



Regional Cooperation in Quality Assurance in Higher Education

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18 June 2007



What is a public good?

- Non-excludable
 - No one can be barred from benefits
 - No single purchaser
- Non-rival
 - Can be consumed without depletion

Externalities

- Higher education quality assurance produces important externalities
 - Difference between public and private benefits
 - Hard to measure
 - Often expressed as desirable and durable attributes
- Benefits are diffuse
 - Employers and society benefit from a better educated workforce, civil society, and populace
 - Producers of goods and services also benefit from educated consumers
- Benefits of quality assurance cannot be limited to the individuals, institutions, or countries that undertake the exercise
 - “Free rider” problem in higher education is complicated by international reach of the benefits
 - National markets tend to underproduce public goods, so the international community has role



Quality assurance viewed as a public good

- National policies are key
 - Governments often struggle to develop such policies
 - We need only look to issues like HIV, GM foods, etc.
- Yet, global challenges require new approaches and frank debate
 - Many players are public sector institutions
 - New actors & mechanisms
 - Civil society
 - Private sector
 - International and regional cooperation
 - Cross-sectoral linkages



The World Bank

- Created in 1944 to lend and grant money to governments to help them reconstruct infrastructure and systems devastated by WWII
 - With the demise of colonialism and increased country independence, the Bank's mandate shifted to focus on loans and grants to developing countries
 - In 2007 there are 185 member countries
 - Donor and borrowing countries
 - Mission: Poverty reduction



Lending operations

- Lending to national governments is the core mechanism through which the World Bank operates
 - The Bank also conducts studies, dialogue, strategy development, and provides technical assistance
 - Yet there are also various grant mechanisms at the Bank's disposal to achieve its mandate of poverty reduction and capacity building for development
 - Lending requires the Bank to work with nation states and has limitations that complicate multi-country, regional, or global initiatives that are important to expanding global public goods

Regional Programs

- Nation state model
 - Bi-lateral, multi-lateral, and other aid agencies operate mostly on the nation state model
 - Relationships are straightforward
 - Legal agreements are customary
 - Design is simplified
 - Beneficiaries are clear
- Recent evaluations underscore the important benefits of regional programs
 - Most reach their development objectives
 - Cooperation and sharing
 - Integration and harmonization
 - Value-added
 - Economies of Scale
- Yet regional programs represent >3% of development support worldwide
 - The World Bank notes a difference in outcomes between regional lending programs and regional partnership programs (such as the DGF)
 - Lending programs have strong country voice
 - Partnerships dominated by NGOs with weak links to national institutions
 - An impediment to build knowledge support for national policy reforms
 - Partnerships lack good resource mobilization plans to ensure financial predictability and sustainability once external support ends



Global partnerships to leverage effectiveness

- The World Bank, (IBRD and IDA), lends \$20 billion each year
 - To promote economic growth and social progress in the developing world
 - IBRD lends largely to middle-income developing countries and finances its operations primarily through bond sales on world capital markets
 - IDA finances projects in the world's poorest countries and lends on concessional terms, drawing largely on contributions from its wealthier member countries.
 - The Bank also mobilizes resources to help finance non-lending technical assistance activities to meet the special needs of developing countries and emphasizes its guarantee instruments as a catalyst for private capital flows.
- The Bank supports its efforts by forging effective partnerships with the members of the international development and financial community.
 - In addition to mobilizing contributions from donor governments directly, it works with a broad array of private and public institutions.
 - Often, the Bank also co-finances its projects with governments, commercial banks, export credit agencies, multilateral institutions, private sector investors, and NGOs.

Development Grant Facility (DGF)

- Established in 1998 as Bank's mechanism to support global and regional programs to build capacity in ways that are not possible through country operations.
 - Encourage innovation
 - Catalyze institutional partnerships
- Each proposal must have a Bank sector sponsor to vet proposals prior to submission to ensure that they align with Bank and sector priorities
- Adjust programs under supervision

Criteria for DGF support

- Subsidiarity – promotes Bank goals
- Comparative advantage – does not replicate work of other donor agencies
- Multi-country benefits
- Leverage – to attract other financial resources
- Managerial competence – given to an institution with a record of achievement in program area and financial probity
- Arm's length relationship to Bank
- Disengagement strategy
- Promoting or reinforcing partnerships

DGF support for regional networks in quality assurance

- Asia Pacific Quality Network (APQN)
- Latin America Network for Quality Assurance in Higher Education (RIACES)
- Association of African Universities (AAU)
- Global Initiative for Quality Assurance Capacity (GIQAC)
 - Subsumes RIACES, AAU and adds the Arab Network for Quality Assurance in Higher Education
 - Opens the door for funding to APQN, CEE-Net, and other regional networks
 - Seeks to build capacity of INQAAHE to support capacity building for QA in developing countries



Recent IAD and QAG reviews

- ... have altered the Bank's approach to management capacity of DGF-supported initiatives...
 - From compliance to capacity
 - From transactions to systems
 - From projects to institutions
 - Toward a focus on risk
 - Toward partnerships with institutions whose systems meet standards at entry
 - Able to withstand increased scrutiny of controls

Global Initiative for Quality Assurance Capacity (GIQAC)

- Proposed World Bank partnership with UNESCO
 - Window 2 funding
 - Focus on developing countries
 - To build quality assurance capacity
 - UNESCO generously offered to host GIQAC secretariat
 - GIQAC as an umbrella for programmatic support to:
 - INQAAHE
 - Regional networks for quality assurance
 - Not to duplicate the work of INQAAHE, but to complement it and help to build the capacity of INQAAHE to play a more significant role in building QA capacity in developing countries
 - Prior DGF agreements (RIACES and AAU) will be ring-fenced in the DGF legal agreement with UNESCO
 - Opens the door to other regional networks not yet beneficiaries of prior DGF funds (CEE-net, EAQAN, CANQATE, CAMES, HEQMISA, etc.)