Deletion**

**Rationale:**
The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.

<table>
<thead>
<tr>
<th>DLI 3: Autonomy extended to additional campuses/schools (Text)</th>
<th>1. TU autonomy campus rules for constituent campuses revised by TU Senate</th>
<th>1. Autonomy granted to 14 constituent campuses/schools of TU</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. TU adopts rules for academic autonomy of affiliated campuses by TU Senate</td>
<td>2. Eight autonomous/ accredited campuses or schools exercise academic autonomy</td>
</tr>
<tr>
<td>Indicator Name</td>
<td>DLI</td>
<td>Baseline</td>
</tr>
<tr>
<td>----------------</td>
<td>-----</td>
<td>----------</td>
</tr>
<tr>
<td><strong>Action: This indicator has been Marked for Deletion</strong></td>
<td><strong>Rationale:</strong> The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.</td>
<td></td>
</tr>
<tr>
<td>DLI 4: Examination reforms implemented and academic calendar enforced in TU (Text)</td>
<td>(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)</td>
<td>1. Academic calendar of 15 program years of centralized Master’s programs adhered to 2. Results for regular centralized Bachelors programs published within three months on average</td>
</tr>
<tr>
<td><strong>Action: This indicator has been Marked for Deletion</strong></td>
<td><strong>Rationale:</strong> The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.</td>
<td></td>
</tr>
<tr>
<td>DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels (Text)</td>
<td>Areas of priority for new programs approved by UGC; and guidelines for selection of programs and institutions approved by UGC</td>
<td>A total of 140 programs revised or introduced and implemented (new programs: 40-50 percent)</td>
</tr>
<tr>
<td><strong>Action: This indicator has been Marked for Deletion</strong></td>
<td><strong>Rationale:</strong> The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.</td>
<td></td>
</tr>
<tr>
<td>DLI 6: Poverty-targeted financial support for under-privileged students (Text)</td>
<td>PMT processes for selection of students revised by SFAFDB; and database and process computerized</td>
<td>1. Funds released to at least 9,500 students selected through PMT</td>
</tr>
<tr>
<td>Indicator Name</td>
<td>DLI</td>
<td>Baseline</td>
</tr>
<tr>
<td>----------------</td>
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</tr>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Action: This indicator has been Marked for Deletion**

Rationale:
The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>DLI</th>
<th>Baseline</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI 7: Institutions supported for academic excellence in priority areas through RDI awards (Text)</td>
<td>(a) (i) Existing research guidelines reviewed and revised by UGC; and (ii) Priority areas for support approved by UGC (b) Parallel recruitment and promotion rules adopted by TU Executive Council</td>
<td>1. About 500 research projects supported 2. A plan for sustainability of research funding approved 3. At least 50 faculty members recruited and/or promoted based on excellence</td>
<td></td>
</tr>
</tbody>
</table>

**Action: This indicator has been Marked for Deletion**

Rationale:
The indicator is deleted from the intermediate Results Indicator section as it is reported separately as a DLI in the DLI section.
### Disbursement Linked Indicators Matrix

<table>
<thead>
<tr>
<th>DLI 1</th>
<th>National Accreditation System Established and Functioning (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of DLI</strong></td>
<td>Scalability</td>
</tr>
<tr>
<td>Intermediate Outcome</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>Value</th>
<th>Allocated Amount (USD)</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Baseline</strong></td>
<td>A Quality Assurance and Accreditation Agency (QAAA) with functional autonomy established at UGC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 16, 2014 to July 15, 2015</td>
<td>A QAAA with functional autonomy established at UGC</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2015 to July 15, 2016</td>
<td>8 HEIs accredited (cumulative 20 including 12 at baseline)</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2016 to July 15, 2017</td>
<td>10 HEIs accredited (cumulative 30)</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>30 HEIs accredited (cumulative 60)</td>
<td>0.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>30 HEIs accredited (cumulative 90)</td>
<td>0.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>Cumulative 125 HEIs accredited/completed QAA cycle including 12 accredited at the baseline (At least 48% accredited)</td>
<td>3,105,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
</tbody>
</table>

**Action: This DLI is New**

**Rationale:**

(i) **Definition revised:** In addition to “accredited” institutions, the definition of annual Disbursement Linked Results (DLRs) broadened to include “QAA cycle completed” institutions to incentivize the HEIs, Quality Assurance and Accreditation Division, and UGC to work expeditiously towards getting more institutions to complete the QAA cycle while
simultaneously working on increasing the pool of peer reviewers. The share of the total accredited HEIs should be more than 48%.

(ii) Year 0 target moved to year 5: Partially achieved year 0 DLR ‘A QAAA with functional autonomy established at UGC’ has been included in year 5 DLR with the same price of SDR 1,035,000 as per the existing rollover provision. The Cabinet endorsed a separate Rule 2017 to establish a QAAA with functional autonomy at UGC (year 0 Disbursement Linked Result) and human resources have been recruited as required by the DLR protocol. However, the Rule needs further revision to ensure financial autonomy of the QAAA which is in progress.

(iii) The annual target is aligned with actual and planned in line with the existing provision of rollover for the annual results and the per unit cost of the revised target is SDR 32,684.21, which is less than that of year 3 and earlier.

<table>
<thead>
<tr>
<th>DLI 2</th>
<th>DLI 2: Performance-based financing extended to HEIs (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of DLI</td>
<td>Scalability</td>
</tr>
<tr>
<td>Output</td>
<td>Yes</td>
</tr>
<tr>
<td>Period</td>
<td>Value</td>
</tr>
<tr>
<td>Baseline</td>
<td>1. Guidelines for Performance Based Funding (PBF) of campuses published by UGC. 2 Formula Based Funding (FBF) for autonomous campuses adopted by UGC</td>
</tr>
<tr>
<td>July 16, 2015 to July 15, 2016</td>
<td>1. First group of 45 HEIs selected as per PIM, Memorandum of Understandings (MOUs) signed; and first tranche of performance-based grants released. 2. Criteria for PBF based regular funding for community campuses adopted by UGC</td>
</tr>
<tr>
<td>Date Range</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>July 16, 2016 to July 15, 2017</td>
<td>1. Second group of 45 HEIs selected as per PIM, MOUs signed and performance-based grants released to the first and second groups (total 90 HEIs). 2. FBF based funds released to at least two autonomous campuses; and PBF based regular funds released to at least 30 community campuses</td>
</tr>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>1. Third Group of 45 HEIs selected as per PIM, MOUs signed, and performance-based grants released to the first, second and third batches (total 135 HEIs). 2. FBF based funds released to at least additional two autonomous campuses (cumulative four); and PBF based regular funds released to at least additional 30 community campuses (cumulative 60)</td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>1. Performance based grants released to at least 90 HEIs from the three selected groups as per PIM. 2. FBF based funds released to at least additional three autonomous campuses (cumulative seven); and PBF based regular funds released to at least additional 20 community campuses (cumulative 80)</td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>1. Release of final performance-based grants to at least 45 HEIs from the three selected groups as per PIM. 2. Enhanced regular grants released to all accredited and autonomous community campuses exercising academic autonomy; PBF based regular funds released to at least additional 20 community campuses (cumulative 100)</td>
</tr>
</tbody>
</table>

**Action:** This DLI is New

**Rationale:**
**Year 5 target of the second sub-DLI has been revised by incorporating a DLR which reads ‘enhanced regular grants to all accredited and autonomous community campuses exercising academic autonomy’. This would be an annual performance-based block grant to incentivize the accredited autonomous community campuses, which are making visible progress in accreditation and academic autonomy. The GON NPHERD resources would be used for this enhanced regular grant and ensure continuity beyond the project.**

**DLI 3**  
**DLI 3: Autonomy extended to additional campuses/ schools/ programs (DLI allocation in SDR)**

<table>
<thead>
<tr>
<th>Type of DLI</th>
<th>Scalability</th>
<th>Unit of Measure</th>
<th>Total Allocated Amount (USD)</th>
<th>As % of Total Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Outcome</td>
<td>Yes</td>
<td>Text</td>
<td>5,175,000.00</td>
<td>45.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>Value</th>
<th>Allocated Amount (USD)</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>1. TU autonomy campus rules for constituent campuses revised by TU Senate. 2. TU adopts rules for academic autonomy of affiliated campuses by TU Senate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 16, 2014 to July 15, 2015</td>
<td>1. TU autonomy campus rules for constituent campuses revised by TU Senate. 2. TU adopts rules for academic autonomy of affiliated campuses by TU Senate</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2015 to July 15, 2016</td>
<td>1. Autonomy granted to two campuses/ schools (cumulative six including four at baseline). 2. Two autonomous /accredited campuses or schools exercise academic autonomy</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2016 to July 15, 2017</td>
<td>1. Autonomy granted to two campuses/ schools (cumulative eight). 2. Two autonomous /accredited campuses or schools or programs exercise academic autonomy (cumulative four)</td>
<td>258,750.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
</tbody>
</table>
The World Bank
Higher Education Reforms Project (P147010)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>1. Autonomy granted to three campuses/schools (cumulative 11). 2. Two autonomous/accredited campuses or schools exercise academic autonomy (cumulative six)</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>1. Autonomy granted to cumulative 8 campuses including 4 at baseline. 2. Cumulative 8 autonomous/accredited campuses or schools exercise academic autonomy.</td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>1. Autonomy granted to cumulative 9 campuses including 4 at baseline. 2. Cumulative 14 autonomous/accredited campuses or schools or programs exercise academic autonomy</td>
<td></td>
<td></td>
<td>2,846,250.00</td>
</tr>
</tbody>
</table>

Rationale:
‘Autonomy extended to additional campuses/schools’ is revised with ‘Autonomy extended to additional campuses/schools/programs’ to encourage academic autonomy of programs as programs are also functioning as units to exercise academic autonomy. The first sub-DLI EOP target, which is largely being practiced as governance and administrative autonomy with little focus on academic autonomy, has been reduced from 14 to 9 campuses and the SDR 776,250.00 from this sub-DLI has been reallocated to the second sub-DLI. The unit price of the first sub-DLI remains the same. In line with the existing scalability and roll-over provision the duration of results achievement has been extended from four to five years. The second sub-DLI EOP target has been increased from 8 to 14 campuses/schools/programs.

Action: This DLI is New

D LI 4

<table>
<thead>
<tr>
<th>Type of DLI</th>
<th>Scalability</th>
<th>Unit of Measure</th>
<th>Total Allocated Amount (USD)</th>
<th>As % of Total Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Outcome</td>
<td>Yes</td>
<td>Text</td>
<td>4,400,000.00</td>
<td>82.35</td>
</tr>
</tbody>
</table>

DLI 4: Examination reforms implemented and academic calendar enforced in TU (DLI allocation in SDR)
| Baseline | 1. (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) |  |
| July 16, 2014 to July 15, 2015 | 1. (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) | 517,647.05 | Scalable/ Rollover/ Min threshold: As per PAD |
| July 16, 2015 to July 15, 2016 | 1. Academic calendar of three program-years of centralized Master’s programs adhered to. 2. Results for regular centralized Bachelor’s programs published within seven months on an average | 776,470.59 | Scalable/ Rollover/ Min threshold: As per PAD |
| July 16, 2016 to July 15, 2017 | 1. Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative six). 2. Results for regular centralized Bachelor’s programs published within six months on an average | 776,470.59 | Scalable/ Rollover/ Min threshold: As per PAD |
| July 15, 2017 to July 15, 2018 | 1. Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative nine). 2. Results for regular centralized Bachelor’s programs published within five months on an average | 1,552,941.18 | Scalable/ Rollover/ Min threshold: As per PAD |
| July 15, 2018 to July 15, 2019 | 1. Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative 12). 2. Results for regular centralized Bachelor’s programs published within four months on an average. | 0.00 | Scalable/ Rollover/ Min threshold: As per PAD |
1. Academic calendar of three program-years of centralized Master’s programs adhered to (cumulative 15). 2. Results for regular centralized Bachelor’s programs published within three months on an average

**Rationale:**
The changes are aligning the annual targets as per actual and planned in line with the existing roll-over provision to document the early achievement of first sub-DLI annual targets and delays in achievement of second DLI annual targets while keeping the project target intact.

## DLI 5

DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels (DLI allocation in SDR)

<table>
<thead>
<tr>
<th>Type of DLI</th>
<th>Scalability</th>
<th>Unit of Measure</th>
<th>Total Allocated Amount (USD)</th>
<th>As % of Total Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Outcome</td>
<td>Yes</td>
<td>Text</td>
<td>6,210,000.00</td>
<td>58.33</td>
</tr>
</tbody>
</table>

### Period

<table>
<thead>
<tr>
<th>Value</th>
<th>Allocated Amount (USD)</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline: Areas of priority for new programs approved by UGC; and guidelines for selection of programs and institutions approved by UGC</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2014 to July 15, 2015: Areas of priority for new programs approved by UGC; and guidelines for selection of programs and institutions approved by UGC</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2015 to July 15, 2016: A total of 20 programs revised or introduced</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2016 to July 15, 2017: A total of 60 programs revised or introduced (cumulative 80)</td>
<td>1,035,000.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>Date Range</td>
<td>Description</td>
<td>Allocation (USD)</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>A total of 60 programs revised or introduced (cumulative 140)</td>
<td>0.00</td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>Implementation of all 140 programs continued</td>
<td>517,500.00</td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>Implementation of all 140 programs continued</td>
<td>2,587,500.00</td>
</tr>
</tbody>
</table>

**Action:** This DLI is New

**Rationale:**

*Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels* remains the same including the DLI allocation, unit price and the end of project targets. The two changes made under this DLI are: (i) addition of programs in the areas of Science and Technology, Mathematics, Computer Application (STEM) in additional colleges/HEIs will also be accounted as new programs – this is to address the low share of science and technology in higher education; (ii) distribution of programs along years in line with the existing provision of scalability and rollover.

**DLI 6**

**DLI 6: Poverty-targeted financial support for under-privileged students (DLI allocation in SDR)**

<table>
<thead>
<tr>
<th>Type of DLI</th>
<th>Scalability</th>
<th>Unit of Measure</th>
<th>Total Allocated Amount (USD)</th>
<th>As % of Total Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Outcome</td>
<td>Yes</td>
<td>Text</td>
<td>3,105,000.00</td>
<td>83.33</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>Value</th>
<th>Allocated Amount (USD)</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>PMT processes for selection of students revised by SFAFDB; and database and process computerized</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2014 to July 15, 2015</td>
<td>PMT processes for selection of students revised by SFAFDB; and database and process computerized</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
</tbody>
</table>
### Action: This DLI is New

**Rationale:**
*There is no change in this DLI. DLIs are separated from Intermediate Results Indicators (IRIs), which is applicable for all DLIs*

<table>
<thead>
<tr>
<th>Period</th>
<th>(i) First cohort (at least 3,000 students) selected through PMT; and (ii) funds released to at least 3,000 students</th>
<th>517,500.00</th>
<th>Scalable/ Rollover/ Min threshold: As per PAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 15, 2015 to July 15, 2016</td>
<td>(i) Second cohort (at least 3,000 students) selected through PMT; and (ii) funds released to at least 4,500 students from first and second cohorts as per schedule</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>(i) Third cohort (at least 3,000 students) selected through PMT; and (ii) funds released to at least 6,000 students as per schedule</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>(i) Fourth cohort (at least 500 students) selected through PMT; and (ii) funds released to at least 4,000 students as per schedule</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>(i) Funds released to at least 2,000 students as per schedule; and (ii) Plan for sustainability of the scheme approved</td>
<td>517,500.00</td>
<td>Scalable/ Rollover/ Min threshold: As per PAD</td>
</tr>
</tbody>
</table>

**DLI 7**

**Type of DLI**

<table>
<thead>
<tr>
<th>Intermediate Outcome</th>
<th>Scalability</th>
<th>Unit of Measure</th>
<th>Total Allocated Amount (USD)</th>
<th>As % of Total Financing Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Text</td>
<td>4,654,999.99</td>
<td>66.67</td>
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</tr>
</tbody>
</table>

**Period**

<table>
<thead>
<tr>
<th>Baseline</th>
<th>Value</th>
<th>Allocated Amount (USD)</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. (i) Existing research guidelines reviewed and revised by UGC; and (ii) Priority areas for support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date Range</td>
<td>Action Details</td>
<td>Amount</td>
<td>Rollover/ Min threshold: As per PAD</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>July 16, 2014 to July 15, 2015</td>
<td>1. (i) Existing research guidelines reviewed and revised by UGC; and (ii) Priority areas for support approved by UGC. 2. Parallel recruitment and promotion rules adopted by TU Executive Council</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>775,833.33</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 16, 2015 to July 15, 2016</td>
<td>(i) First batch of projects (at least 100) selected; and (ii) funds released as per schedule. (ii) First batch of faculty (at least ten) recruited and/or promoted based on excellence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>775,833.33</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 16, 2016 to July 15, 2017</td>
<td>1. (i) Second batch of projects (at least additional 150) selected; and (ii) funds released to the two batches as per schedule.2. Second batch of faculty (at least additional ten) recruited and/or promoted based on the excellence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>517,222.22</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 15, 2017 to July 15, 2018</td>
<td>1. (i) Third batch of projects (at least additional 150) selected; and (ii) funds released to the three batches as per schedule. 2. Third batch of faculty (at least additional ten) recruited and/or promoted based on the excellence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>517,222.22</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 15, 2018 to July 15, 2019</td>
<td>1. (i) Fourth batch of projects (at least additional 200) selected; funds released to all batches as per schedule. 2. Fourth batch of faculty (at least additional ten) recruited or promoted based on excellence.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>517,222.22</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 16, 2019 to June 30, 2020</td>
<td>1. (i) Final release of funds to at least 250 active projects as per schedule; Plan for sustainability approved. 2. Cumulative 40 faculty recruited and/or promoted based on excellence</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,551,666.68</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Rationale:</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The DLI ‘Institutions supported for academic excellence in priority areas through RDI awards’ remains the same. The changes in the annual DLR results are: (i) year 4 target of the first sub-DLI has been increased from 100 projects to 200 and SDR 258,611.11 is reallocated to this sub-DLI from the second sub-DLI to encourage the reforms on research and publication. Even at reduced unit cost this would be an incentive to support additional well performing research projects under the National Program for Higher Education Reform and Development the HERP has been supporting. Project target of the second sub-DLI has been reduced from 50 to 40 and accordingly proportionate reallocation has been made from this sub-DLI to the first sub-DLI noted above. Scalability and rollover provisions also remain the same for this sub-DLI as in the PAD.

<table>
<thead>
<tr>
<th>DLI 1</th>
<th>National Accreditation System Established and Functioning (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>The accreditation system will be considered established when (i) such agency is functionally independent from the UGC Secretariat, through amendment to existing legal provision; and (ii) key personnel are recruited. Key personnel include at least Chief of QAAA, two QAA experts, an accounts officer, an administrative officer and one monitoring officer. And the higher education institutions (HEIs) will be considered as ‘Accredited’ once they reach the status of Accredited or QAA cycle completed’ and obtain the certification of the same from QAAD or QAAA or NAB following due procedures. Accreditation process will be carried out in accordance with the Guidelines or Manual, as approved by the accreditation agency.</td>
</tr>
<tr>
<td><strong>Data source/ Agency</strong></td>
<td>University Grants Commission (UGC)/ Quality Assurance and Accreditation Agency (QAAA)</td>
</tr>
<tr>
<td><strong>Verification Entity</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Procedure</strong></td>
<td>Step 1: UGC submits the consolidated DLI achievement report to IDA in each reporting period as defined in the DLI Matrix. The Report should also include substantiating documents of DLI achievements.</td>
</tr>
</tbody>
</table>
Step 2: The IDA task team reviews the progress report, including through the collection of additional information as required. 
Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action.

<table>
<thead>
<tr>
<th>DLI 2</th>
<th>DLI 2: Performance-based financing extended to HEIs (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>The DLI is considered achieved if Formula Based Funding (FBF) and Performance Based Funding (PBF) are approved by UGC; and (ii) Campuses are selected in years 1, 2, 3, 4 and 5 and funds are released as described in the DLI Matrix and as per the approved Project Implementation Manual (PIM).</td>
</tr>
<tr>
<td><strong>Data source/ Agency</strong></td>
<td>University Grants Commission</td>
</tr>
<tr>
<td><strong>Verification Entity</strong></td>
<td>N/A</td>
</tr>
</tbody>
</table>
| **Procedure** | Step 1: UGC prepares and submits the consolidated DLI achievement report to IDA including cumulative figures in each reporting period as described in the DLI Matrix. The Report should also include substantiating documents of DLI achievements.  
Step 2: The IDA task team reviews the progress report, including through the collection of additional information as deemed required from universities and participating institutions.  
Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action. |

<table>
<thead>
<tr>
<th>DLI 3</th>
<th>DLI 3: Autonomy extended to additional campuses/ schools/ programs (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>This DLI is considered achieved if (i) Autonomous Campus Rules are approved / revised by TU/ other universities, which would include necessary details for implementation of autonomy/ academic autonomy of constituent/ affiliated campuses, schools, departments and programs, and the Academic Autonomy Rules authorize constituent/ affiliated campuses, schools,</td>
</tr>
</tbody>
</table>
Higher Education Reforms Project (P147010)

<table>
<thead>
<tr>
<th>Data source/ Agency</th>
<th>University Grants Commission (UGC)/ Tribhuvan University (TU)/ Other Universities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verification Entity</td>
<td>N/A</td>
</tr>
<tr>
<td>Procedure</td>
<td>Step 1: UGC prepares and submits the consolidated DLI achievement report, including cumulative figures for each reporting period as specified in the DLI matrix, to IDA. The Report should also include substantiating documents of DLI achievements. Step 2: The IDA task team reviews the progress report, including through the collection of additional information from the participating institutions as deemed necessary. Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DLI 4</th>
<th>DLI 4: Examination reforms implemented and academic calendar enforced in TU (DLI allocation in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>This DLI is considered achieved if (i) a Master’s level program will adhered to the published academic calendar of TU including results publication, and a program year is defined as one year of the Master program (for example, a two-year Master’s degree program would have two program-years); and (ii) TU OCE publishes the results of regular centralized Bachelor’s programs under faculties of humanities and social sciences, management and education in 6, 5, 4 and 3 months in year 2, 3, 4 and 5 of the project.</td>
</tr>
<tr>
<td>Data source/ Agency</td>
<td>Tribhuvan University</td>
</tr>
<tr>
<td>Verification Entity</td>
<td>N/A</td>
</tr>
<tr>
<td>Procedure</td>
<td>Step 1: UGC prepares and submits the consolidated DLI achievement report, including cumulative figures for each reporting period as described in the DLI Matrix, to IDA. The Report should also include substantiating documents of DLI achievements.</td>
</tr>
</tbody>
</table>
### DLI 5

**DLI 5: Academic reforms introduced: Revision of existing and introduction of new programs at undergraduate and graduate levels (DLI allocation in SDR)**

**Description**

This DLI is considered achieved if (i) UGC approves areas of priority for new programs and guidelines for selection of programs and institution; and (ii) campuses, schools, department and programs run such programs in required numbers as defined in the DLI Matrix, duly following the UGC approved priority areas and guidelines, and the respective universities’ academic requirements.

**Data source/ Agency**

University Grants Commission/ respective campuses, schools and programs

**Verification Entity**

N/A

**Procedure**

Step 1: UGC prepares and submits achievement report which would include (i) UGC approved areas of priority for new programs and guidelines for selection of programs and institution; and (ii) list of academic programs run by individual campuses/ schools/ departments in required numbers as defined in the DLI Matrix with evidence of duly following respective universities’ academic norms and rules. The Report should also include substantiating documents of DLI achievements.

Step 2: The IDA task team reviews the progress report, including through the collection of additional information as required.

Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action.

### DLI 6

**DLI 6: Poverty-targeted financial support for under-privileged students (DLI allocation in SDR)**

**Description**

This DLI will be considered achieved if (i) Proxy Means Testing (PMT) processes for selection of students revised by SFAFDB; (ii) annual selection of students using PMT approach and grant release to the selected students as described in the DLI Matrix and as per the Project Implementation Manual is completed; and (iii) sustainability plan of the scheme is prepared by the SFAFDB by the project closing.
### Procedure

Step 1: UGC prepares and submits achievement report which would include the evidence of: (i) revised Proxy Means Testing (PMT) processes for selection of students revised by SFAFDB; (ii) annual selection of students using PMT process and grant release to the selected students as described in the DLI Matrix and as per the Project Implementation Manual; and (iii) sustainability plan of the scheme prepared by project closing. The Report should also include substantiating documents of DLI achievements.

Step 2: The IDA task team reviews the achievement report, including through the collection of additional information as required.

Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action.

### Description

This DLI will be considered achieved if (i) a revised Research Guidelines and priority area of research are approved by UGC, research projects awarded and installment released to research awardees following the approved research guidelines and the Project Implementation Manual; a sustainability plan of the research approved by UGC; and (ii) regulations for parallel promotion/recruitment of faculty approved by TU; 40 faculty promoted or recruited under the parallel promotion/recruitment track.

### Data source/ Agency

<table>
<thead>
<tr>
<th>Data source/ Agency</th>
<th>University Grants Commission and Tribhuvan University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verification Entity</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### Procedure

Step 1: UGC prepares and submits achievement report which would include the evidence of: (i) a revised Research Guidelines and priority area of research approved by UGC; list of research projects awarded and installment released consistent with the approved research guidelines and the Project Implementation Manual; duly approved research sustainability plan; and (ii) regulations for parallel promotion/recruitment of faculty approved by TU; and list of 40 faculty promoted or recruited under the parallel promotion/recruitment track. The Report should also include substantiating documents of DLI achievements.
Step 2: The IDA task team reviews the achievement report, including through the collection of additional information as required.
Step 3: IDA certifies the extent of each DLI targets achieved and communicates the same to UGC for further action.