1. Key development issues and rationale for Bank involvement

**Background**

Cambodian higher education has achieved significant progress in both the public and private sectors. The Education Law is in place, which provides directions for future development of the higher education sub-sector. Enrollment has grown rapidly over the past decade from a little over 10,000 in 1992 to 116,108 in 2007, of which approximately 60% is accounted for by the private sector. Today there are 28 public and 41 private higher education institutions (HEIs) spread over 108 campuses (including branches, mostly in the provinces.) Public HEIs have been granted partial autonomy, which allows them to establish admission criteria, design academic curriculum, and charge tuition fees. The Accreditation Committee of Cambodia (ACC) was established in 2003 and has successfully completed the assessment of the Foundation Year in 41 universities.1 Having achieved the above, the Ministry of Education, Youth and Sports (MoEYS) is currently working towards finalizing its vision and strategy for the sub-sector. This is scheduled to be completed by December 2008.

As the Country Assistance Strategy 2005 emphasizes, it is critical for Cambodia to advance competitiveness, investment and employment in order to achieve sustainable economic growth and poverty reduction. Building a higher education system that is of high quality, innovative, and responsive to market demands is, therefore, key to Cambodia as it positions itself for regional and global economic integration and expansion. Given that increased enrollments at the primary and secondary levels are exerting additional pressure on the higher education system, strengthening the system through expanding access, with special attention to the poor and under-served communities, will contribute to upward socioeconomic mobility. Furthermore, efforts will need to be made to address other challenges faced by the system in the areas of quality, efficiency, and institutional capacity building.

---

1 Data provided by Department of Higher Education (DHE) and Accreditation Committee of Cambodia (ACC).
Key development issues

Equitable Access

There is insufficient attention to equity in the current system. Since both private and public HEIs charge fees and living expenses, this limits enrollments of poor, female, and rural students. The gross enrollment rate in higher education is only 3.3%, as compared with 7.0% in low-income countries worldwide and 20.4% in the EAP region. In 2006-07, the percentages of full-scholarship students in all undergraduate years in public and private HEIs were only 24.6% and 8.9%, respectively. Female enrolments accounted for only 35%, with only 8.9% receiving a full scholarship. Since the majority of HEIs are located in the capital, ethnic minorities and students from rural areas are severely underrepresented. In 2006–07, 81% of students attended HEIs located in the capital.

Quality and Efficiency

The challenges in improving and sustaining quality and efficiency include: (1) there is a need for the ACC to continue to improve the quality of the accreditation process; (2) research capacity at many HEIs needs to be strengthened in the areas of science and mathematics, industrial technology, health, environment, and agriculture; (3) the quality and relevance of many current higher education courses, especially at newly established campuses, are in question; and (4) the shortage of skilled, well qualified, and experienced professors is serious yet enrollments are rapidly increasing.

Institutional Capacity

The key challenges in building strong institutional capacity include: (1) there is a serious shortage of highly skilled local professionals to offer leadership in critical fields, such as the sciences, mathematics, technology-based disciplines, agriculture, and education; (2) the financing of higher education is inadequate to produce the desired outcomes; (3) the higher education financial mechanism needs to be strengthened to enhance efficiency and transparency; and (4) governance arrangements in higher education are underdeveloped and not consistent with its decentralization policy.

Rationale for Bank Involvement

With the urgent challenges in providing quality higher education and the limited support from donors to the sub-sector, the proposed concept note comes at an appropriate time both for the Royal Government of Cambodia and the World Bank. Government has recently shown promising efforts to strengthen its higher education system. Under the on-going IDA project, ACC has successfully completed the assessment of the foundation year in 41 HEIs, and ACC and DHE co-hosted a technical workshop to strengthen agencies coordination processes on quality improvement. Government is currently finalizing its vision and strategy for the sub-sector. In order to build on these efforts, Government has requested the World Bank to provide continued support for Cambodia’s higher education agenda, recognizing the success of past collaboration in the education sector. In the process of the design, preparation, and implementation of the proposed project, the World Bank will bring its international and regional experiences to improve

---

2 Royal University of Phnom Penh (RUPP), Cambodia’s oldest public HEI, charges US$250 – 450/year for Bachelor’s degree and Build Bright University, a newly established private HEI, charges US$290 - $390/year.

3 UNESCO Institute for Statistics and EdStats. Data are for the most recent year available in 2004 – 2006.

4 In public HEIs, scholarship means a fee free place with no other support, which leads to a high drop out rate because poor rural students targeted are not able to pay for accommodation, clothes, and food at places like the RUPP. In private HEIs, scholarship often means exemption from part of the fees.

5 Department of Higher Education, MoEYS
quality and relevance of teaching and research as well as capacity building activities in the higher 
education sub-sector.

2. Proposed objective(s)

The development objective of the project is to produce more highly skilled university graduates by improving the access, quality, market relevance, and systemic capacity of higher education sub-sector in Cambodia. This will enhance Cambodia’s competitiveness and improve its capacity to deal with major development issues.

3. Preliminary description

The project consists of four components:

Component 1: Capacity building at both the system and institutional levels. This component is to strengthen the management capacity of the higher education sub-sector, both at the central Department of Higher Education (DHE) and Accreditation committee of Cambodia (ACC) levels, and of Higher Education Institutions (HEIs). It will include the following two heavily inter-dependent sub-components namely capacity building at the system level and capacity building at the institutional (HEI) level.

Component 2: Competitive Research Grants. The objective of this component is to improve the focus and quality of learning and teaching in public and private HEIs through the strengthening of research capabilities by:

a) Reviewing and renewing curricula of post-graduate research methodology programs, improving the quality of workshops and of graduate seminars presenting research findings, and modernizing science laboratories for locally-based research;

b) Developing qualified research staff to increase the relatively low numbers now available, particularly in the key areas of science and math education, industrial technology, health, environment, and agriculture;

c) Developing, piloting, and establishing an efficient technically staffed Research Grants Commission for the allocation of public funds for HEI based research activities; and

a) Providing consultants to help establish and mount training programs in research methodologies and design in the key areas.

Component 3: Scholarships for the disadvantaged. The objective of this component is to improve access to higher education through scholarships for academically qualified but otherwise disadvantaged students, including females, ethnic minorities, and students from rural areas. The component, as a way to build on and refine the current system of awarding scholarships, and focusing on priority areas in line with the Education Sector Support Project (ESSP), would:

a) Improve the management of existing selection and award mechanisms at DHE and both private and public institutional levels;

b) Coordinate donor support and increase the overall number of scholarships while rationalizing the proportions to be awarded across disciplines;

c) Allocate amounts for the various disciplines, taking board and accommodation, subsistence and learning materials expenses into account; and

d) Support the integration of data on scholarships with the overall Higher Education Management Information System (HEMIS) managed by DHE.
Component 4: Project Management and Monitoring and Evaluation. This component is devoted to the management and M&E of the project while initiating the establishment of system-wide M&E capability.

4. Safeguard policies that might apply

Environmental safeguards: There are no major civil works for modernizing science laboratories; however, an environmental safeguards assessment would be part of the project preparation to ensure consistency with the World Bank guidelines.

Social safeguards: A social assessment should be a part of the project preparation to enhance the social outcomes of the projects in terms of participation of the stakeholders and equity opportunities for currently disadvantaged groups in gaining the project benefits.

5. Tentative financing

<table>
<thead>
<tr>
<th>Source</th>
<th>($m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BORROWER/RECIPIENT</td>
<td>2</td>
</tr>
<tr>
<td>International Development Association (IDA)</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17</strong></td>
</tr>
</tbody>
</table>

6. Contact point

Contact: Omporn Regel
Title: Senior Operations Officer
Tel: (202) 473-3450
Fax: (202) 522-3394
Email: Oregel@worldbank.org