Regional Cooperation in Quality Assurance in Higher Education

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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 counties
      - 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 guaranteed 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.
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.)