



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROJECT III  
APPROVED ON JUNE 24, 2016  
TO  
INDIA

EDUCATION

SOUTH ASIA

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## ABBREVIATIONS AND ACRONYMS

AICTE	All India Council for Technical Education
AM	Aide Memoire
ATU	Affiliating Technical University
CFI	Centrally funded institutions
DBT	Direct Benefit Transfer
DEA	Department of Economic Affairs (Ministry of Finance)
DLI	Disbursement-Linked Indicator
IP	Implementation Progress
ISR	Implementation Status Report
JRM	Joint Review Mission
KPI	Key Performance Indicator
MoE	Ministry of Education
MTR	Mid-term Review
NBA	National Board of Accreditation
NPIU	National Project Implementation Unit
PBC	Performance Based Condition
PDO	Project Development Objective
PIP	Project Implementation Plan
RF	Results Framework
SC	Scheduled Caste
ST	Scheduled Tribe
TEQIP III	Technical Engineering Educational Quality Improvement Project III
TPRM	Tripartite Project Review meeting



**Note to Task Teams:** The following sections are system generated and can only be edited online in the Portal.

**BASIC DATA**

**Product Information**

Project ID P154523	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 24-Jun-2016	Current Closing Date 31-Mar-2021

**Organizations**

Borrower India	Responsible Agency Ministry of Human Resource Development
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**Project Development Objective (PDO)**

Original PDO

The proposed project development objective (PDO) is "to enhance quality and equity in participating engineering education institutes and improve the efficiency of the engineering education system in focus states".

Current PDO

The proposed project development objective (PDO) is "to enhance quality and equity in participating engineering education institutes and improve the efficiency of the engineering education system in focus states".

**Summary Status of Financing (US\$, Millions)**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-58740	24-Jun-2016	01-Feb-2017	03-Mar-2017	31-Mar-2021	176.34	139.46	36.88



### Policy Waiver(s)

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

No

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## I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

1. Background: The project was approved by the World Bank Board of Executive Directors on June 24, 2016. The Financing Agreement was signed on February 1, 2017 and the project became effective on March 3, 2017. The project has been restructured four times since effectiveness. In June 2018, the restructuring focused on better alignment of DLIs with project activities; in February 2020, US\$14.53 million was cancelled from the credit proceeds and the cost of components was modified based on savings in consultancies under Component 2 and additional activities in Component 1; in June 2020, at the request of the Government of India (GoI), US\$10.63 million accumulated in savings from exchange rate fluctuation was cancelled; and in September 2020, the restructuring entailed a no-cost extension of the project closing date by 6-months.
2. The project has two components – Component 1 is financed based on achievement of results using an IPF with DLIs modality. Expenditures on Component 2 are reimbursed based on Statements of Expenditures for non-DLI based activities, project management and monitoring and evaluation. The main thrust of Component 1 is improving the quality of and equity in engineering institutes in focus states. Activities include student and faculty development programs and institutional development, including through twinning partnerships between focus state institutes (including affiliated technical universities) and institutes in non-focus states. Component 2 focuses on supporting the Ministry of Education (MoE) and apex bodies in engineering education (AICTE and NBA) to improve governance, management and accountability in the sector. Activities under this Component include student learning assessment, employer and beneficiary feedback surveys, collaborative research grants scheme, faculty feasibility study and digital reforms in project institutions.
3. Status of the project: A virtual Joint Review Mission (JRM) was held from December 2 to 4, 2020. The project is rated Satisfactory for progress against Project Development Objective (PDO) and Implementation Progress (IP). The PDO is assessed based on the following key performance indicators (KPIs) the most recent status of which is as shown below (targets are in parentheses).
  - a. Average score of students participating in tests designed to measure technical and critical thinking skills – The 2<sup>nd</sup> round of the test was completed, and an increase of 5.99 percent over baseline was achieved. The All India Council for Technical Education (AICTE) is developing a new student skills assessment covering all engineering disciplines planned for administration across 1000 engineering colleges in July to September 2021. The end of



project (EoP) target for this PDO indicator will be revised as discussed in Section II below. (EoP target: 5 percent increase in student skills over baseline and large-scale test of student skills in various engineering disciplines administered)

- b. National Board of Accreditation (NBA) accredited and/or applied for programs in participating institutes (Undergraduate (UG) programs in focus states and other states) – 53.8% accredited UG programs in focus states, 59.8% accredited UG programs in non-focus states (EoP targets: 50%, 33%)
- c. Percentage of students from traditionally disadvantaged groups in total enrolment in participating institutes (Disaggregated by SC/ST groups and gender) – 19% for SC/ST students, 28% for women (EoP targets: 20%, 30%)
- d. Transition rate of UG engineering students from the first year to second year in participating institutes (Disaggregated by SC/ST groups and gender in focus states) – 71% for SC/ST students, 84% for women (EoP targets: 50%, 55%).

4. **Implementation Status:** Implementation of project activities in the last year has been slow. This is mainly due to two reasons – (i) closure of institutions as directed by the Government to prevent spread of COVID-19, and (ii) change in the procurement framework mid-way through the project. While institutions continue to be closed, they have made efforts to transition to online or alternate forms for delivering teaching-learning and student services. The digital reforms that were initiated under the project before the pandemic have helped institutes transition online and access e-content relevant to engineering disciplines. This was in part aided by the mapping exercise supported by the project that linked available e-content to engineering curricula and rated available content for quality and relevance. Changes to procurement norms and methods initiated by the Ministry of Education required updating the procurement manual, ensuring project institutions had access to the online procurement system and training project institutions on procurement-related changes. As a result, procurement activities were delayed for several months in the last year. Despite these challenges, the project has disbursed US\$ 36 million since June 2020. The project has achieved all DLI targets for the final year. Evidence on the achievement of DLIs has been reviewed by the Bank and found to be satisfactory. The project has disbursed against three out of five DLIs for the final year. The project has not yet disbursed against DLI1 (Accreditation) and DLI2 (Autonomy), with a value of US\$ 20m million and US\$ 15 million each, as the project is yet to incur sufficient expenditures to claim reimbursement against achievement of targets for these DLIs. Disbursement on DLI2 is expected in May 2021 and in September 2021 for DLI1.

5. **Rationale for Restructuring:** Project institutions have been closed for nearly a year due to the ongoing pandemic. As a result, academic activities supported under the project (such as twinning activities, workshops and training programs for students and faculty, research-related activities, and quality improvement initiatives per the AICTE mandate) have been considerably delayed. Consequently, the pace of expenditures under the project has slowed down. Changes to procurement processes also delayed timely completion of procurement under the project and conduct of various studies under Component 2. As the lockdown lifted, spending continued to be low due to expenditure thresholds set by the Government of India. Considering these implementation challenges and resulting delays in completing critical project activities, the MoE has requested GoI for a 6-month extension of the closing date. The expenditure thresholds have since been relaxed. The extended period will enable project institutes to increase utilization of funds under



existing activities/quality initiatives. The additional implementation time will particularly benefit (i) development and administration of the student skills assessment being taken forward by AICTE, (ii) digital reforms initiated under the project (including the delivery of digital boards, digital pedagogy training and Future Skills training and assessments for faculty and students, and implementation of ERP systems), (iii) project evaluation tasks like the employer feedback survey, and (iv) completion of projects funded under the collaborative research scheme.

6. The proposed extension will allow for full utilization of financing to further improve performance on development objectives, including meeting targets by the end of the proposed extension period. Adoption of these steps to increase disbursement rates would also result in improved FM.

## II. DESCRIPTION OF PROPOSED CHANGES

7. The present restructuring extends the closing date of the project by 6 months from March 31, 2021 to September 30, 2021.
8. Two changes are proposed to the project Results Framework as part of the restructuring – (i) the year 5 target for PDO1 will be dropped and the end of project target will be modified, and (ii) the end of project target date for indicators in the Results Framework is updated to coincide with the closing date.
9. PDO indicator #1 includes piloting a low-stakes assessment of engineering student skills under the project. The AICTE, in partnership with Stanford University, has completed 2 rounds of the student assessment under the pilot. The 1<sup>st</sup> round of the assessment established the baseline and the 2<sup>nd</sup> round measured improvement in student skills. The project has met the target for improvement in student skills as measured in the 2<sup>nd</sup> round of the assessment. As noted above, the AICTE will carry forward assessment of student skills in engineering. To carry forward the assessment program, a student learning assessment team has been set up at AICTE and completed a series of training workshops (in December 2020) covering all aspects of the assessment program - test development and scoring, sampling and questionnaire design, survey/test implementation, data cleaning and data analysis and policy-relevant research. The AICTE will draw on experiences and lessons from the pilot/previous two rounds of the assessment and scale up the assessment in the next round. The assessment will cover 1,000 engineering colleges, 20 times more than the number of colleges reached in the previous two rounds, and assess skills in all engineering colleges disciplines, expanding beyond computing and electrical engineering related disciplines covered in the pilot. The larger scope and scale require new test instruments (these are currently under development), including in disciplines not tested in the previous rounds. The scores from these new tests will therefore not be comparable to previous rounds. The Year 5 target will be dropped, and the end of project target will be modified to reflect the expanded scope and scale of the next round of assessment. The changes are shown in the table below. The Project Implementation Plan (PIP) will be revised to reflect the updated Results Framework.
10. There is no change to DLIs or to disbursement estimates, they remain the same.

**Table 1: Summary of and rationale for proposed change to the Results Framework (RF)**



Indicator No.	Indicator	Indicator Type	Proposed Change	Rationale
PDO 1	Average score of students participating in tests designed to measure technical and critical thinking skills	PDO	<p>The Year 5 target will be dropped. The end of project target will be modified as shown below –</p> <p><b>Current target:</b> <i>Test administered for third time and 5 percent increase over previous cycle</i></p> <p><b>Proposed modification:</b> <i>A 5 percent increase in student skills over baseline and large-scale test of student skills in engineering administered</i></p>	The AICTE will carry forward assessments of student skills in engineering on a larger scale i.e. covering more colleges and more engineering disciplines than those covered in the previous two rounds, using the capacity developed in and experience in implementing such tests. New test instruments are under development for this purpose and will not be comparable to the test instrument used in previous rounds. The EoP target in the Results Framework is modified to reflect this expanded scope and scale of the student skills assessment.

### III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓



Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-58740	Effective	30-Sep-2020	31-Mar-2021	30-Sep-2021	30-Jan-2022



**Results framework**

**COUNTRY: India**

**Technical Education Quality Improvement Project III**

**Project Development Objectives(s)**

The proposed project development objective (PDO) is "to enhance quality and equity in participating engineering education institutes and improve the efficiency of the engineering education system in focus states".

**Project Development Objective Indicators by Objectives/ Outcomes**

Indicator Name	PBC	Baseline	Intermediate Targets						End Target	
			1	2	3	4	5	6		
<b>Enhance quality and equity in participating engineering education institutes</b>										
Average score of students participating in tests designed to measure technical and critical thinking skills (Text)		n.a.	No target as the test will be designed and piloted during this period	Test administered for first time and baseline established	Test administered for second time and 5 percent increase over baseline					A 5 percent increase in student skills over baseline and large-scale test of student skills in engineering administered
<b>Action: This indicator has been Revised</b>										
NBA-accredited and/ or applied for programs in participating institutes. Indicator will track increase in percentage points (Text)		a) Focus States UG -Applied and accredited: 10 Other States -Accredited: 17.8  (b) Focus States PG -Applied and accredited: 4	(a) Focus States -Applied and accredited: 2 Other States -Accredited: 1  (b) Focus States - Applied and accredited: 2	a) Focus States - Applied and Accredited: 10 Other States -Accredited: 4  (b) Focus States -Applied and accredited: 5	(a) Focus States - Applied and Accredited: 25 Other States -Accredited: 8  (b) Focus States -Applied and accredited: 15	(a) Focus States -Applied and accredited: 40 Other States -Accredited:15  (b) Focus States -Applied and accredited: 20	(a) Focus States -Applied and accredited: 40 Other States -Accredited: 15  (b) Focus States -Applied and accredited: 20	(a) Focus States -Applied and accredited: 40 Other States -Accredited: 15  (b) Focus States -Applied and accredited: 20	a) Focus States -Applied and accredited: 40 Other States -Accredited: 15	



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
		Other States Accredited: 8.2	Other States Accredited: 1	Other States Accredited: 5	Other States Accredited: 8	Other States Accredited: 15	Other States Accredited: 15	Other States Accredited: 15	(b) Focus States -Applied and accredited: 20 Other States Accredited: 15
<b>Action: This indicator has been Revised</b>									
Percentage of students from traditionally disadvantaged groups in total enrolment in participating institutes (a) SC/ST (b) Women (Text)		SC/ST:15 Women: 26	SC/ST: 16 Women: 26.5	SC/ST:17 Women: 27	SC/ST:18 Women: 28	SC/ST: 20 Women: 30	SC/ST:20 Women: 30	SC/ST:20 Women: 30	SC/ST:20 Women: 30
<b>Action: This indicator has been Revised</b>									
<b>Improve the efficiency of the engineering education system</b>									
Transition rate of UG engineering students from the first year to second year in participating institutes.(Disaggregated by SC/ST groups and gender) (Text)		Focus States-All: 50 -SC/ST: 40 -Female: 45 Other States -All: 67 -SC/ST: 54 -Female: 64	Focus States -All: 51 -SC/ST: 41 -Female:46 Other States -All: 68 -SC/ST: 56 -Female: 66	Focus States -All: 53 -SC/ST: 43 -Female:48 Other States -All: 70 -SC/ST: 58 -Female:68	Focus States -All: 55 -SC/ST: 45 -Female: 50 Other States -All: 75 -SC/ST: 60 -Female:70	Focus States -All: 60 -SC/ST: 50 -Female:55 Other States -All: 77 -SC/ST: 65 -Female:75			
<b>Action: This indicator has been Revised</b>									



### Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Component 1: Improving quality and equity in engineering institutes in focus states</b>									
Direct project beneficiaries (Number)		1,469,441.00	1,496,759.00	1,541,801.00	1,614,472.00	1,690,643.00	1,690,643.00		3,210,204.00
<b>Action: This indicator has been Revised</b>									
Female beneficiaries (Percentage)		26.00	26.50	27.00	28.00	30.00	30.00		30.00
Percentage of participating institutes in focus states with autonomy (DLI 2) (Text)		44.00	45.00	47.00	50.00	55.00	55.00		55.00
<b>Action: This indicator has been Revised</b>									
Percentage of PhD students in total enrolment in engineering disciplines in participating institutes. Indicator will track percent increase over baseline (Text)		Focus States: 1.6	Focus States:10	Focus States:30	Focus States:70	Focus States:100	Focus States:100		Focus States: 100
		Other States: 2.5	Other States:10	Other States:30	Other States:70	Other States:100	Other States:100		Other States: 100
<b>Action: This indicator has been Revised</b>									



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
Percentage of sanctioned faculty positions in participating institutes filled by regular or contract faculty, contracted as per AICTE norms (Text)		Focus States:40	Focus States: 42	Focus States: 50	Focus States: 65	Focus States: 85	Focus States: 85		Focus States:85
		Other States:65	Other States: 66	Other States: 68	Other States: 70	Other States: 85	Other States: 85		Other States:85
<b>Action: This indicator has been Revised</b>									
Number of faculty trained in either their subject domain, pedagogy or management in participating institutes (cumulative) (Text)		0.00	Focus States:500	Focus States:1000	Focus States:2500	Focus States:5000	Focus States:5000		Focus States:5000
			Other States:1000	Other States:2000	Other States:3000	Other States:6000	Other States:6000		Other States:6000
<b>Action: This indicator has been Revised</b>									
Percentage of externally funded research and development projects and consultancies in total revenue in participating institutes (Text)		Focus States: 2	Focus States:3	Focus States:4	Focus States:5	Focus States:7	Focus States:7		Focus States: 7
		Other States: 10	Other States:11	Other States:12	Other States:13	Other States :15	Other States:15		Other States: 15
<b>Action: This indicator has been Revised</b>									
Participation of affiliated institutes in participating ATUs in newly designed		0.00	Focus States: 5 Other States: 20	Focus States: 10 Other States: 30	Focus States: 15 Other States: 60	Focus States: 30 Other States: 150	Focus States: 30 Other States: 150		Focus States: 30 Other States: 150



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
research-hub related activities (Text)									
<b>Action: This indicator has been Revised</b>									
Number of engineering education institutes in focus states that meet the enabling mechanisms for participation in the project (Number)		21.00	55.00			87.00			87.00
<b>Action: This indicator has been Revised</b>									
Students benefiting from direct interventions to enhance learning (CRI, Number)		1,378,532.00							2,894,917.00
<b>Action: This indicator has been Revised</b>									
Students benefiting from direct interventions to enhance learning - Female (CRI, Number)		353,605.00							742,571.00
<b>Component 2: System-level initiatives to strengthen sector governance and performance</b>									
Employer satisfaction with engineers recruited (Text)		NA					Employer feedback on at least 1 cohort of engineers recruited. Report		Employer feedback on at least 1 cohort of engineers



Indicator Name	PBC	Baseline	Intermediate Targets						End Target	
			1	2	3	4	5	6		
								published.		recruited. Report published.
<b>Action: This indicator has been Revised</b>										
Student, Staff and Faculty Satisfaction Survey (Text)		NA	Report on first round published and action plan prepared		15.00			15.00		15.00
<b>Action: This indicator has been Revised</b>										
Percentage of participating institutes with a BoG composed as per prescribed structure that meets at least 4 times every calendar and which publicly discloses the minutes of all meetings (DLI #3) (Text)		Focus States: 35 Other States: 60		Focus States: 60 Other States: 80	Focus States: 70 Other States: 95	Focus States: 95 Other States: 95	Focus States: 95 Other States: 95	Focus States: 95 Other States: 95		Focus States: 95 Other States: 95
<b>Action: This indicator has been Revised</b>										
Number of participating ATUs with MIS capable of producing annual report against prescribed indicators (Text)		NA	MIS designed: Focus States: At least 1 ATU Non-LIS: At least 1 ATU	MIS developed: Focus States: At least 3 ATUs Non-LIS: At least 2 ATUs	MIS functional: Focus States: At least 5 ATUs Non-LIS: At least 3 ATUs	MIS functional: Focus States: At least 5 ATUs Non-LIS: At least 3 ATUs	MIS functional: Focus States: At least 5 ATUs Non-LIS: At least 3 ATUs	MIS functional: Focus States: At least 5 ATUs Non-LIS: At least 3 ATUs		MIS functional: Focus States: At least 5 ATUs Non-LIS: At least 3 ATUs



Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Action: This indicator has been Revised</b>									
Number of participating ATUs in focus states that publicly declare final semester examination results before the start of the next academic year (Text)		0.00		1.00	3.00	6.00	6.00		6.00
<b>Action: This indicator has been Revised</b>									
Percentage of participating institutes in Focus states that train final year engineering students to take exit examination (e.g. GATE) (DLI#4) (Percentage)		25.00		30.00	50.00	60.00		60.00	60.00
<b>Action: This indicator has been Revised</b>									
i) Timeliness of allocations, and utilization; and (ii) expenditure recognition against the utilization (DLI #5) (Text)		NA		In the previous six (6) months: (i) MHRD provides allocation in PFMS for at least 75% of the fund requests submitted by the institutes, within ten (10) calendar	For the last two quarters: (i) Fund utilization (eligible payments made) are equivalent to 70% or more, of the approved allocations for the	For the last two quarters: (i) Fund utilization (eligible payments made) are equivalent to 90% or more, of the approved allocations for the			For the last two quarters: (i) Fund utilization (eligible payments made) are equivalent to at least 90% or more, of the approved allocations for the



Indicator Name	PBC	Baseline	Intermediate Targets						End Target	
			1	2	3	4	5	6		
				days from the start of quarter; and (ii) 70% of the payments requests made by the institutes are honored within the thirty (30) calendar days from the date on which the participating institute requests the payment for eligible transactions.	participating institutes; and (ii) 70% of the funds utilized to date have been accounted for as expenditures in the Books of Accounts of the participating institutes.	participating institutes; and (ii) 90% of the funds utilized to date have been accounted for as expenditures in the Books of Accounts of the participating institutes.				participating institutes; and (ii) At least 90% of the funds utilized to date have been accounted for as expenditures in the Books of Accounts of the participating institutes.
<b>Action: This indicator has been Revised</b>										
Percentage of participating institutes that produce and publish an annual report in the prescribed format in accordance with the requirements set out in the PIP (Text)		0.00		Focus States: 20 Other States: 20	Focus States: 60 Other States: 60	Focus States: 85 Other States: 85	Focus States: 85 Other States: 85			Focus States :85 Other States:85
<b>Action: This indicator has been Revised</b>										



**The World Bank**

Technical Education Quality Improvement Project III (P154523)

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**The World Bank**

Technical Education Quality Improvement Project III (P154523)

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