

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The World Bank has been the major provider of grant and loan assistance to the Viet Nam higher education subsector, commencing with the Higher Education Project in 1998.<sup>1</sup> The overall strategy is to support the Viet Nam Socio-Economic Development Plan (SEDP), and the Higher Education Reform Agenda (HERA), by assisting the government to develop a higher education system that produces graduates better suited to the new economy's needs.

2. The Higher Education Project provided support for system-wide and institutional improvements in policy formulation, performance monitoring, quality assessment and accreditation, resource allocation and management, preparation of institutional regulations, and investment support for computerized administration in all universities. It also provided support for quality, and teaching and learning improvement, measures in selected qualifying universities with quality improvement grants. Grants supported a range of activities, including staff training, pedagogical and learning inputs, books, equipment, and development of common services.

3. The Second Higher Education Project aims to increase the quality of teaching and research in universities in ways that improve the employability of graduates and the relevance of research in Viet Nam.<sup>2</sup> The project seeks to achieve its objective through (i) developing policy and building capacity at the central government level in the areas of governance, financing, and quality assurance; and (ii) building capacity, relevance, and autonomy at the university level. The Second Higher Education Project includes a component to build capacity for policy development in three areas: (i) the organization of the higher education system and central and institutional governance, (ii) the public supply- and demand-side funding of higher education, and (iii) the quality of students at entry and quality of services provided by higher education institutions. The second component is designed to strengthen teaching and research in selected universities and focuses on capacity building for university teaching and research by (i) building management capacity in universities, and (ii) financing teaching and research innovation grant subprojects.

4. The Higher Education Development Policy Program aims to strengthen governance, rationalize financing, improve the quality of teaching and research, improve accountability for performance, and enhance transparency in financial management within the higher education sector.<sup>3</sup> The Higher Education Development Policy Program involves a series of three annual development policy operations, each of \$50 million. The World Bank has indicated that, if the program is successful, a second series of three \$50 million tranches may be considered. While this is not a firm commitment, if it is implemented, the total support from the World Bank to the Viet Nam higher education subsector over 18 years from 1998–2016 will have amounted to \$450 million.

5. The University of Science and Technology of Ha Noi Development (New Model University) Project represents the first Asian Development Bank (ADB) project in higher education in Viet Nam. The establishment of this new model university (NMU) will complement the World Bank's ongoing reform program and the World Bank's NMU project (Vietnamese–German University).<sup>4</sup>

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<sup>1</sup> World Bank. 1999. *Vietnam: Higher Education Project*. Washington DC.

<sup>2</sup> World Bank. 2007. *Vietnam: Second Higher Education Project*. Washington DC.

<sup>3</sup> World Bank. 2009. *Vietnam: Higher Education Development Policy Program*. Washington DC.

<sup>4</sup> World Bank. 2010. *Vietnam: New Model University Project*. Washington DC.

**Table 1: Major Development Partner (World Bank and ADB)**

Development Partner	Project Name	Duration	Amount (\$ million)
World Bank	Higher Education Project	7 years (1999–2006)	87.0
World Bank	Second Higher Education Project	4 years (2007–2011)	70.0
World Bank	Higher Education Development Policy Program	1 year (2009/2010)	50.0
World Bank	Second and Third Higher Education Development Policy Program	2 years each (2010/11 and 2011/12)	100.0
World Bank	New Model University Project	6 years (2010–2016)	200.0
ADB	University of Science and Technology of Ha Noi Development (New Model University) Project	6 years (2011–2017)	213.0

Source: {please supply source}

6. The Government of France will make a significant contribution to the USTH, equivalent to €100 million, in support of development and operating costs over the first 10 years of USTH's existence. It will provide French curriculum for the university's six thematic areas, the university's rector, lecturers, research leaders, scholarships and equipment. France also provides scholarship assistance for Vietnamese students to study in France. Currently, some 600 students are on such scholarships, with a focus on postgraduate studies. France has undertaken to provide training for 400 Vietnamese doctoral students over the next ten years with a view to their becoming academic staff at USTH. The Government of Germany has made a significant contribution to the development of the World Bank's new model university as its international strategic partner—a role equivalent to that of France with the USTH.

7. The Netherlands Initiative for Capacity Development in Higher Education aims to support institutional capacity for providing higher education and training.<sup>5</sup> It includes a component aimed at assisting eight Vietnamese universities to develop and deliver new profession-oriented curricula; help lecturers to teach, assess, and evaluate these new curricula; and establish relationships with the labor market to deliver highly qualified graduates. In parallel, the project supports the Ministry of Education and Training (MOET) in developing a new policy framework for the development of profession-oriented higher education at the national level.

**Table 2: Major Development Partner (Netherlands, France, Germany)**

Development Partner	Project Name	Duration	Amount (€ million)
Government of France	Development and operational assistance to the University of Science and Technology of Hanoi	Approximately 10 years (2010–2020)	100.0
Government of Germany	Development and operational assistance to Vietnamese–German University	Approximately 10 years (2008–2018)	
Government of the Netherlands	Netherlands Initiative for Capacity Development in Higher Education	2010–2014	18

Source: <http://www.nuffic.nl/international-organizations/services/capacity-building/niche/country-list/vietnam>

8. In March 2010, the United Kingdom and Vietnam signed a memorandum of understanding to up-grade Da Nang University to become the Vietnam-UK Public University, meeting international standards.

<sup>5</sup> Government of the Netherlands. 2010. *Program Outline: Netherlands Initiative for Capacity Development in Higher Education Vietnam*. The Hague.

## **B. Institutional Arrangements and Processes for Development Coordination**

9. The previous and current World Bank loan assistance to Viet Nam for the higher education subsector has not required development partner coordination, due to it being virtually the sole provider. The Government of the Netherlands assistance was provided direct to universities to develop internal quality assurance systems. The work supported the recipient universities to develop quality assurance systems that were consistent with the framework being developed under the Higher Education Project and Second Higher Education Project.

10. The proposed loans prepared for funding the establishment of NMUs have been coordinated between ADB and the World Bank throughout the preparation phase to ensure consistency of policy approach and to reduce the transaction costs on the government. The preparatory technical assistance agreements were coordinated with common objectives and proposed loan structure. Joint ADB and World Bank missions for identification, inception, and review were held. These joint missions have been coordinated in timing, had common agendas, and joint aide-mémoire, were cosigned by ADB and World Bank directors and were submitted to the government (apart from those relating to the final review mission).

11. Further to the official development assistance mentioned, several countries offer official development assistance in the form of tertiary education scholarships. While scholarships do not directly influence the development of the higher education system in Viet Nam, they do provide scope for supporting improvement in quality of teaching and research in Viet Nam by creating new Vietnamese graduates with degrees from foreign universities who can return and work in Vietnamese universities and, to a limited extent, in the MOET policy departments.

12. The most prominent scholarship programs available for Vietnamese students are: (i) Australian Scholarships for Development in Viet Nam, offering 175 scholarships per year for study in Australia, mostly at the postgraduate level; (ii) The Vietnam Education Fund, a trust fund for scholarships for Vietnamese students to study in the United States, with a limited number in selected regional countries; (iii) Chevening program, a scholarship program for students to study in the United Kingdom; and (iv) Fulbright program, offering scholarships for students to study in the United States and elsewhere. An increasing number of Vietnamese students also study in foreign universities as self-funded full-fee-paying students.

## **C. Achievements and Issues**

13. The ongoing World Bank projects have had some impact in changing the policy environment for higher education in Viet Nam, although results in terms of improvements on the ground remain tentative. The coordinated NMU initiative, which brings together ADB, the World Bank, and the governments of France and Germany, complement these efforts by adopting a bottom-up approach to policy reform through piloting of a new policy framework for higher education in a small number of universities.

## **D. Summary and Recommendations**

14. The World Bank has been the primary provider of lending and nonlending assistance to the Viet Nam higher education subsector. The proposed NMU project reflects a coordinated approach to the entry of other development partners into the higher education sector. Coordinated efforts at achieving policy and operational reforms should be continued.