

**Proceedings of the Fifth National Conference  
on  
Private Higher Education  
Institutions (PHEIs) in Ethiopia**

***Major Theme: Private Higher Education in Ethiopia  
at the turn of the Ethiopian  
Millennium***

**Organized & Sponsored  
By  
St. Mary's University College  
August 25, 2007  
UN Conference Center  
Addis Ababa  
Ethiopia**

## **Partnership between Public and Private Higher Education Institutions in Ethiopia: Some Key Policy Options**

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### ***Abstract***

*“PARTNERSHIP BETWEEN PUBLIC AND PRIVATE HIGHER EDUCATION INSTITUTIONS IN ETHIOPIA: SOME KEY POLICY OPTIONS” presents possible options for the advancement of partnership between public and private higher education institutions in Ethiopia. This consultative research also describes the challenges in forming the partnership. To collect the views of the executive management of private higher education institutions (PHEIs,) using stratified and cluster sampling procedures, a questionnaire was distributed to the top management of a cluster of nine (old) public universities. The respondents included were the presidents of the Universities, vice presidents, faculty deans and campus deans, officers of the university and heads of departments. With great concern, all executives responded urgently to the questionnaire except a single university management team. Parallel to this, the views of selected managers of 41 private higher institutions were included in the study. The major criterion for selecting these PHEIs was membership of the association of PHEIs, years of establishment, location and type of program. In-depth interviews focus group discussions, a consultative seminar which was attended by 44 institutional delegates and document analysis was made to gather data. After the consultative seminar which was attended by delegates of 44 institutions, finally, possible policy options were further refined. These policy options are assumed to advance the partnership between private and public higher education institution in Ethiopia. The partnership, in turn, can support massification and advance the quality of higher education. On the basis of these options, to advance the quality of private higher education provision, the following recommendations were made: promotion and implementation of public private partnership options for Ethiopian Higher Education Institutions aggressively, establishment of the Ethiopian Council for Public and Private Partnership (ECPPP), provision of government incentives to quality PHEIs, creation of access to donor support, improving options for overall management and creation of international/national twining (linkage).*

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## **1. INTRODUCTION**

### **1.1. Background**

A significant number of researchers assert that economic and social indicators put Ethiopia as one of the poorest countries in the world. The real per capita GNP for the year 1998 was \$100. The figure for low-income economies for the same year was \$520 and that of Sub-Saharan Africa was US \$480. Using purchasing power parity, which is most indicative of People's buying powers in their countries, Ethiopia's real GDP per capita for 1998 amounted to \$500, which is the third lowest figure in Africa that is only higher than those of Sierra Leon and Tanzania [*The World Bank, 1999*]. [*The World Bank, 2004*].

Realizing this, the country is struggling to break the poverty trap and improve its economic performance through implementing various economic policies. The government has introduced an economic reform plan that emphasizes the use of a free market system and liberalized trade laws to encourage investment in all sectors including education.

In this whole process, it is becoming clear that educating the Ethiopian mass at every level boost the desired economic growth. Education can change the working culture and performance of a society, whereby productivity and individual income will increase. The decomposition of labor productivity into its major components (skills, capital, geography, investment climate, firm size) reveals the importance of each component.

Studies have revealed that a more important source of the shortfall is the difference in skills, as measured by differences in years of schooling, which explains a much larger share of the gap (21 percentage points).

The argument is to emphasize the need for education to come out of the very poor situation under which we are living. For real success, as stipulated in ESDP III and widely discussed in the reviewed background documents, a unified effort has to be made by all stakeholders

sooner rather than later. Educating the masses immediately is the key to increase work productivity in every walk of life; from office to fieldwork and from agriculture to industry.

## **1.2. Statement of the Problem**

No policy framework exists on partnership between public and private higher education institutions in Ethiopia. This absence has reduced the relevance and quality of higher education. Each block has followed its own route. In isolation, each has made significant contributions to the education of Ethiopians. In the absence of policy framework private HEIs have been unable to gain various forms of government and donor support.

The belief that private higher education institutions are established for profit only gives rise to public higher education institutions not sharing the same vision, resources and struggle toward similar goals: quality and relevant education provision for all Ethiopians. Pvt. HEIs are not receiving support from the government or donors as are public higher institutions. All in all, a gap in the partnership exists. This urgently requires a shared partnership policy framework.

## **1.3. Objective of the Study**

This research work has the following major objectives:

- Explore and define partnership policy options for private and public HEIs.
- Identify those options that bring about relevance and quality of education both in public and private higher education institutions.
- Create shared vision and responsibilities among HEIs so that they can jointly work to provide quality education.

#### **1.4. Significance of the Study**

This consultative policy research work was conducted to contribute to the development of a partnership policy for public and private higher education institutions. The research, therefore, will help quality higher education delivery modes by private higher education institutions, reduce the cost of training incurred by the MoE, and reduce the cost of training settled by students of Private HEIs. Significantly, HESC, the Association of Private Higher Education Institutions and policy makers can use the recommendations to draft partnership policy document. All in all, teachers, students of both public and private higher institutions, the community and employers can benefit from the outcomes of this policy research.

#### **1.5. Limitation of the Study**

Due to critical shortage of time, the responses of relevant ministers of education and donors could not be included, though they received the questionnaire and were invited to seminars.

#### **1.6. Research Methods and Sampling**

##### **Procedures**

The following research tools were employed to collect data:

- i. A questionnaire with 30 questions was distributed to executive management staff of all nine public universities, board members of Pvt. HEIs, three education state ministers, leaders of 41 private higher institutions, 36 experts from Addis Ababa Education Bureau, Oromia Education Bureau, MoE and Capacity Building Bureaus,

and an expert in capacity building. A revised form of the questionnaire focusing on donor support was sent to: The World Bank, NUFFIC, UNDP, UNESCO, VESO and some selected potential employers.

- ii. A consultative seminar which was attended by 44 delegates of various institutions at Desalgen Hotel. The seminar was funded by HESC and the Association of Private Higher Education Institutions.
- iii. In-depth interviews with some private HEIs board members, Addis Ababa Education Bureau, NGOs, employers and graduates.
- iv. Descriptive statistics were used to interpret the data.

### **Context Analysis: A Review**

A comprehensive study based on research findings on Higher Education Institutions (HEIs) that include a large number of colleges and universities in countries of the five continents had been documented in “Private Higher Education: A Global Revolution” (Altbach P.G. and Levy, D.G. [2005]). The study was a collaborative undertaking of the Ford Foundation and the Centre for International Higher Education (CIHE) and the Program for Research on Private Higher Education (PROPHE). The rise and fall of HEIs all over the globe had been visited and explicitly examined. The cultures and traditions as conditions of development are presented. The source of finance, style of management, strengths and weaknesses are extensively examined. In some cases, higher education is successful when managed by the public sector while in others it is doing well under private operators. In most of the cases studied it is hard to understand in whose hand HEIs can become successful. This is so because in some public higher education institutions (Pvt. HEIs) successes are remarkable and in others, there is a distasteful failure, which of course is equally applicable to the private sector.

In the Ethiopian context, the Higher Education System Overhaul (HESO) document underscores that higher education is a people-based business. This implies that

management of HEIs is central to the success of the operation. With respect to human resources management, the new situation of autonomy and accountability places new burdens and responsibilities on managers and boards within HEIs and presents them with new opportunities for improvement.

In addition, the HESO team has identified a range of other supporting and inter-related recommendations for the Ministry of Education, HEI managers and boards, the Ethiopian Higher Education Strategy Center (HESC), the Higher Education Relevance and Quality Assurance Agency (HERQA), the National Pedagogic Resources Center (NPRC) and the Public and Private University Associations. According to HESO, these recommendations should be seen as an organic whole, which if implemented as a coherent program could lead to significant change and development within Ethiopia's higher education.

The Education Sector Development Plan III (ESDP III) outlines activities and goals to be achieved over a span of the five years 2005/6-2010/11. Like previous education sector development plans it will also be summarized in a program action plan that will be an output of a nation-wide planning process involving the centre and the regions.

ESDP III indicates that Technical and Vocational Education and Training (TVET) and tertiary education (TE) are two areas where private higher education institutions can participate. According to this document, the government is also encouraging private investors to take part in tertiary education. There have been consultative meetings of government and private higher learning institutions over the last five years focusing on higher education leadership and management, monitoring and evaluation of plans and performance, expansion and problems encountered. A concerted effort has been exerted to improve the quality of higher education. As a result, overall management and service rendering in higher education is becoming student-centered. Students and staff are being heard in the management and the evaluative process.

Private delivery of higher education will be encouraged through facilitation of quick access to incentives (for example, land, tax exemption, etc.), provision of technical support and short-term training provided to public institutions. Moreover, joint experience sharing modalities with national and international HEIs will be devised. Mechanisms to foster public private partnerships will also be developed. The annual intake capacity of private institutions is expected to be at least 45-50 thousand by the end of the planning period.

Not ignoring the targeted growth at the base level of the Ethiopian education, the most relevant areas of interest for this research work are the TVET and the tertiary education. These two sectors are discussed in various sections of the ESDP III document. Fields of specializations have reached 25 in government and 16 in non-governmental institutions. The number of TVET institutions increased from 17 in 1996/97 to 158 in 2003/04 and enrollment from 2,924 to 87,158 out of which 47.5% are females. Since the launching of TVET program, 15 TVET institutions were upgraded to diploma level and 3 teacher education colleges at three diploma level expanded to offer additional training programs. Based on the government's economic and social development strategic plan new training programs are identified, and occupational standards were prepared for 50 priority trades. The contribution and the role of industry and other private partners in the planning, management and delivery of education and training will be maximized.

In the accomplishment of all the plans and programs laid in ESDP III, it is essential that all the available resources within reach have to be genuinely mobilized. In this regard, the private wing of the higher education has to be part and parcel of the whole process. However, the document says little about the future role of the private HEIs explicitly. Even then, it is not too late to consider the full participation of the private institutions. In this same document, it is clearly stated that the enrollment of female students in private higher institutions is higher as compared to the male students. This is indicative of its coherence to the principle of is like enlightening the whole society.

The existence of a public-private partnership policy for higher education institutions has been a worldwide debate. In countries like Canada, the debate resulted in the establishment of the Canadian Council for Public and Private Partnership. Reasons for the need for public-private policy have been sensitive and debatable. In this regard, Levy (2002) argues that the policy is required mainly:

1. To expand supply without changing the product offered by public higher education.
2. To treat similarly what is essentially similar.
3. To make the private public sector more similar.
4. There is private-public distinctiveness but it rests too much on undesirable pursuits or performance. Examples include low quality, for profit or other market excesses and fragmentations that undermine social unity.
5. Alternatively, diversity can be achieved through other institutional divisions.

Therefore, in those countries where there is a firmly rooted and shared policy, private higher institutions can access government funds for staff training and soft loans for the purchase of land, books, and other facilities. Private colleges that access government funds on a soft loan basis may repay part of the debt in kind through the provision of free scholarship to economically disadvantaged students for study at their institution. The debt repayment would be equal to the amount of tuition fee forgone by the colleges (*Ashcroft, 2005*.) In many situations, private higher education institutions have only one bloodline: collecting tuition fees. Other income-generating mechanisms are negligible. Since income-generating mechanisms are not systematic, they cannot cover all costs of the institution. In some countries, they receive financial support from the government. In India, for example, most undergraduate study is given in private colleges that receive significant support from government via universities with which private colleges are affiliated. Private universities in Japan, the United States and some countries are eligible for various kinds of governments support (*Altbach, 2005:18*). According to Altbach and Levy (2005) private higher education institutions have numerically dominated higher education systems of Japan, South Korea, Taiwan, and the Philippines for almost a century enrolling about 80%

of all students. In Japan, South Korea, and Taiwan government highly regulate private higher education. In all three countries, a few well-regarded private universities rank close to the top of the academic system (*Altbach, 2003*).

The part of the world which is least touched by private higher education is Western Europe, where the large majority of students study in the public sector perhaps 90 percent of the total. However, state support has not kept pace with the expanding enrollments; and educational standards have declined in some countries. Private institutions are gradually serving as specialized niches of the higher education market (*Ibid*).

The regions of Central Europe, Eastern Europe and Asian countries once part of the Soviet Union and dominated by communism now find themselves in the forefront of the expansion of the private sector. In these countries, previously fully public higher education systems have opened up to the private sector (*Ibid*).

In Latin America an extraordinary breakthrough in research has been concentrated outside the university. Private Research Centers (PRCs) have led a revolutionary surge in social and policy research. These are juridical private and freestanding institutions that do not distribute profits. They usually rank higher in government finance and governance. Attention to PRCs is a vital part of higher education, which can provide new perspectives on the universities to which research centers have formed such attractive alternatives (*Levy, 1996*).

Many Asian countries have had considerable experience in managing large private higher education sectors, which others are still seeking to establish appropriate structures. In India, where the large majority of undergraduate students attend private colleges, schools are largely funded by the state governments and are closely controlled by the universities to which most are affiliated. The universities are all public institutions and have key administrative and academic control over the privately owned undergraduate colleges.

India's pattern of public-private management and control is unique and worth studying (*Altbach, 2005*).

In China private universities were built from scratch. They do not have well-trained faculty and staff who have worked there for decades and have spent their life shaping the culture and soul of a campus. While the older faculty members work only part time to gain extra income, younger faculty staffs who are fresh undergraduates do not have any prior teaching experience and are hired as helpers. Every year, 5-10% of faculties are let go, and the rest have to renew their contracts. Tension and anxiety are thus high due to the uncertainty. Private universities are also disadvantaged by a government regulation allowing these to admit students only after public universities have done so (*Lin, 2005*). The State Education Commission worries that private higher learning institutions will encounter financial problems for which they turn to the government for economic assistance (*Yang, 1997*).

In Malaysia, international linkages, such as accredited programs, twinning programs, credit transfer, and foreign branch campuses were very much exercised by private higher education institutions. It is true that in a rapidly globalizing education and human resource market, higher education and training are no longer confined within national boundaries. In this new borderless educational arena, students and academic staff move to and fro across nations (*Lee, 2003*).

The government support strategy assumes many forms. In Malaysia, for instance, the support is made through twinning arrangements. Since 1997 the Malaysian government has approved private colleges to offer programs in which students can study the whole three-year foreign degree program in Malaysia, without going abroad to the twinning partner's campus, (*Lee, 2003*).

These private higher institutions get support because the above-mentioned countries have public-private HEI policies. Secondly the institutions are acknowledged for their contributions to the nation's development. As the institutions are part of the development and change process, they are supported to pass the quality assurance thresholds. Some developing countries have created favourable situations for the expansion of private higher institutions.

Developing countries, which have made good economic progress, have relied on private higher education to contribute the expert work force that such countries need. These include the Philippines with (80%), Korea (75%), Indonesia (70%), Brazil (65%), Jordan (40%) and Chile (35%) share of private higher education. In the former socialist countries of the Czech Republic, Hungary, Poland and Romania where no private HE existed in 1990, private enrollments averaged 22% of the total in 2001 (*Ashcroft, 2005*).

The above are indications that developing countries have relied and still depend on private higher institutions for their development process. One should also ask why private higher institutions are not expanding in highly developed countries like Germany. Countries like Germany, unlike the United States, can afford to offer higher education to their citizens freely. Germany also provides free education to other developing countries.

Many of the challenges facing Africa's private higher education institutions are those confronting its public institutions, though often in different ways and magnitudes. African private higher education primarily plays a supportive role to public sector institutions. If this role is vital, then public policy issues arise over governments lending a supportive hand, trying to shape growth toward meaningful social development. Issues also arise over how both public and private institutions might address challenges together in their systems. Similarly, issues emerge over how best to pursue human resource development, with what mix of competition and cooperation between the two higher education sectors. To approach

such matters intelligently, public higher education institutions, the citizenry, and governments need to take note of the patterns of development, achievements and limitations of the region's private higher education institutions (*Mambizela, 2004*).

Research shows that the private revolution is much clearer and more dramatic in developing than in developed regions. Western Europe remains the region with the least number of private higher education institutions, though interesting changes are emerging there, too, and private higher education now has a notable place in New Zealand and Australia. United State private higher education holds rather steady, around 21% but dramatic is the risk of for-profits as well as a more general commercialization of non-profit (and even public) institutions. Japan has just begun to experiment with for-profits (*Levy, 2005*).

So the private higher education revolution is not about numbers alone. It is also about profound changes within the sector. Beyond "fit" is even the question of leadership: how much, and where does private higher education lead major higher education changes? Additional issues, often crucial for policy analysis as well, concern intersect oral cooperation has in many countries gone as far as formal private institution partnerships with public institutions [*Levy, 2005*].

### **Causes of Massification of Private Higher Institutions in Ethiopia**

In Ethiopia, the expansion of private higher education is a recent phenomenon. The causes for the expansion are not complex. The following are the major causes for the "proliferation" of private HEIs in Ethiopia:

- 1. Free Market Economy.** The free market economy demanded highly skilled manpower. This demand could not be satisfied by a handful of higher institutions in the country. Free market economy has promoted private participation in education. Both

government and private sector work to supply highly skilled manpower. To this end, privatization and decentralization policies encouraged private partnerships. The free market economic context of the country, in turn, stimulated the desire for profit, which became the cause for expansion.

- 2. Rapid Increase in Ethiopian Population.** Twenty years ago, the population was 25 million. There were only three universities: Addis Ababa University, Alemaya University and Asmara University and a handful of public colleges. In the year 2005, the population reached 73 million. Consequently, to accommodate the educational needs of the growing population, the expansion of the private higher institutions was demanded.
- 3. Government Education Policy.** Change in the government education policy framework has become one major factor for the fast growth and expansion of private institutions starting from kindergarten up to private university colleges. The education policy now allows the involvement of the private sector.
- 4. Decentralization of Accreditation System.** The establishment of the Higher Education Relevance and Quality Assurance Agency (HERQA) has created transparent systems for accreditation and the legal framework for degrees providing Pvt. HEIs at national level. HERQA accredits colleges and provides policy frameworks of quality. Decentralized systems have been established to assure the relevance and quality of Private HEI's providing diploma and certificate courses at the regional level. Private HEIs providing diploma or certificate courses can apply for accreditation at the regional level. Consequently, accrediting a small college in a regional level facilitated the expansion. This has other risks. Quality has been compromised in many situations though mass education has been successful.
- 5. The Desire to Develop the Country.** There are dedicated Ethiopians who wish to see a prosperous Ethiopia. Some of the Ethiopians who want to educate enable citizens contribute to poverty reduction initiatives of the government have opened colleges. They are committed to invest in higher education in order to reduce AIDS, illiteracy,

unemployment, and ethnic degradation and violence, and emigration to developed countries.

**6. Globalization.** Expansion of the private higher education is a global phenomenon in the millennium. Globalization has been supported by the fast expansion of information and communication technology. Therefore, access to the Internet has created e-learning courses, certified and accredited postgraduate programs and availability of internet resources. ICT has made information, curriculum, course material, books available which in turn promote the expansion of private HEIs.

Therefore, because of these conditions, enrollment to both public and private higher institutions increased recently. The enrolment has expanded rapidly from 1996/7 to 2004/5. The total enrollment to public institutions has increased from 42,132 to 172,111 in the period. It has also been vividly stated in ESDP III that the intake will increase in the planning period, which ends in 2010/11. In the document, it is stated that the yearly enrolment capacity of private higher institution is expected to reach 45,000 at the end of the planning period. In the sector development plan it is presented that:

The Ethiopian government, in its ESDP III plans the intake to Pvt. HEIs to reach 45,000 by the year 2010/11. There are indications that although there are new private higher institution being opened and accredited in the year 2006, the increase in the number of the institutions does not imply an increase in student population.

## **ANALYSIS OF SURVEY RESULTS**

The Ethiopian Government has shown great interest in the massification of education and quality tertiary education so as to achieve the Millennium Development Goals (MDGs), and the reduction of poverty and AIDS. One of the successful paths to the realization of these golden goals has been the involvement of private higher education in Ethiopia. This has been practical primarily because of good quality higher education will support the

development of the country. Those private HEIs with relevant curriculum and courses may respond to the skills shortages in various sectors. In addition, higher education brings benefits to students that can significantly improve their life circumstances.

The policy options presented below are chosen as possible means to an expansion of quality and relevant higher education.

### **3.1. Questionnaire Response**

#### **3.1.1. Qualities of Good Private HEIs as Criteria for Partnership**

In receiving the support from the government or entering into the partnership, a private higher education institution must have fulfilled the quality assurance criteria and reached an acceptable standard. HERQA should lay concrete criteria to prioritize and rank all qualifying private HEIs on the basis of quantifiable variables. This research suggests ranking them alongside public institutions to give a full overview of quality issues. It implies that HERQA should rank all public higher institutions. The following variables of quality were presented to the leaders (presidents, deans, department heads) of old Ethiopian universities, private higher education leaders (presidents, deans, department heads) and three education bureau department heads and experts as shown in table one.

The table one shows that all the partnership criteria have been accepted by the leaders of HEIs included in the study. While interviewing leaders, however, some concern exists about the issues of land holding. It was indicated that land has been the least concern for many HEIs. Other issues raised also include student's retention capacities, and the number of female teachers and students should be included as partnership criteria.

**Table 1: Partnership Criteria**

It. No	Type of Partnership Criteria	Yes		No		No concern		Total Ff
		F	%	F	%	F	%	
1	HERQA Accreditation for All Programs	114	95.0	3	2.5	3	2.5	120
2	PHEI with Its Own Land and Building	77	62.6	31	25.2	15	12.2	123
3	Quality of the Library and other Resource Centers	122	98.4	0	0.0	2	1.6	124
4	Quality of the Academic Staffs	117	95.1	4	3.3	2	1.6	123
5	Strong Academic Commission and Senate	105	86.1	6	4.9	11	9.0	122
6	Social Responsibilities and Interaction	106	86.2	9	7.3	8	6.5	123
7	Self Governance and Autonomy	97	78.9	15	12.2	11	8.9	123
8	Staff Security and Retention	106	86.9	6	4.9	10	8.2	122
9	Skill and Knowledge Level of the Students	110	89.4	4	3.3	9	7.3	123

\* F: Frequency

Therefore, partnership can be made with those private HEIs, which fulfill these quality measures. Those institutions, which gain high points in a quality examination, can proceed to the partnership engagement with public higher institutions. This process of ranking the best higher education and training provider is also recommended for public universities. The public institutions should also qualify in quality measures and ranking.

This process of supporting the best private HEIs will advance quality and relevance. The fittest will survive to contribute to quality education. However, it is also noted that those small specialist colleges contributing and functioning with quality should also be supported.

### **3.1.2. Student Enrollment and Accreditation**

Due to a sharp increase in the price of educational aids, books and other related facilities, private HEIs have faced serious challenges of resources. Many of them rely on tuition fees as the major and sole source of income. The burden can be bearable when the government controls the intake and allows resource sharing to good quality private HEIs. Similarly, Kate recommends that, “If the private sector is to make its full contribution to the training of Ethiopia’s labor force, there will need to be mechanisms to integrate the expected enrollments in the private sector with those in the public sector. This requires systems to be set up for the overall planning of student numbers, with discussion of those that will be educated in the private sector and those within each public sector HEI” (Kate, 2005).

In order to obtain their responses, the following options were presented to the leaders of HEIs through the designed questionnaire as shown in Table 2. From the table two, it can be observed that all the recommendations were accepted except two issues:

Government should not fund public expansion in order not to duplicate programs offered by quality private HEIs; and

Government should approve cost sharing schemes in private HEIs.

It was commented that these are issues, which should be decided by each institution and stakeholder. The other contestable issue was that MoE should assign students to Pvt. HEIs was accepted. To increase student’s enrollment to private higher education, an open discussion is recommended by Kate as follows: “The Ministry of Education should hold a planning meeting with the presidents of all the public-sector HEIs. At this meeting these data should be discussed, HEIs should present evidence of demand for new programs that they wish to develop or expand. Heads of private HEIs should be invited to meet the vice minister to discuss their plans on a case-by-case basis and the information should inform the targets for intakes to the public sector. The outcomes of the meetings should include refined intake targets for the coming academic year for public sector HEI” (Kate, 2005).

**Table 2: Student Enrollment and Accreditation**

It. No	Options for Overall Management of Student Intakes and Access to Resources	Agree		Disagree		Neutral		Total Fs
		F	%	F	%	F	%	
1	Government should not fund expansion in order to duplicate program offered by quality private HEIs.	37	30.1	70	56.9	16	13.0	123
2	MoE should support distance and extension programs offered by quality Private HEIs.	96	88.1	6	5.5	7	6.4	109
3	MoE should place students to private HEIs on the basis of merit	84	67.2	25	20.0	16	12.8	125
4	Students, especially female students, should be sponsored to study in private HEIs.	91	73.4	18	14.5	15	12.1	124
5	Student from public higher education should be allowed to use the resources in private universities.	92	76.7	13	10.8	15	12.5	120
6	Students from public higher education should be allowed to use the resources in private HEIs.	77	66.4	23	19.8	16	13.8	116
7	Government should allocate a certain amount of budget to private HEIs.	85	64.9	30	29.9	16	12.2	131
8	Cost sharing schemes in private HEIs should be approved by government	57	45.6	42	33.6	26	20.8	125
9	Accreditation should be given by an independent body for both private and public higher institutions	105	84.7	16	12.9	3	2.4	124

### 3.1.3. Public and Private Partnership

The crux of this research project is to suggest key partnership policy issues, which advance the partnership between public and private higher institutions that in turn can stimulate quality education provision in Ethiopia. Table 3 shows the responses for this particular part of the questionnaire.

**Table 3: Public and Private Partnership**

It. No	Public Private Partnership	Yes		No		No concern		Total
		F	%	F	%	F	%	
1	Joint employment of academic Staff	88	71.0	30	24.2	6	4.8	124
2	Sharing Resources	96	78.0	23	18.7	4	3.3	123
3	Joint Research	111	89.5	11	8.9	2	1.6	124
4	Joint Publications	100	83.3	15	12.5	5	4.2	120
5	Sharing Curriculum	104	86.0	12	9.9	5	4.1	121
6	Joint Curriculum Development	107	88.4	9	7.5	5	4.1	121
7	Preparing joint Conferences	110	89.4	7	5.7	6	4.9	123
8	Staff exchange and shadowing	90	74.4	26	21.5	5	4.1	121
9	Establishing a student council for PP	73	62.9	24	20.7	19	16.4	116
10	Joint Quality Assurance Undertakings	111	88.8	10	8.0	4	3.2	125
11	Establishing Ethiopian Council for Public Private partnership (ECPP)	112	92.6	5	4.1	4	3.3	121
12	Team Building	106	87.6	9	7.4	6	5.0	121

The table above shows that the leaders of HEIs (respondents) have shown their interest in forging the partnership engagement. All 11-partnership variables above have been well accepted by the public and private higher education leaders. The only partnership issue, which was not well accepted by both parties, is the establishment of a student council for public private institutions.

### **Government Incentive**

Private higher education institutions have been paying tax on imported items. To support these institutions, the investment authority has been issuing licenses to them so that those accredited colleges could import mini buses and ear marked items. Many have enjoyed the tax-holidays for a maximum of three years. However, quality could be achieved when imported educational materials are delivered tax-free so that education becomes less expensive and less painful for both the students and owners. Tax free items implied include

books, computers, buses for students' service, instructional soft wares, journals, projectors, lab equipment and reagents, models for clinical and pharmacy courses. Cars for deans should not be allowed.

The other equally important support is provision of land. The support proposed includes provision of land on long-term lease and with soft bank loan to own building. In the Ethiopian context ownership of building and land signify sustainability, progress, and dedication of the owner's long-term investment. This argument implies that a college with its own building and land is more sustainable. If land is given to a private HEIs, it should be returned to the regulating body if the institute fails to function.

The next significant question here is who should get these tax freedoms and leased land support? According to Kate's recommendation:

“The government should provide security of tenure to good quality private HEIs for property or land which is or will be used exclusively for educational purposes. This benefit may take the form of a grant of freehold over the land or property or ‘leasehold’ for the land over a period of 25, 50 or 100 years. This benefit will be restricted to good quality private HEIs that have maintained that quality for at least five years and have at least ten shareholders, of whom none owns more than 40% of shares (Kate, 2005:10).”

In these support systems and partnership engagement processes, it is argued that none of the shareholders including the share of family members should exceed 40%. This will ensure right decision, making decision on the basis of votes. This naturally restricts unfair distribution of donations and scholarships. Beyond 40% share holding will lead to an implied decision to lend support to the biggest shareholder or individual. The responses from HEIs leaders are given in Table 4 below.

The responses to all the six incentive provisions are high; except the point of allocating students to private HEIs on a cost sharing basis. This indicates that there is a need for further study on the issue. Finally, it is to be recalled that the government incentives outlined and debated above have also been in line with the MoE as clearly stated in ESDP III.

Private provision of higher education will be encouraged through facilitation of quick access to incentives (e.g., Land, tax exemption, etc.), provision of technical support and short-term training provided to public institutions. Moreover, joint experience sharing modalities with national and international higher education institutions will be devised. Mechanisms to foster public-private partnerships will also be developed. The annual intake capacity of private institutions is expected to be at least 45 50 thousands by the end of the planning period, (ESDP III, 2004:37).

**Table 4:** Government Incentive

It. No	Type of Government Incentive	Agree		Disagree		Neutral		Total
		F	%	F	%	F	%	
1	VATS And Import Tax Exemption	101	84.2	13	10.8	6	5.0	120
2	Provision Of Land	119	94.4	2	1.6	5	4.0	126
3	Provision Of Government Bank Loan of Low Interest For Those Private HEIs In Which None Of the Shareholders Owns 40%	99	81.8	9	7.5	13	10.7	121
4	Access To National Higher Education Connectivity Plan (ICT)	117	95.9	3	2.5	2	1.6	122
5	Allocating Students To Private HEIs On Cost Sharing Basis	85	66.9	31	24.4	11	8.7	127
6	Take Part In National Research Works	111	97.3	1	0.9	2	1.8	114
7	Publicize the Roles of Good Private HEIs	112	98.2	1	0.9	1	0.9	114

#### 4.1.5. Donor Support

Public higher education institutions can prepare proposals to MoE to get World Bank sponsored projects like Development Innovative Funds (DIF) unto September 2009. A total of 40 million dollars was credited to the government. Therefore, on competitive basis through DIF and Institutional Development Grant (IDG), donor supports have been given to nine public universities. Through UNDP support, many expatriate staffs have come to Ethiopia to curb the shortage of qualified teachers in higher public institutions. Currently, management capacity building programs have already begun through NUFFIC. Many scholarships are also available. It is strongly recommended that donor supports should be shared with good quality private higher institutions. The response to this vital issue is summarized in Table 5 below.

**Table 5:** Donor Support

It. No	Donor Support	Yes		No		Total	Percentage (Average)			
		F	%	F	%		Pub.	Priv.	Educ Office	Total Ave.
1	Access to staff training (local)	100	90.9	10	9.1	110	19	26.8	18	21.3
2	Scholarship	102	87.3	15	14.7	117	15	24.6	13	17.5
3	DIF (Development innovative Fund)	103	88.8	13	11.2	116	17	24.9	11	17.6
4	IDG (institutional Development Grant)	95	83.3	19	16.7	114	15	24.8	15	18.3
5	UNDP Support	95	83.3	19	16.7	114	14	25.5	15	18.2
6	NUFFIC Support	88	83.0	18	17.0	106	16	21.4	15	16.8
7	Research Support	115	96.6	4	3.4	119	19	29.4	19	22.5
8	Staff Exchange Support	98	86.0	16	14.0	114	17	28.0	17	20.7
9	Capacity Building Support	104	92.0	9	8.0	113	21	32.0	17	23.3

Fair distribution of donor support can be made available on the basis of fair competition, quality ranking procedures and considering the size of student intake. The respondents also agree that donor support will bring about quality and the desired educational effects.

### 3.1.6. International/ National Twinning

Other partnership can be facilitated through twinning arrangements. A local good quality college can be twinned with a nearby university for various reasons. To facilitate accreditation, set exams, share staffs, curriculum and train staffs. The twinning can also be made with an overseas university. A summary of the type of twinning is presented in the table below.

The table above shows that various linkage programs with local or overseas universities can also build the capacity of good quality private higher education institutions. Once twinning arrangements between the local higher institutions are made, tripartite arrangements with overseas universities could be established later on.

**Table 6:** International/ National Twinning

It. No	Twinning	Yes		No		No Concern		Total Response
		F	%	F	%	F	%	
1	Conduct Programs on Behalf of a Foreign Higher institution	98	80.1	12	9.8	12	9.8	122
2	Design and Conduct Exams for a Foreign Higher institution	90	76.3	9	7.6	19	16.1	118
3	Twinning Programs	106	91.4	3	2.6	7	6.0	116
4	Credit and Program Transferability	110	94.0	1	0.9	6	5.1	117

## **The Recommendations of PPP Workshop Participants at Desalegn hotel**

The workshop participants were divided into five syndicate groups to deliberate on issues and recommendations made by the researchers. After the deliberations they had in their respective syndicate groups, they presented their recommendations to the plenary. Below are a summary of the recommendations:

### **1. Group One: Government Incentives for Private Higher Education**

Government incentives should be given both to public and private institutions.

Land, soft and long-term loans with low interest rate for constructing self-owned campuses and facilities.

Criteria for access to government incentives should be developed with the involvement of stakeholders and be made public.

Equal student recruitment opportunity to both public and private institution

Introduce special education tax.

Exempt tax on imported educational inputs.

Criteria for access to government incentive

➤ Broad-based ownership and shared responsibility.

➤ No shareholder should be allowed to own more than 40%. If individuals are allowed to have more than 40% and if they can manage to obtain the support of another 11%, then they can monopolize the decision-making process. This will, in turn, discourage others from taking part in the activity.

### **2. Report of Group Two: "Sharing Resources And Responsibilities"**

What are the recommendations identified from the report?

- Sharing: buildings, infrastructure, teaching facilities based on mutual benefits and responsibilities.
- Students should have the right to be enrolled in private higher education institutions with the privileges of government subsidies.
- Create the opportunity of access to educational support materials and teaching/learning resources through various means.
- Support private higher education institutions in human resource development (e.g. scholarship, training, and capacity building).
- Private higher education institutions should have access to government-allocated research funds and be involved in collaborative research endeavour.
- Deregulate the control on the pool of potential higher education institutions that creates critical shortage in supply.
- Allow the private higher education institutions to be part of HE Planning team.
- Promoting private education institutions as genuine and socially responsible bodies based on their performance.
- Strengthen the role of private HEIs in quality assurance.
- Establish an independent national examination board that certifies graduates of both public and private higher education institutions.
- Implement joint appointment of academic staff. Relevant directives should be in place to that effect.
- Fostering participatory joint curriculum development.
- Sharing resources should be based on mutual benefits and responsibility (win-win situation).
- Provided that a positive attitude towards public-private partnership is in place, the following are the priorities.
  - ♦ Land

- ♦ Loan
- ♦ Human resource development
- ♦ Joint (collaborative) research

### **3. Report of Group Three: "Participation In Donor And Government Funded Project"**

- Support and build the capacity of private higher education institutions as real partners to the public higher education institutions.
- Strengthen the programs of private higher education institutions
- Encourage partnership between public and private higher education institutions.
- There should be a policy on how to get funds from the international donors as well as from the government.
- The two parties prepare projects jointly to be funded by government and other donors.
- There should be a body (e.g. a board) that is formed by both parties which can facilitate and regulate the national educational process and goals.
- There should be a regulation that treats the functions, shares, and roles of both institutions.
- Encourage both institutions to conduct joint programs and research.
- Provide scholarship opportunities for private higher education institution staff in Public Higher Education Institutions.
- Create an opportunity or environment where private higher education institutions get expatriate staff for their programs.
- Support should be made according to the rank order of quality of education provided by the HEI Institutions.

### **4. Report of Group Four: "Programme Collaboration And Student Exchange"**

(The Group modified the topic and focused on Student Enrolment)

Recommendation from the report

Government support should be extended to:

- Programs that are not duplicated;
- Distance education and extension programs;
- Sponsoring female students;
- Allocating budgets;

Resource sharing should be based on:

- Public students – Private;
- Private – Public.

The government should approve cost-sharing schemes in private higher education institutions. This issue is not clearly discussed in the report.

### **Major Issues for Private-Public Partnership**

- There is a need for joint planning between the private and public institutions and the process should be transparent;
- Environment of specific groups should be undertaken particularly of female and the physically challenged;
- Students placed in private higher education institutions by government should be allowed to participate in cost-sharing and education loan schemes;
- Certain areas of training should be reserved for private higher education institutions;
- Measures for influencing quality/cost through direct/indirect support should be undertaken. These should include: support for quality, best student enrolment, and cost-reduction measures undertaken and better access.

## **5. Report of Group Five: "National And International Collaboration In Twining"**

The following were identified as the advantages of national twining arrangements.

- Physical resource sharing;
- Human resources sharing;
- Credit and program transferability;
- Recognition of degrees;
- Co-researching and sharing research outputs; and
- Capacity building.

### **Interest of the Government and the Public**

- Service delivery (upgrading of the skill of staff);
- Financial benefits (rent, service charges, etc.);
- Enhancement of national educational and research delivery standards;
- Sharing the vision of national development.

### **Interest of public universities**

- Joint appointment option for staff and institution  
Stability;
- Increase internal revenue.

### **Priorities: (Top priorities)**

- Physical resource sharing;
- Labs;
- Workshops;
- Libraries;
- Classrooms;
- Human resource sharing;
- Staff (joint appointment);
- Training of staff;

- Transferability of credits and recognition of degrees;
- Upgrading of the quality of national educational delivery; and
- Shared national vision.

## **Conclusion And Recommendation**

### **Conclusion**

It has been argued through out the research that some criteria should be followed to forge public and private HEIs partnership. The survey shows that the following ground criteria were positively accepted (as is shown in the percentage) as a requirement for partnership: HERQA's accreditation for all programs (95%), PHEI with its own land and building (62.6 %), quality of the library and other resource centers (98.4 %), quality of the academic staffs (95.1 %), strong academic commission and senate (86.1 %), social responsibilities and interaction (86.2 %), self governance and autonomy (78.9 %), staff security and retention (86.9 %), skill and knowledge level of the students (89.4 %). Each HEI should fulfill these basic requirements to enter into partnership engagement.

The research shows that government incentives can boost the partnership between public and private higher education institutions. Accepted incentives include: VAT and import tax exemption (84.2%), provision of land (94.4%), provision of government bank loans of low interest for those PHEIs in which none of the shareholders owns 40% (81.8 %), access to national higher education connectivity plan (ICT) (95.9 %), allocating students to PHEIs on cost sharing basis (66.9 %), take part in national research works (97.3 %), and publicize the roles of good PHEIs (98.2%).

The research also shows core partnership areas. These key partnership areas include: joint employment of academic staff (71%), sharing resources (96%), joint research (89.5%), joint publications (83.3%), sharing curriculum (86%), joint curriculum development (88.4%), preparing joint conferences (89.4%), staff exchange and shadowing (74.4%), establishing a student council for pp(62.9%), joint quality assurance undertakings (88.8%), establishing an Ethiopian Council for Public Private Partnership (ECP) (92.6%), and team building, (87.6%).

The study has indicated that it is high time to work hand -in -hand as a single body in order to be onboard the contemporary globalization train. The ESDP III document has explored in depth the education need of the nation in order to efficiently expedite poverty reduction and capacity building programs. The already launched TVET and tertiary education institutions are signs of commitment towards changing the very poor situation under which the country is struggling to survive. In the past, enrollment of tertiary education was dictated by the available space in HEIs; not to the successful completion of candidates in their secondary education. In this case, many eligible youngsters are forced to discontinue their studies. At the moment the education sector in Ethiopia is growing very rapidly at the base level in many different forms; under such circumstances there is no guarantee that tertiary level education resources will suffice to absorb upcoming students unless options are sorted out as of now.

In this case then, it is very important for the government to encourage various stakeholders to take part in educating the masses. As it was extensively narrated in the literature review there are various models of regions and countries from which much could be learnt. Since education is resource intensive and time taking by its nature, any hesitation in acting can harm the society for many years to come. At the moment, it is very impressive to see the private HEIs struggling to make a difference in the enlightening process of the Ethiopian population. The major stakeholder of the education sector (the government), has to make

use of this opportune moment to make an astonishing move in order to enable the private sector to provide all the genuine services it is ready to render. For the time being, public and private partnership seems an immediate positive response as it is exercised the world over. Surely, unless we put our resources into one efficient and strong system, as with the rest of the world. Fulfilling the Millennium Development Goals (MDGs) seems impossible.

## ***5.2. Recommendation***

On the basis of the conclusions reached, the following recommendations were made.

### **5.2.1. Aggressive Promotion and Implementation of Partnership Options for Public Private Ethiopian Higher Education Institutions.**

Specific options recommended include: joint employment of academic staff, sharing resources, joint research, joint publications, sharing curriculum, joint curriculum development, preparing joint conferences, staff exchange and shadowing, joint quality assurance undertakings, establishing an Ethiopian Council for Public Private Partnership (ECP), and team building. This recommendation will help build shared vision. The synergy will contribute to a rare combination of massification and quality.

### **5.2.2. Provision of Government Incentives**

Shared understanding must be created before government incentives are given to a good quality Institution. One must strongly believe that the private sectors are really benefiting the society. Only then can these specific recommendations be implemented. Governmental incentives recommended include: VAT and import tax exemption, provision of land, provision of government bank loan of low interest for those private HEIs in which none of the shareholders owns 40%, access to national higher education connectivity plan (ICT),

allocating students to private HEIs on costs sharing basis, taking part in national research works, and publicize the roles of good private HEIs.

### **5.2.3. Creation of Access to Donor Support**

On the basis of quality ranking, the size of student population and the quality of proposals, proportional donor support should also be given to the private sector. Donor support recommendations include: access to staff training (local), scholarship, DIF (Development Innovative Fund), IDG (Institutional Development Grant), UNDP Support, NUFFIC support, research support, and staff exchange support and capacity building support. The support should be made directly to the best Private HEIs.

### **5.2.4. Improving Options for Overall Management**

It was generalized that enrollment of the best students to private higher education has relatively decreased. Therefore, to balance quality and reach the desired effect, the following specific recommendation were made: MoE should support distance and extension programs offered by quality private HEIs, MoE should place students in private HEIs on the basis excellence or merit; students, especially female students, should be sponsored to study in private HEIs, student from public higher education should be allowed to use the resources in private universities, and the vice versa. Also, the government should allocate a certain budget to private HEIs.

### **Creation of International/National Twining (Linkage)**

Support systems can be established through twining arrangements. The twining arrangements recommend include: conducting programs on behalf of a foreign higher institution, design and conduct exams for a foreign higher institution, twining programs, credit and program transferability. All in all, these recommendations will create shared

responsibility and vision so that quality should not be compromised at the expense of massification.

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