THE UNIVERSITY OF ZAMBIA
SCHOOL OF EDUCATION

IMPLEMENTATION OF THE STUDENT LOANS SCHEME AS A VIABLE COST-SHARING MEASURE IN PROMOTING EQUITABLE ACCESS TO HIGHER EDUCATION IN ZAMBIA: PERSPECTIVES OF SELECTED STAKEHOLDERS IN THE EDUCATION SECTOR

BY

KAPAMBWE MWELWA

A Dissertation Submitted to the University of Zambia in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Education in Educational Administration

UNZA **2014**

DECLARATION

I, **Kapambwe Mwelwa**, do hereby declare that this dissertation is the result of my own work and that it has not been previously presented for a degree at any level at this or another university.

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APPROVAL

This dissertation of **Kapambwe Mwelwa** has been approved as partial fulfillment of the requirements for the award of the degree of Master of Education in Educational Administration.

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ABSTRACT

The study investigated Zambia's capacity to design and implement an effective student loans scheme, as a viable cost sharing measure in promoting equitable access to higher education in Zambia. The study employed a cross sectional or survey design. The target population consisted of stakeholders in higher education such as education administrators, economists, parents and students in public universities. Purposive sampling was used to select Lusaka and Kitwe districts as study areas in which two of Zambia's public universities, UNZA and CBU are found. Five key informants to the study were also purposively selected. Seven parents were selected through snowballing on the basis that they had children/dependents in college or university. The random sampling method was used to select 145 students from UNZA and CBU to participate in the study. The total study sample was 157.

Three instruments were used for data collection in the study: the self administered questionnaire, semi-structured interviews and focus group discussion guide. Qualitative data were collected and analyzed on an on-going process as themes and sub-themes emerged through thematic analysis. Quantitative data were analyzed using CSpro Version 5.0 and SPSS Version 21 through which descriptive statistics in form of statistical tables, means and charts were generated.

The findings showed that for the student loans scheme to work successfully and sustainably in Zambia there was need for: a clear aim of the student loans scheme to be implemented, government to finance the loans, the institution administering the loans to collaborate with credible financial institutions, and public awareness campaigns to educate the people about the student loans and how they can access and repay them back. It was also found that for the student loans scheme to benefit the poor to access higher education, the programme design needed to ensure that: loans are properly targeted through means testing, the eligibility and selection criteria to access the loans were clearly defined and that beneficiaries get adequate loans to enable them complete their studies.

The findings of the study further showed that if mechanisms such as: a strengthened legal framework, clearly defined mode of loan repayment, credible loan collection institutions, low interest rates and effective tracking systems are put in place, student loan recoveries can be improved effectively. Lastly, the study revealed that: the student loans scheme was perceived to be a good policy to promote equitable access to higher education in Zambia; parents and students were willing to contribute to the cost of higher education through student loans; the loan scheme was a sustainable way of student financing which could ease the financial burden of government, parents and students to finance higher education.

Based on the findings of the study, it was concluded that even if Zambia had the potential to implement a viable student loans scheme, a number of necessary pre-conditions had not been put in place to warrant an effective student loans scheme at present. Some of the necessary pre-conditions which were not in place included lack of: a law to enforce loan repayments, effective public awareness campaigns on loans, rigorous means testing to target the needy, an autonomous institution to administer the loans and effective tracking and loan repayment systems. The study recommended that: a law be enacted to make loan repayments legally enforceable, the Bursaries Committee be transformed into a statutory body to operate independently, rigorous means testing mechanisms to target loans at the needy, effective tracking and loan repayment systems be developed to recover the loans.

DEDICATION

To my lovely daughter, Martha Mubanga Mwelwa, you are the special gift I have ever had

And

Brenda Nambeye, my lovely wife

To my late biological parents Gilbert and Martha Mwelwa, who inspired me to aim high in life

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ACRONYMS/ABBREVIATIONS

CBU	**Copperbelt University**
COSETCO	**Copperbelt Secondary Education Teachers College**
FAP	**Financial Aid Package**
GATS	**General Agreements on Trade in Services**
GDP	**Gross Domestic Product**
GER	**Gross Enrollment Ratio**
GRZ	**Government of the Republic of Zambia**
GSSL	**Government Supported Student Loans**
HELB	**Higher Education Loans Board**
HESLB	**Higher Education Student Loans Board**
KRA	**Kenyan Revenue Authority**
MCDMCH	**Ministry of Community Development Mother and Child Health**
MOE	**Ministry of Education**
NIHF	**National Insurance Health Fund**
NISTICOL	**National In-service Teachers' College**
NPSA	**National Pensions Scheme Authority**
NSFAS	**National Student Financial Aid Scheme**
PAYE	**Pay As You Earn**
SADC	**Southern Africa Development Community**
SAPS	**Structural Adjustment Programmes**
TEFSA	**Tertiary Education Fund for South Africa**
TEVET	**Technical, Vocational and Education Training**
UNZA	**University of Zambia**
WTO	**World Trade Organization**
ZAHLEB	**Zambia Higher Education Lending Board**
ZRA	**Zambia Revenue Authority**

LIST OF TABLES

LIST OF FIGURES

TABLE OF CONTENTS

CHAPTER ONE

INTRODUCTION

This chapter presents an introduction to the study of perceptions and implementation of the student loans scheme and how its effective implementation can promote equitable access to higher education in Zambia. The first section, presents the historical background to student financing policies and trends in public higher learning institutions, especially universities in Zambia. Thereafter, the subsequent section brings to the fore, the problem statement, objectives of the study, research questions and significance of the study, theoretical perspectives, delimitation and limitations and operational definitions of terms. The last section gives a summary of the chapter.

1.1 Background to the Problem

The role of higher education in national development has been a subject of research in many countries (Pillay, 2009; World Bank, 2010; Cloete et al., 2011; Menon, 2012). Unlike primary and secondary education, higher education promotes human capital formation and knowledge economies essential for socio-economic prosperity of any nation (Woodhall, 2004). Education widens opportunities for inclusive national growth, poverty reduction, employment, productivity and human development (GRZ, 2013). It is therefore, a duty of every responsible government to invest immensely in higher education while ensuring that the majority of its citizens have access to this form of education (World Bank, 2010). Expanded equitable access to higher education is central to national development, more especially to a country like Zambia with aspirations to achieve her strategic goals set out in the Vision 2030 (GRZ, 2006; 2011). In view of this, the Zambian government has since 1966 financially supported students accessing public higher education, especially university education through bursary grants (MOE, 1996).

However, free provision of public university education in Zambia was no longer to continue due to falling government (tax) revenues. The decline in Zambia's economy from the mid 1970s onwards, was mainly due to falling copper prices and rising oil prices on the international market (Kelly, 1991). The falling revenues coupled with the rising demand for higher education from the ever growing numbers of prospective students, necessitated government's official introduction of the cost-sharing policy in all institutions of higher learning in the 1990s (MOE, 1996; Mweemba, 2003; Knight, 2009). The cost-sharing policy brought about the introduction of tuition fees, boarding fees and other user charges to be paid by those to access education in higher learning institutions. The justification for such cost-sharing measures was that government funding to higher education, in Sub-Saharan African countries, Zambia inclusive, had been declining thereby necessitating institutions of higher learning to raise tuition fees and other user charges for them to provide quality education and remain afloat (Woodhall, 2004; Tshabangu, et al., 2013).

Regrettably, such cost sharing measures have proved to be a hindrance for the majority of the more than 55,000 school leavers in Zambia who annually complete secondary education to access higher education, especially university education (MOE, 2008; SARUA, 2012). For instance, exorbitant tuition fees demanded by higher learning institutions had significantly disadvantaged those from poor families to equitably access higher education (Carmody, 2004). Sadly, government is also said to have no capacity to sustain student financing in universities and colleges through bursaries, given the so many social demands it has (MOE, 1996; 2010). In addition, the bursary scheme is said to be discriminatory against students in other higher learning institutions for its potential beneficiaries are only some of those admitted at UNZA and CBU (Mukanga, 2013).

In 2004, the government reformed the bursary scheme to a ‘Student Loans’ scheme (National Assembly, 2011). The rationale behind this move was, among other reasons, the need to end inequalities and promote equitable access to higher education for the masses in Zambia. The said loan scheme however, was not adequately implemented and public student financial aid at UNZA and CBU continued in form of non repayable bursary grants (Parliamentary Assurances Committee, 2011).

In an attempt to promote equitable access to quality higher education, the new government in 2012 announced intentions, in line with its Party Manifesto (PF, 2011), to scrap off the ‘bursary scheme’ and replace it with a ‘Student Loan Scheme’ (Mukanga, 2013). It was felt that unlike the bursary scheme, a publicly financed student loans scheme could be more sustainable and thereby promote equitable access to higher education among the deserving but less privileged sections of society (Mukanga, 2013).

However, even when a number of studies have been carried out on cost-sharing and student financing in education (Mweemba, 2003; Nsama, 2008; Masaiti and Shen, 2013), there was yet no specific academic study conducted on the perceptions and implementation of the student loans scheme to promote equitable access to higher education in Zambia.

1.2 Problem Statement

In 2012, the government pronounced the need to scrap off and replace the bursary scheme with a publicly financed repayable student loans scheme (Mukanga, 2013). This was on account that the bursary scheme had not been adequately benefitting the less privileged in society to equitably access higher education compared to the elite (National Assembly, 2011; Chimese, 2013). More so, due to the ever increasing demand for higher education, government could no longer sustain student financing in universities and colleges through grants, given the so many competing social demands it had (MOE, 1996). It was felt that the student loan scheme, a revolving fund, would be more sustainable and accessible to many students of diverse socio-economic backgrounds in Zambia (Parliamentary Assurances Committee, 2011; Chimese, 2013). However, due to limited academic research and the inability to effectively implement such a publicly financed national student loan scheme in the past (Mukanga, 2013), it was not clear whether Zambia could design, implement and administer a viable student loans scheme in a more sustainable and transparent manner to cater for students of different socio-economic backgrounds.

1.3 Purpose of the Study

The purpose of this study was to investigate Zambia's capacity to design and implement an effective student loans scheme, as a viable cost sharing measure in promoting equitable access to higher education in Zambia. The study further explored the students, parents, education administrators and other stakeholders' perceptions of the student loans scheme and its implementation in Zambia.

1.4 Research Objectives

The objectives of the study were to;

1. Ascertain the general conditions which need to be present in Zambia for a student loans scheme to work successfully and sustainably,
2. Establish how the student loans scheme could be designed to benefit students of poor socio-economic backgrounds in accessing higher education in Zambia,
3. Explore possible mechanisms of enhancing effective loan recoveries from UNZA and CBU past beneficiaries in Zambia,

4. Explore students, parents and other stakeholders' perceptions of the student loans scheme and its implementation in Zambia.

1.5 Research Questions

The study was guided by the following research questions;

1. What are the general conditions which need to be present in Zambia for a student loans scheme to work successfully and sustainably?
2. How can the student loans scheme be designed to benefit students of poor socio-economic backgrounds in accessing higher education in Zambia?
3. What mechanisms ought to be in place to ensure effective loan recoveries from UNZA and CBU past beneficiaries in Zambia?
4. How do students, parents and other stakeholders perceive the student loans scheme and its implementation in Zambia?

1.6 Significance of the Study

It was hoped that the findings of this study would provide valuable insight to the government of the day, policy makers and educational practitioners on how a sustainable loan scheme could be designed and implemented to cater for students of poor socio-economic backgrounds to equitably access quality higher education in Zambia. It was also hoped that the findings of this study may be valuable to the existing body of knowledge on student financing and cost-sharing, highlighting some key conditions necessary for establishing and managing a successful publicly financed student loans scheme in our country.

1.7 Delimitations and Limitations

This study focused on student financing in institutions of higher learning in Zambia. The study was however, delimited to Lusaka and Kitwe districts of Lusaka and the Copperbelt Provinces respectively due to inadequate resources and limited time available. Financial resources and time allowing, data for the study were going to be collected from all the ten (10) provinces of Zambia. One limitation to the study was that Focus Group Discussions were not conducted with students at Copperbelt University. Data collection at this institution took place at the time when students were extremely busy preparing for their final Examinations. As such there was no input from CBU students regarding their detailed understanding of the issues raised in the questionnaire through focus group discussions.

1.8 Theoretical Framework

The study was guided by the Neo-liberal Ideology and Human Capital theories. Neo-liberalism, a new form of economic liberalism, is an ideology based on economic rationality and the thinking that a weak state is better than a strong state, and what is private is necessarily good and what is public is necessarily bad (Thorsen & Lie, 2007; Kandiko, 2010). It postulates that social justice can only be achieved if there is minimum state intervention in markets once created (Harvey, 2005). With the Neo-liberal ideology, higher education services in institutions such as universities must be regarded as private goods to be bought by students, who are customers.

The Human Capital Theory, introduced by Adam Smith in the 18th Century, postulates that a nation can only develop through greater investment in education for human capital formation (Becker, 1964). As such knowledge, attitudes, and skills must be developed and valued as human capital primarily for their economic productive potential (Baptise, 2001). It is therefore, only through greater investment in education for human capital formation that meaningful social, political and economic development can be realized in any given nation (Schultz, 1960).

1.9 Operational Definitions

The following are operational definitions of terms used in the study. These are:

Access: Refers to one's financial capacity to enroll, participate and complete a college or university education programme

Bursaries: Refers to a grant or the amount of money freely given to a student by the state to study at a university or college

College: Refers to an educational institution providing higher education or specialized professional or vocational training usually at certificate and diploma level

Cost Sharing: Refers to financing of higher education on partnership basis between the state and parents/students

Equitable: Refers to being fair, just, impartial, even-handed

Financing: Refers to providing money

Implementation: Refers to putting something officially decided upon into effect or action

Measure: Refers to action taken

Perceptions: Refers to insight, understanding

Quality: Refers to excellent and highest standard of higher education a student can achieve

Stakeholders: Refers to education administrators, economists, educationists, parents, students and other stakeholders concerned with higher education financing

Student Loans: Refers to money that one can borrow from the government to pay for higher education which must be repaid after completing one's programme of study

Successful: Refers to achieving the intended result

Sustainable: Refers to ability for a programme to continue for a long time

Higher Education: Refers to post-secondary education especially college and university education.

University: Refers to an educational institution of higher learning with undergraduate and graduate schools in various disciplines**.**

1.11 Summary

The chapter introduced the study on the student loans scheme policy and how its effective implementation can enhance equity of access to higher education in Zambia. The chapter also presented the background to the problem, the problem statement, research objectives and questions, significance of the study and the theoretical perspectives applied to the study of the student loans scheme policy in Zambia. The next chapter provides a review of literature relevant to the study of perceptions and implementation of student loans scheme policy in higher education.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The previous chapter introduced and presented the background to the problem under study on the student loans scheme in public higher learning institutions. This chapter presents a review of literature relevant to the study. It presents what is known about student financing and equity in access to higher education. It brings to the fore how student loan schemes are perceived and implemented in both developed and developing nations. The author considers what is generally known about higher education financing and a review of studies and experiences on student loans scheme in promoting cost sharing in higher education from both international and local perspectives. This chapter helps to show the existing gap in literature on student financing and equity in access to higher education in Zambia.

2.2 Role of Higher Education in Development

There is substantial evidence that higher education can positively influence national development (Psacharopoulos, 1980; Pillay, 2009; World Bank, 2010; Menon, 2012). For any country to succeed in a globalised world, it must have people with the ability to assimilate available knowledge and build comparative advantages in areas with good research prospects. There is also need to utilize the available technology to address the most pressing challenges such as poverty (World Bank, 2010). Higher learning institutions therefore, have a mandate to provide quality education, conduct relevant applied research and produce human resource with skills and knowledge key to assimilating technology. These human resources are indispensible for making effective decisions that can bring about tangible development (Menon, 2012).

Higher education plays a pivotal role in training qualified human resources capable of implementing new technologies and using innovative methods to establish more efficient enterprises and institutions (Pillay, 2009). Through research and increased knowledge, higher education can help address the challenges emanating from population growth, inadequate arable land, diseases, energy costs, climate change and urbanization (World Bank, 2010). The goal of higher education therefore, must be to find solutions to the developmental challenges faced by many countries. For instance, countries such as China and India epitomize how investment in higher education and research can transform a nation towards socio-economic development (Cloete, et al., 2011).

2.3 Financing Higher Education in Africa

Available literature shows that following independence, higher education institutions (Universities) in Africa were expected to be key contributors to human resource needs for social and economic development of the countries in which they were located (Cloete et al., 2011). During that period, the former colonizing powers provided funding to most of the higher learning institutions which were established, especially universities (Menon, 2012). Governments in most African states heavily subsidized higher education with a view to developing the much needed human resources (Johnstone, 2004; Teferra, 2007). This saw many Africans accessing higher education.

However, towards the 1980s, the rising demand for higher education coupled with the plummeting performance of the African economies made it increasingly difficult to offer free or highly subsidized university education (World Bank, 1988). The reduction of investment in higher education was further influenced by the World Bank's Structural Adjustment Programmes

(SAPs) and the infamous 'rate of return to investments in education study' which concluded that investment efforts in Africa should be refocused to concentrate on primary education (World Bank, 1988). This worsened from the point of view that investment in university education was not a significant priority due to the perceived low social returns of tertiary education compared to basic education (Psacharopoulos and Woodhall, 1985).

In addition, during the 1980s and 1990s, the poor performance of the African economies, soaring demand for higher education and implementation of the aforementioned Structural Adjustment Programmes (SAPs) (Odebere et al., 2007) made many countries such as Kenya, Tanzania and others in the sub-region to adjust financing and reduce expenditure on higher education. In Kenya for instance, despite enrolment in public universities growing in excess of 400% between 1987 and 2000, government funding had increased only by 30% (Otieno, 2004).

The above socio-economic changes led to dramatic decreases in the per capita spending on higher education in Africa (Cloete et al., 2011). For example from 1980 to 2002, it was found that public expenditure per student had fallen from US$ 1200 to US$ 680 respectively, and recently averaged just US$ 981 in 33 low-income Sub-Saharan African Countries (Salmi, 2009). Similarly, Irfan and Magolese-Malin (2011) noted that spending on higher education by the SADC governments showed most growth occurring from 1970 to 1980, while with decline between 1980 and 1990 and then flat afterwards, thereby reflecting a strong interest in primary, but less in higher education. The decline in higher education financing, had not only affected public expenditure per student, but also equity in access to this form of education by different sections of society.

2.4 Equity and Access to Higher Education in Africa

Many researchers have extensively written about the need to address issues of access and equity in higher education (Barr, 2004; Woodhall, 2004, Pillay, 2009). The pursuit of equality in higher education is central to our aspirations to create an inclusive and democratic society. In this vein, education must not be a preserve of the elite but for everyone in any given society. Indeed, there is no country that can develop by entirely relying on the elite to drive innovation and economic development (Naisiunta et al., 2008). Economic development will depend much upon the learning achievement of all citizens and as such educational opportunities must be pursued for all. Many African governments have tried to subsidize public higher education provision as a way of enhancing access.

However, there is compelling evidence which seem to suggest that public subsidization of higher education has never provided equal opportunities to many in terms of access (Boit, 2012). Subsidization of higher education is often regressive in nature since most students in higher education are disproportionately from wealthy families (Pillay, 2009). These tend to be middle class in composition and reveal an under representation of the poor in society (Johnstone, 2008). This affects the equity rationale in the distribution of public resources in education as the majority of the less privileged are cut off. More often than not, the lower classes are left to be educated to a limited level where they can perform duties called upon by the elite. In the best interest of equity this must not be so.

The concept of equity implies fairness and impartiality (MOE, 1996). It carries the notion of justice. When it comes to accessing higher education, equity is all about the equal treatment of the equals or unequal treatment of the unequal while ensuring that inequalities are not perpetuated from one generation to the next (Kelly, 1999). Fairness therefore, implies that every individual must be given an equal chance to partake in tertiary education and its benefits, regardless of income and other social characteristics such as gender, location of origin, ethnicity and language (Pillay, 2009).

The principle of equity also promotes efficiency. For instance, if a talented and intelligent low income student is denied entry into university, this represents a loss of human capital for society. Admittedly, the lack of opportunities for access and success in tertiary education will lead to the underdevelopment of human resources (World Bank, 2010). It is important then to ensure that no prospective student is denied access to higher education. This should be so in that like Barr (2004:266) argued, "The equity objective should be a system in which the ability of the brightest students to study at the intellectually demanding universities is unrelated to their socio-economic background." Equity therefore, is concerned with the manner in which the costs and benefits of an educational investment are distributed among different groups in society (Psacharopoulos and Woodhall, 1985).

In many Sub-Saharan African countries, higher education participation is characterized by low enrollment rates in both absolute and relative terms. Pillay (2009) found that of the 23 countries in the region, for which data were available, only Mauritius and South Africa had a Gross Enrollment Ratio (GER) in double figures. These were 15.0% for South Africa and 15.3% for Mauritius, while the rest had the GER below 10% (Mohadeb, 2006).

It should be emphasized that while gender affects female participation in higher education to a lesser extent, access to this form of education is often dependent upon one's socio-economic status. In countries such as Kenya, Tanzania, Namibia, Malawi, Zambia and others, participation in higher education is often dominated by students from the highest income quintiles of the population (Woodhall, 2004). This situation is further exacerbated by public funding mechanisms which act to promote and perpetuate such inequalities by providing free higher education to the 'best' students who invariably come from the wealthiest households (Pillay, 2009).

The above examples suggest that in almost all Sub-Saharan African countries, participation in higher education is significantly skewed in favour of those who come from urban metropolitan areas. These do not only have greater purchasing power, but also cultural capital from their families, quality secondary schools attended and peers which in turn impact positively on their academic ambitions compared to students from rural households (Johnstone, 2008). The implication is that students from rural households face enormous barriers in their quest to access higher education in general and quality higher education institutions in particular (Gurgand et al., 2011; Boit, 2012). Public financing of higher education therefore is biased towards the males, richer families and urban households, which should not be the case.

In the face of such inequalities, governments in Sub-Sahara Africa are urged to design and implement equitable and effective systems of student support to help those who would otherwise be denied access to higher education on grounds of poverty and financial constraints (Woodhall, 1992). In such a situation, any student financing policy being implemented should have the ability to increase access, by increasing participation rates to higher education and cater to the increasing demand for higher education (IDPM, 2012). While increasing access, it should not discriminate against certain groups of students such as those from poor backgrounds. Such a policy must also not diminish the quality of education provided and finally it should be sustainable in the long run and have an inbuilt system of cost recovery (IDPM, 2012). To promote equity of access, many countries are shifting towards some forms of cost-sharing.

2.5 Student Financing and Cost-Sharing in Higher Education in Sub-Saharan Africa

In many Sub-Saharan African countries, heavy subsidization of higher education financing in form of bursaries or grants, is increasingly becoming a challenge to many governments (Johnstone, 2004; Woodhall, 2004; World Bank, 2010). This situation has been worsened by the inverse relationship between the growing numbers of prospective students demanding for higher education, especially university education, and the falling government revenues to finance higher learning institutions.

Notwithstanding this fact, to develop, African states need to invest greatly in higher education. This implies that more resources must be channeled towards student financing in order to ensure that as many ordinary secondary school leavers as possible access higher education (Woodhall, 1992). However, the rising social demand for higher education coupled with poor financing of it, has made it difficult for those who cannot afford to pay for it to access. The study by World Bank revealed that in Sub-Saharan African countries, enrolments in higher education have grown faster than financing capabilities (World Bank, 2010). For example, in 2006, the number of students pursuing higher education tripled, from 2.7 million in 1991 to 9.3 million in 2006, an annual average rate of 16 percent (World Bank, 2010).

This trend has greatly affected the quality of post secondary education in most countries. This is in contrast with the view that for Africa to realize the benefits of investment in human capital, institutions of higher learning must have adequate financing to provide quality training and sound professional prospects to students. Sadly, Africa's public investment in higher education has not increased over the last 15 years (World Bank, 2010).

Woodhall (2002), made the same observations that higher education enrolments had considerably increased in most developing countries in the past three decades with an average participation rate increasing from 4 to 18 percents between 1965 and 1988. The last decade had however, seen an increasing pressure on public budgets and real expenditures per student declining. This resulted from economic crisis, higher rates of inflation and external debt which induced severe reductions in public spending (Johnstone, 2003). Apart from the constrained resources for public provision of educational services, a number of African states were further overburdened by yearly cost overruns due to grants and scholarships awarded to students in higher education (World Bank, 2010). Grants thus took up more of higher education budget. Such grants also promoted inequities and inefficiency mainly due to lack of or weak targeting of assistance aid (Johnstone and Marcucci, 2007).

From the 1980s onwards, the inability of most African governments to adequately finance higher education (Johnstone, 2001) led to the introduction of tuition fees in institutions of higher learning as well as other forms of cost-sharing. This was in response to the fall in state subsidies which conversely led to the rise in tuition fees, as higher education institutions struggled to meet the quality demands and remained afloat (Tshabangu, et al., 2013).

2.5.1 Cost Sharing

Johnstone (1986) defines cost sharing as a shift of at least some of the higher educational cost burden from governments, or tax payers, to parents and or students. Cost sharing as a statement of fact, implies that the costs of higher education were shared among governments (or tax payers) parents and students. It also entailed a policy shift of some of these costs from a predominant reliance on governments to being shared among parents and/or students in addition to tax payers.

One of the strongest arguments in favour of cost sharing is the simple fact that the cost of higher education is rising faster than the available public resources. More so, the combined impact of population growth, increased access to basic education, growth of the middle class, and the need for considerable quality improvements simply make cost sharing inevitable (ADB, 2009). It is also argued that the economic rationale behind the case for students bearing a portion of the costs of their education is that there are substantial private benefits, both monetary and non-monetary, that accrue to the students from higher levels of education. These benefits justify a tuition fee, especially one that can be deferred and repaid through some form of surtax upon income or current earnings (Johnstone, 2008).

2.5.2 Forms of Cost Sharing

Sanyal and Martin (2006) postulate that cost sharing is mostly associated with tuition fees or user charges on room and boarding. Basically there are seven (7) forms of cost sharing. These include:

> The introduction of tuition fees, the dual tuition track, a sharp rise in tuition, the imposition of user charges, a diminution of student grants and scholarships, the introduction of various measures to recover student loans, and the imposition of ceilings in low-fee enrolment and/or free enrolment in public institutions (Sanyal and Martin, 2006:3).

Of all these forms of cost-sharing in higher learning institutions, student loans are of particular importance to this study as discussed hereunder.

2.6. Student Loans

The decline in public budgets and demand for private driven education had influenced the idea of establishing funds for the support of needy students. As such, many developing nations had embarked on establishing the student loan schemes (Johnstone, 2004).

It should be noted that a student loan differs from a grant. On one hand, a student loan refers to money lent to a student with a view to paying back with interest after completing higher education studies. A grant on the other hand, refers to a bursary or money freely given to a student to pay for his or her education. The main difference therefore, is that a loan is repayable with interest while a grant is non-repayable (Woodhall, 2004).

The significance of establishing a student loans scheme is supported on grounds of efficiency and equity. Woodhall (2004) argued that unlike grants, loans were likely to reduce demand on government expenditure on higher education. Loans can provide additional resources to finance the expansion of higher education. They are capable of increasing the motivation of students by making them aware of the cost of higher education to repay the loans as well as reallocating some resources to the lower levels of education (Ziderman, 2004).

The other argument behind their increasing importance in student financing is that loans give students from poor families an opportunity to invest in their own future by providing them with financial assistance when it is needed and allowing them to repay when they can afford to do so (World Bank, 2010). In view of the foregoing, a number of countries in and outside Africa have implemented different models or types of student loans scheme depending on the prevailing socio-economic conditions of each nation.

2.6.1 Types of Student Loans

Johnstone (2004; 2008) outlines the various types of student loans which can be adopted and implemented depending on the prevailing economic conditions in any given nation. These loans include the following:

2.6.1.1 Conventional Loans

This is a 'mortgage-type' of loan which carries a rate of interest expressed as an actual percentage of the amount borrowed by a student. In terms of repayments, this loan has a repayment period or the amount of time given to the student borrower to repay the loans. It also carries with it repayment terms and conditions such as paying equal monthly installments or installments which begin with a small amount and increase over time or simply other payment arrangements sufficient enough to amortize the loan at a contractual rate of interest (Johnstone, 2008). The conventional student loan schemes are common in the United States of America.

2.6.1.2 Income Contingent Loans

This is a type of loan which carries a contractual obligation to repay some percentage of future earnings, until the loan is paid at a contractual rate of interest or, until the borrower has repaid the maximum amount or for a maximum number of years. This is the widely adopted model of the student loans scheme. Countries such as Australia, Sweden, New Zealand, Kenya, South Africa and many others have implemented the income contingent Loan scheme model (Johnstone, 2008). It should also be noted that in some instances the hybrid version of the conventional and contingent student loan models are used for the very purpose of cost sharing (Johnstone, 2004).

2.6.1.3 Graduate Tax

This is a form of loan whereby after a student has successfully completed his or her programme of study, in return for government subsidization of higher education in the form of low or no tuition, becomes eligible to income surtax, generally for the rest of his or her working life. The main objective of the graduate tax, "… is to shift a portion of the costs of higher education from the government or tax payers to students, albeit to be paid only after the student has finished (presumably graduates) and is earning an income," (Johnstone, 2008:10). However, the graduate tax is not commonly used by many countries.

2.7 Global Context: Perceptions and Experiences on Student Loan Schemes

The implementation of student loan schemes in both developed and developing nations around the world is well documented (Barr, 2003; Johnstone, 2003; Woodhall, 2004; Atuahene, 2008; World Bank, 2010). More than 70 separate governmentally-sponsored student loan schemes are in operation around the world (Ziderman, 2004; Shen and Ziderman, 2007).

Many developed countries such as Britain, German, Canada, USA, China and others have implemented student loan schemes. Johnstone and Marcucci (2007) found that the idea behind establishing student loan schemes in these countries has been to allow students who cannot afford to access higher education to bear a portion of the costs of their education. For example, China though a Socialist nation, established the means tested Government Supported Student Loan (GSSL) in 2001 to cater for both the tuition and living expenses of students (Shen and Li, 2003). These loans are repaid by graduate students within a maximum period of four years after completion in form of conventional loans (Johnstone, 2003; Woodhall, 2004).

2.8 African Context: Experiences on Student Loans

Many successful and unsuccessful student loan schemes have been documented in Sub-Saharan Africa. Accomplished scholars of higher education financing (Woodhall, 1992; Ziderman and Albrecht, 1995; Johnstone, 2001) have found that implementation of student loan schemes in developing countries is compounded by both successes and failures. For example, student loan schemes in countries such as Ghana, Tanzania and Kenya were unsuccessful in the past due to political controversies, student resistance, administrative challenges, high default rates and inadequate funds to sustain them (Ishengoma, 2004; Otieno, 2004; Woodhall, 2004). A number of countries in Sub-Saharan Africa have now successfully reformed or implemented sustainable student loan schemes to ensure effective cost-sharing and equity of access to higher education.

2.8.1 The Student Loans Scheme in Kenya

Kenya is one of the few countries with a successful student loans scheme in Africa (Otieno, 2004). The student loans scheme was necessitated by the fact that efforts to widen opportunities for students from all socio-economic backgrounds through quantitative expansion of the higher education sector failed to overcome disparities in terms of access to this form of education. More so, Kenya's efforts to democratize access to higher education fuelled by subsidies (grants) do not seem to have had any significant effects on participation rates of students from the lower end of the socio-economic scale (Owino, 2003; Boit, 2012).

To overcome that, the government reformed the 1974 student loans scheme and established the Higher Education Loans Board (HELB) in 1995, through an Act of Parliament, to provide financial support to needy students (Boit, 2012). Otieno (2004) remarked that despite having its own challenges, Kenya's student loan scheme had significantly reduced dependence on government funding to about 50% of its disbursements. In addition, many Kenyan students (undergraduate, postgraduate and doctoral) either in public or private universities, had been able to access the loan funds to pursue their studies successfully. The loan scheme operates as a revolving fund and as such the money borrowed is repayable after one has completed their studies (Woodhall, 2004; Johnstone and Marcucci, 2007).

The Kenyan Higher Education Loans Board (HELB) has been able to increase loan recoveries due to a number of mechanisms put in place. These include efficient record keeping, obligating employers through the use of law to ensure repayment, and cultivating a culture of repayment among loan recipients through improved sensitization (Owino, 2003; Ngolovoi, 2009). Adding to that, the HELB works hand in hand with the Kenyan Revenue Authority (KRA) and the National Insurance Health Fund (NIHF) to recover loans from loan recipients working in the private and public sectors. Despite the efforts made so far, unemployment and emigration still remain among the major obstacles to loan recovery in Kenya.

2.8.2 The Student Loans Scheme in South Africa

In South Africa, the government established the National Student Financial Aid Scheme (NSFAS) in 1996 to provide financial aid to students (Johnstone and Marcucci (2007). Administered by the Tertiary Education Fund for South Africa (TEFSA), NSFAS was put in place to ensure that academically able students without financial resources can attend higher education (Jackson, 2002). Government financing of higher education in South Africa is guided by the principles of cost sharing, redress, and development (ADEA, 2000). The cost-sharing principle states that other than in a few specialized colleges, due to envisaged higher private returns, the government and students and/or their parents must share the costs of higher education (Ngolovoi and Marcucci, 2006). The government however, is responsible for all financing in colleges and other higher education institutions that produce “pure public goods”. The principle of redress on the other hand,

> asserts that government financing of higher education must not only ensure that the system becomes equitable and that unjustified inequities of access and opportunity in terms of race, gender, and social class are eliminated, but also that the relative proportion of public funding to support academically able, but disadvantaged students is increased, (Ngolovoi and Marcucci, 2006:2).

Lastly, higher education financing is linked to the production of critical human resources for the nation’s economic and social development, through the principle of development. There are also other principles that include: Sustainability and quality; efficiency and the principle of democracy that advocates the involvement of all stakeholders in decision- making concerning allocation of funds (CHE, 2006).

Ngolovoi and Marcucci (2006) relate that the NSFAS provides income contingent loans and bursaries to higher education students. These loans are administered by the higher learning institutions themselves and are part of the Financial Aid Package (FAP) awarded to students on the basis of annual gross family income and to what is known as “level of need”. In addition, universities and technical colleges also consider family size and distance of the home from an institution among other factors before awarding loans to students.

Loans usually cover tuition costs but in cases of extreme need they may also cover living costs and traveling expenses. Sometimes surety is required for a student to get a loan, a measure against possible default on loan repayments (Ngolovoi and Marcucci, 2006). Students who are not eligible to get loans from NSFAS can get loans through the First National Conversion of Loans to Bursaries program. According to the World Bank (2010), the NSFAS loans given to student borrowers in South Africa range from the minimum of US$ 516 to the maximum of US$

8,397 with a 2 percent real rate of interest. It is also possible depending on a student's academic results to have up to 40 percent of the loan converted to a bursary (CHE, 2006).

According to Ngolovoi and Marcucci (2006), loan repayments in South Africa start when an individual is in full time permanent employment, with an annual salary of at least R 26,300 (US$6,345) which is considered the threshold level of income. The repayment rate ranges from 3 percent to 8 percent of the salary. The period of repayment is not fixed, but depends on individual circumstances. According to the TEFSA Act 121of 1993, NSFAS is legally mandated to deduct loan repayments from the monthly salaries of graduates through their employers. In some universities, students who are given loans as part of the Financial Aid Package (FAP) are liable to a 40 percent or 20 percent rebates on their loans depending on one's performance in a given academic year. It should be noted however, that despite NSFAS receiving funding from government and other sources, financial aid is still inadequate to meet the needs of students from less privileged communities.

2.8.3 The Student Loans Scheme in Tanzania

Research evidence shows that though the loan scheme which had existed in the 1960s and 1970s collapsed due to poor supervision, Tanzania has had a successful reformed Higher Education Student Loan Board (HESLB) (Ishengoma, 1999; 2004). Through the Act of Parliament No.9 of 2004, the HESLB was established with the following responsibilities: To implement the cost-sharing policy of higher education and technical education by providing financial assistance on a loan basis to academically able but needy students unable to meet the educational expenses and; to recover monies lent to students who have graduated and are serving the nation in different sections within and outside the country (Ishengoma, 2004; URT, 2005; Bangu, 2012). Bangu

(2012) found that since its inception in 2004, a total number of 97, 773 students were loaned an amount totaling about US$ 271, 454,436.3 by 2012. Of this amount, an accumulative total of about US$ 34, 037,464.71 was recovered in repayments in June, 2012.

The above and many other examples of student loan schemes epitomize the fact that in Sub-Saharan African countries, such schemes are often compounded by both successes and failures. For instance Ghana, though now with a successful loan scheme, is often cited to have had an unsuccessful student loans scheme characterized by student resistance, administrative challenges and a high default rate in the past (Woodhall, 1992). This implies that if properly designed and implemented, student loan schemes are feasible in Africa and can efficiently and effectively promote wider cost-sharing while creating a sustainable and equity system of financing higher education.

2.9 Zambian Context: Higher Education Financing and the Student Loans Scheme

2.9.1 Formal Education in Zambia

Formal education plays an important role in human capital formation. It helps people develop the types of knowledge, skills, values and competencies necessary for social, political, economic and technological development. As such, tangible development in Zambia can only be achieved if the majority of the indigenous Zambians equitably access this type of education, especially at tertiary level.

The concept of education refers to the transfer of knowledge, skills and attitudes from one generation to another. In Zambia, the transfer of knowledge and skills is done within a formalized education system ranging from pre-school to the tertiary level of education (Kelly, 1999). Zambia's education system currently follows a 7-5-4 three (3) tier structure different from the previous 9-3-4. This consists of seven (7)-year primary education, followed by five (5)-year secondary schooling and four to seven (4-7) years at university for undergraduate degrees.

The education system of Zambia consists of five (5) subsectors. These are Early Childhood Education (ECE), Basic Education, High School and tertiary levels (MOE, 2003). However, government recently reorganized the basic education and high school sectors into primary education for grades 1-7 and secondary schooling for grades 8-12 (GRZ, 2013). This reorganization was meant to create more places for children in primary schools while ensuring that those taken to secondary schools were taught by teachers specialized in secondary teaching.

Zambia has made numerous strides in ensuring that as many people as possible access quality education at different levels. For instance, the basic education sector saw an increase in the number of basic schools from 8,150 in 2011 to 8,360 in 2012. Enrollments in grades 1-7 also increased remarkably. While there were a total number of 2,821,018 pupils enrolled in 2010, the numbers increased to 3,135,442 pupils enrolled in 2012, representing an increase of 10.03 percent. More so, a total number of 508,460 pupils were admitted to grade 1 in 2012 compared to the 425,869 in 2010. This represented a net increase of 19.3 percent enrolment (GRZ, 2013).

The growing enrollments and participation in primary education in Zambia for various age, geographic and income groups coupled with improved gender parity can be attributed to a number of factors. These included: the introduction of free primary education by government; the expansion of physical space through infrastructure development; the implementation of the "Every Child to School" policy since 2008; provision of bursary support and community sensitization on the importance of education (GRZ, 2013).

More importantly, the introduction of free primary education had played a pivotal role in expanding access to primary education in Zambia. This is in line with the **Universal Declaration of Human rights of 1948** which states that "education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory." Every child thus has a right to education. It is also enshrined in the **International Covenant on Economic, Social and Cultural Rights of 1966**, that "primary education shall be compulsory and available free for all." Primary education therefore is a right for every child (Tomasevski, 2003:52).

Unlike primary education, secondary education in Zambia is not free and compulsory for all (Tomasevski, 2003). As such, beyond basic education, access and participation have been lower than desirable and gender and regional disparities remained high (UNDP, 2011). To improve on access and participation in secondary education, government had embarked on massive infrastructure development. In 2011, Zambia had 631 secondary schools and these increased to 663 in 2012 (GRZ, 2013). Apart from that, more teachers are being trained at university level to cushion the shortages especially in the areas of mathematics and science. Though government has embarked on constructing more secondary schools and training more teachers, the majority of the poor Zambians from less privileged communities may still not access secondary education due to lack of finances to pay school fees (Carmody, 2004).

It should further be noted that access and participation at secondary education level is limited only to those who can afford to pay. The inequalities are even more pronounced at tertiary level, where exorbitant tuition fees have to be paid for one to access the educational services. This is in line with the UNDP report on Zambia that "Although there has been a general increase in enrolment at tertiary education level, access and participation have been highly inequitable", (UNDP, 2011: 56). This is true, for instance only 8 percent of the school leavers access public universities in Zambia (GRZ, 2013). Although access to university education is not a right but a privilege, the Zambian government has a responsibility of putting in place policies aimed at promoting equitable access to higher education. Zambia's higher education sector has evolved in various ways as discussed below.

2.9.2 Higher Education in Zambia

The evolution of higher education in Zambia can be traced back from the 1960s when Zambia got independence. Though higher education involves polytechnic institutions and other colleges, its development in Zambia mainly started with the establishment of the University of Zambia in 1966 (Kelly, 1999). UNZA opened its doors to the public in 1969 to provide specialized training in various professions. The rationale behind opening UNZA, as an institution of higher learning was to accelerate human resource training for national development (UNZA, 2012). This was to help overcome the shortage of the much needed human resources especially that at independence Zambia had a population of just over 100 university graduates. In 1987, Copperbelt University was opened to provide tertiary education in specialized fields of science and technology.

According to SARUA (2012) in the early 1990s, UNZA and CBU had 4, 592 and 1, 393 students enrolled respectively. It is also worth noting that between 1966 and 1996 the government financially supported all students enrolled in either of the two public universities. In recent years, the demand for higher education in Zambia has been on an upsurge. For instance, UNZA and CBU have over 25,000 students in total pursuing different modes of academic programmes (MOE, 2011).

In 2008, the Zambian government opened the third public higher learning institution, named Mulungushi University. Mulungushi University was established to operate on a full cost sharing economic model (SARUA, 2012). Starting with only 1,000 students, the population of those attending this university was expected to grow tremendously. Although the government finances capital projects, students at this University are privately sponsored in terms of their tuition, accommodation and other fees.

The higher education sector in Zambia comprises Universities, Technical and Vocational Colleges and Teacher Training Colleges. In 2012, Zambia had over seventeen (17) universities of which three (3) were public and the rest were private (SARUA, 2012; GRZ, 2013). In addition, there were fourteen (14) teacher training colleges under the MOE and seventeen (17) were privately owned. There were also 300 technical and vocational institutions registered by TEVET (GRZ, 2013).

2.9.3 Recent Trends in Higher Education in Zambia

The higher education sector in Zambia has seen many reforms since independence. This has been in an effort to achieve the goal of our nation in line with the Vision 2030 in education which is "to increase equitable access to quality education and skills training to enhance human capacity for sustainable national development", (GRZ, 2011:93).

Both external and internal influences have been at play in the transformation of the higher education system in Zambia (World Bank, 1994). To begin with, privatization of education provision to ensure expanded access to higher education has become popular in Zambia. This has largely been due to the entrenchment of the market principles in the provision of higher education by WTO/GATS (Varghese, 2004). Commoditisation of higher education coupled with the cost sharing policy introduced in 1996, has led to the mushrooming of private universities in Zambia. There are over fourteen (14) private universities in Zambia. Alongside that, public universities and colleges have introduced parallel degree and diploma programmes which are privately financed by the students (SARUA, 2012). This is aimed at promoting access to higher education while ensuring efficiency and cost effectiveness in the provision of tertiary education amid reduced public funding (UNZA, 2012).

Conversely, notwithstanding the rapid expansion of the subsector, public universities are still confronted with a number of challenges, which among other things include, inadequate physical facilities, equipment and training materials and critical shortage of teaching staff, thereby compromising the quality of university education being offered (GRZ, 2013).

Consequently, the government of the Republic of Zambia has been working hard to ensure enhanced access to quality higher education by many, especially university education. This is simply because higher education is of central importance to the economic and social development of the country through the advancement and preservation of Zambia's intellectual, scientific and artistic endeavours (GRZ, 2013). To achieve that, the government has continued with infrastructure development in the higher education sector. For instance it is now governments' policy that each province in Zambia should have at least one public university. Recently, the government increased the budgetary allocation towards the construction of three (3) new public universities, one in Lusaka and two (2) in Muchinga provinces respectively. Apart from that, the conversion of Nkrumah College of Education, Copperbelt Secondary Teachers College (COSETCO), Palabana Dairy Training Institute and National In-Service Teachers College (NISTCOL) into fully fledged public universities was underway (GRZ, 2013).

However, due to fiscal pressure amid competing demands within the education and other social sectors, government's capacity to adequately finance and expand the public higher education sub-sector is still constrained to a greater extent. For instance, in their study on higher education financing in Sub-Saharan African countries, Irfan and Magolese-Malin (2011) found that spending in Zambia and Madagascar fell to the lowest levels of any nation in the region at 2.3 and 1.6 percent respectively. This could be so in that in Zambia funds allocated to the higher education sub-sector are not fixed and keep on fluctuating as evidenced by the annual budgetary allocations to the education sector for the past six (6) years as shown in Table 1 below.

Table 1: **Annual Budgetary Allocations to Education and the Higher Education sector for a six (6) year period**

Year	**Budgetary Allocation to Education Sector (Rebased Currency)**	**Allocation Percentage to Education Sector**	**Allocation to Higher Education in Rebased Currency**
2014	K 8, 607.0 million (US$ 1,564.91 million)	20.2	K 799.6 million (US$ 145.40 million)
2013	K 5, 628.8 million (US$ 1,023.40 million)	17.5	K 475.1 million (US$ 86.38 million)
2012	K 4, 850.5 million (US$ 881.91 million)	17.5	K 126.0 million (US$ 22.91 million)
2011	K 3, 828.8 million (US$ 696.15 million)	15.3	K 196.3 million (US$ 35.70 million)
2010	K 3, 320.9 million (US$ 603.80 million)	19.9	K 773.8 million (US$ 140.70 million)
2009	K 2, 628.0 million (US$ 41.45 million)	17.2	K 449.1 million (US$ 81.65 million)

Source: Adapted from Annual Budget Speeches of Zambia, 2009-2014 (**ZMW5.5 = US$1**)

Further, the integration of various legislations governing higher education was another imperative trend in the sector. The growing number of the types of higher education institutions, both public and private, militate the need for a consolidated higher education policy. For instance, Zambia has had the Education Act of 1966, the TEVET (amended) Act of 2006, the University Act of 1999 and now the Higher Education Bill of 2013, to be enacted in the year 2014. In order to achieve the aspirations of the nation through higher education, the government was in the process of coming up with the Higher Education Authority (HEA). The authority will be mandated to coordinate all the higher level education through the MOE (SARUA, 2012).

It was hoped that one of the key functions of the HEA will be to ensure that there was equitable access to higher education by all eligible Zambians (MOE, 2003). This is in the context of the higher education policy in which it is stipulated that; higher education financing must be shared between government, the institutions themselves and the parents; and that government support for students in higher education institutions should be in form of loans that would be recovered once the graduate find employment (SARUA, 2012).

2.9.4 Equity and Access to Higher Education in Zambia

According to the MOE (2011), equity in education refers to the fairness in the provision and utilization of opportunities for the different categories of children especially the less privileged groups to participate in the education system. Equitable provision of education opportunities to many therefore, is the entry point for the attainment of equality of education. This is even the reason why the national policy on education "…places great emphasis on the provision of quality education that is both equitable and accessible to all categories of children", (MOE, 2011:80). On the other hand, access refers to the extent to which tertiary education is accessible to ordinary school leavers upon completion of their secondary education. This is determined by measuring the proportion of students enrolled in the first year of the total number that successfully completed secondary education for that particular cohort (MOE, 2010).

The need for equity in access to education started way back in the 1960s, when Zambia got independence (Carmody, 2004). This is owing to the fact that, education has been identified as an instrument which could bring about fundamental social change, as well as eradicating persistent inequalities and injustices. From independence onwards, a persistent concern with the provision of education remained, not simply for socio-economic development but also for reasons of equity.

Zambia's long standing inequalities are deeply rooted in her history prior to independence when the country was divided into the haves and the have-not (Mwanakatwe, 1974). This situation is said to have been perpetrated by the current education system. Like any other country in Sub-Saharan Africa, Zambia's publicly financed higher education sector was characterized by low participation rates. Access to and participation in higher education was highly inequitable. As Pillay (2009) found, there are three (3) main determinants of inequities in Sub-Saharan African countries, Zambia inclusive. These are gender, locality of origin and socio-economic status.

In Zambia female participation at primary, secondary and tertiary levels of education has been very poor in the past (Kelly, 1994; Mumba, 2000). At tertiary level there were even more men accessing higher education than women (MOE, 2011). However, regardless of one's gender, inequities in terms of access to and participation in higher education in Zambia were often exacerbated by socio-economic status of the prospective students. Truly, participation in higher education institutions, especially universities, was dominated by students from families which were well off (Carmody, 2004).

Research evidence in Zambia also supports the very fact that the majority of university students come from salaried families and only a minority of these come from the urban poor and peasant farmers (Carmody, 2004; MOE, 1996). In short, public financing of higher education through bursary grants, mostly benefited the males, urban dwellers and those who came from wealth families.

2.9.5 Student Financing and Cost Sharing in Zambia

As a result of the economic turbulences Zambia started experiencing from the late 1970s, the government has been having challenges to adequately finance and sustain free public higher education, especially at university level (MOE, 1996). This is especially that higher education has largely been provided free of charge (highly subsidized) to all students at two of Zambia's public universities, UNZA and CBU from 1966 up to 1996 (Kelly, 1999). In 1996, the government put up a cost sharing policy (MOE, 1996). The introduction of cost sharing in education was envisaged early before the 1990s.

For instance the **Education Reforms Implementation Project (ERIP)** espoused the introduction of cost-sharing to promote equity in education in 1986 (Kelly et al., 1986). The need for cost-sharing in education was as well clearly spelt out in the second national policy on education, **Focus on Learning** (MOE, 1992). Cost-sharing in higher education implied a shift in the burden of education costs from being borne exclusively by government or tax payers to being shared with parents and students (Johnstone & Marcucci, 2007). This is based on the argument that if students benefits and gain from higher education, it is just and fair that they pay part of the cost (Barr, 2004).

Cost-sharing saw the introduction of tuition, accommodation and other fees in both public and private higher learning institutions (MOE, 1996). Higher Education, in public institutions such as universities and colleges was no longer free of charge in totality. The implication was that for one to access higher education, they needed to pay tuition fees. It was therefore, deemed fit for all higher learning institutions including public universities to introduce cost sharing as a way of improving financial vibrancy, cost effectiveness and accountability (Masaiti and Shen, 2013).

Sadly, tuition fees discriminate against school leavers from poor families, as they are too exorbitantly high for them to afford. For instance, at UNZA in the 2012/13 academic year, tuition fees were, US$ 2, 648.71 (ZMW 14, 567.88) for the Arts Based Category and US$ 3, 271.93 (ZMW 17, 995.63) for the Science Based students. For the 2013/14 academic year tuition fees were adjusted upwards for about 10%. First year students in the Arts Based programmes were paying US$ 2, 913.53 (ZMW 16, 024.66), and those in Science Based Programmes US$ 3, 599.12 (ZMW 19, 795.18) per year (UNZA, 2012; 2013).

The situation regarding the upward adjustment of tuition fees at UNZA was not very different with what was obtaining at CBU. First year students at CBU in the Arts Based Programmes of the 2013 intake were paying US$ 2, 701. 83 (ZMW 14,860.05) as tuition fee, while those in the Science Based Programmes were paying US$ 3,381.00 (ZMW 18,595.50) as tuition fee per academic year (CBU, 2013). This is a clear indication that there was an upward adjustment of tuition fees not only at UNZA and CBU, but also in other public and private higher learning institutions. This disadvantages the majority of the prospective students from poor families who fail to access government sponsorship through bursaries to attend university education.

While the disadvantaged school leavers cannot afford to pay for themselves, government cannot as well afford to provide grants to every student more especially that the cost of instruction per student in institutions of higher learning is ever going up (Carmody, 2004; MOE, 2010). It is therefore, the duty of every responsible government implementing the cost sharing policy, to consider setting up a sustainable student financial aid programme. This is in line with the World Bank's conclusion that:

> Cost sharing cannot be implemented equitably without a functionary [student loan program] to make funds available to every student who need to borrow for their education and without scholarship programmes that generate necessary financial support to academically qualified poor students…, (World Bank, 1994:46).

This is an important way through which equitable access can be promoted in higher education in Zambia. It is also in line with the government's objective of cost sharing, which is to expand access and participation in higher education, make the beneficiaries of higher education contribute to its costs, recover the costs of food and accommodation, establishing a legally protected student loan scheme and make higher education more responsive to the labour market needs (MOE, 1996).

In Zambia, the fact that the government remains a major source of financing for higher education at UNZA and CBU is a contradiction to its own stated objective of introducing the cost-sharing policy aimed at moderating government expenditure in higher education. This could even be one of the reasons why the Zambian government does not reach the required funds requested by public higher education institutions for recurrent expenditure (UNZA, 2012). Further, the desire by the government to expand the higher education sector by means of constructing more public universities as a way of enhancing access to the prospective students, will add even more pressure on public resources. This is in agreement with Shen and Li (2003:45) who observed that:

> Higher education is a costly kind of business. The needy students cannot pay the tuition and living expenses. With the spread of higher education, this problem will become more and more serious because the number of the needy students will increase sharply. It is very important to give equal opportunities to those students with lower socio-economic status. To solve this problem, more and more countries have to resort to student loans, including [Zambia].

2.9.6 Implementation of the Student Loans Scheme in Zambia

It is a well known fact that student financing in Zambia's public higher education sector, especially university education, has been predominantly financed by government through bursaries until 1996 when the cost-sharing measures were introduced (MOE, 1996). In Zambia, the Bursaries Committee is entrusted with the responsibility of processing and administering GRZ bursaries and loans for the students at UNZA and CBU. The Bursaries Committee was established through an Act of Parliament, Statutory Instrument No.182 of the 1973 Education Act.

2.9.6.1 Historical Background to the Student Loans Scheme in Zambia

The introduction of cost-sharing policy in higher education partly emanated from the high demand for and the rising costs of providing higher education instruction in Zambia. This meant that government could no longer afford to provide bursaries for everyone (MOE, 2003). Cost-sharing in higher education brought about the re-introduction of tuition and other fees in both public and private institutions, which began as early as 1986 in Zambia (World Bank, 1988). The introduction of cost-sharing in higher education was in line with the democratic "principles of liberalization, decentralization, equality, equity, partnership and accountability" in the provision of education in Zambia (MOE, 1996:3).

In line with the principle of cost-sharing, in which parents had to share in the cost of education for their children with government, higher education financing in Zambia had taken a form of dual track system. This is where a fee paying system coexists with a free government sponsored scheme for some students (Masaiti and Shen, 2013). This dual track tuition model was predominant at the UNZA and CBU, two of Zambia's public universities.

However, the decline of Zambia’s economy had made it increasingly difficult and expensive for the government to provide bursaries for everyone pursuing university or college education. The government had no capacity to sustain the financing of the costs of university and college education, given the so many social demands it had (MOE, 2010). This had greatly disadvantaged those from poor socio-economic backgrounds to equitably access higher education as compared to those from well to do families (Carmody, 2004).

To cushion the impact of cost-sharing on access to higher education, the government of Zambia envisaged introducing a student loan scheme in 2004 (National Assembly, 2011). This was aimed at expanding higher education participation and accessibility while simultaneously expanding real cost recovery from students (Johnstone, 2001). The Parliamentary Assurances Committee (2011: 29), found that “The introduction of a student loan scheme in 2004 was meant to relieve the financing pressure on the public funds by replacing the bursary scheme; whose cost had increasingly become unaffordable and unsustainable.” This was to be done by the Ministry of Education through the establishment of the Higher Education Authority for the responsibility, among others, of “Administering publicly-financed loan schemes for students in higher education and also ensures greater equality of access to higher education, having particular regard to gender, socio-economic status and special education needs” , (MOE, 2003:104)

While its mission statement is to administer; bursaries, loans, scholarships and fellowships for tertiary education, locally and abroad, the Bursaries Committee seem to have not effectively implemented the awarding of student loans, albeit the introduction of the cost-sharing policy in the higher education sector (Parliamentary Assurances Committee, 2011). The student loans scheme has not been adequately implemented as a revolving fund for no repayments have been made yet, since 2009 when the loan recoveries were expected to commence (National Assembly, 2011).

The student loans scheme was to operate as a revolving fund for students at two of Zambia's public Universities. The loan was to be administered through a commercial bank, Finance Bank and the proposed **Zambia Higher Education Lending Board** (ZAHLEB) after study tours in Kenya and Tanzania (National Assembly, 2011). Further, to ensure legal backing for the repayment of Loans, the government was to repeal the old legislation and replace it with a new one. The Statutory Instrument No. **182 of 1973** under the education **Act Cap 234** of the laws of Zambia was to be amended and repealed to pave way for the enactment of the law for the administration of the new loans scheme under the Loans Board (Parliamentary Assurances Committee, 2011).

As such the supposed government supported loan scheme had continued running as a grant given to university students in form of bursaries. As a result of the rising cost of higher education due to high demand, government expenses through bursaries have been going up within the past few years. For instance by 31st December, 2010, more than K 473 million (US$86 million) was spent on bursaries for students at UNZA and CBU (National Assembly, 2011). While as at December 2012, the Bursaries Committee has had since 2004 spent K 890 million (US$162 million) for the benefit of more than 10,000 students.

From the foregoing, it is true that public student financing through bursaries at UNZA and CBU is on an upward trend. This may be due to the increase in tuition fees paid directly to the universities in form of grants amid expanded enrollments (UNZA, 2012). Apart from that, students were given allowances to cater for non tuition costs such as food and lodging as shown in the Table 2 below.

Table 2: Allowances given to Government Sponsored Students at UNZA and CBU by the Bursaries Committee

	Allowance	Amount Given (ZMW*)
1.	Meal Allowance	K22.50 (US$ 4.10) per Day
2.	Book allowance	K533.00 (US$96.91) per Academic Year
3.	Project allowance	K837.00 (US$152.20) per academic year (Arts Based Programmes)
		K1,050.00 (US$190.91) per academic year (Science Based Programmes)
		K1,250.00 (US$227.27) per academic year (Medicine Based Programmes)

Source: Bursaries Committee, August, 2013. ***ZMW5.5 = US$1 as at August, 2013.**

In addition, it is argued that government has had no monitoring mechanism to track the loaners for possible repayments (Parliamentary Assurances Committee, 2011). Due to that and other unknown factors, government had not effectively implemented the student loans scheme. This implies that government has continued providing subsidized higher education to more than 80% of the students at UNZA and CBU despite introducing the cost sharing policy (MOE, 2003). This is in total contrast with the World Bank's argument that the beneficiaries of higher education needed to make significant contributions to their education since they stood to gain more from the system (World Bank, 1988).

2.9.6.2 Rationale behind establishing the Student Loans Scheme

The Bursary Scheme, as a student financing system at UNZA and CBU had raised a number of serious concerns bordering on efficiency, equity and access to quality higher education in

Zambia. The bursary scheme, though a loan on paper, was unsustainable, inadequate and grossly selective with undeserving students benefiting from it (Chimese, 2013). Apart from being restricted to UNZA and CBU, it appears only a few of the school leavers annually access these bursaries to pursue university education (Chimese, 2013). This has led to greater inequities in terms of access to higher education. In addition, students from public colleges have ended up protesting against the government over the absence of a bursary scheme to support the needy. This however, was happening at a time when government was trying hard to reduce expenses on social services, as evidenced by the removal of fuel subsidies, to avoid further strain to the already constrained public budget (GRZ, 2013).

Realising the inequities in terms of access to higher education and the un-sustainability of the bursary scheme on public spending, the government recently announced intentions to scrap off and replace the bursary scheme with a student loan scheme in line with its Party Manifesto (MOE, 2010; PF, 2011; Mukanga, 2013). This was in line with the national policy on education which state that "it is government policy that henceforth much of the support to students will no longer be a grant but will be in the form of a loan that will be recovered from students during the early years of their working life, after completion of studies" (MOE 1996:104). In addition, the government acknowledged the fact that while there were difficulties in implementing a national student loan scheme, its benefits outweighed the difficulties (MOE, 1996; IDPM, 2012). This is true in that student financial aid in form of loans is a worldwide recognized practice since the 20th century (Johnstone, 2003).

One of the reasons behind establishing a publicly financed student loans scheme in Zambia was to facilitate the expansion of the higher education sector. It was envisaged that a viable student loan scheme in consequence could promote cost-sharing and cost recovery, ease the financial burden of both the government and students attending higher education and improve the equity of access to higher education thereby increasing the human capital necessary for economic transformation (Ziderman, 2003).

It should also be noted that, the need for the establishment the Higher Education Authority (HEA) to administer a government underwritten student loans scheme to assist needy students meet the cost of tuition, as a revolving fund to be paid back after graduation had been supported by various stakeholders. (MOE, 2003; Serpell, 2012; Mukanga, 2013). This is justifiable in that a student loan scheme, if effectively implemented, is likely to make higher education 'free at a point of use' for every one compared to regressive tuition fees which hinder access of those who cannot afford to pay (Barr, 2004).

Though government had shown greater political will of introducing the student loans scheme, it was not clear whether Zambia had adequate infrastructure and capacity to design and effectively implement a viable student loans scheme to cater for students of different socio-economic backgrounds in accessing higher education. This move was somehow questioned owing to the fact that since 2004, the government failed to effectively implement the national student loans scheme (National Assembly, 2011).

In addition, though government mainly attributed the failure to effectively implement the national student loans scheme in the past to the lack of a 'tracer system' to follow up the graduates to pay back the loans, many questions regarding policy implications of implementing a viable student loan scheme in Zambia still needed answers (GRZ, 2013; Mukanga, 2013). For instance: how will the loan programme be funded? Do we have the conditions necessary to run a student loan scheme successfully? Will the less privileged in society really benefit from the loan scheme to equitably access higher education? What will be the conditions for eligibility? Are students and parents willing to incur debt by borrowing money for university education? Which institutions within the higher education sector will benefit from the loan scheme? What will be the mechanisms for repayment of the said loan scheme? These and many other questions, demand for answers.

The above questions regarding the design and implementation of the student loans scheme merit well thought out, context specific and practical answers. Students' and other stakeholders' perceptions of the student loans scheme must as well be taken into consideration. This is necessary if the loan scheme is to be a success rather than just importing and replicating a system from another country.

Moreover, even though so many studies have been conducted in the area of student financing and cost sharing in education in our country (Mweemba, 2003; Nsama, 2008; Masaiti and Shen, 2013), there has never been any specific academic research on perceptions and implementation of the student loan scheme in the Zambian context. For instance, though in their study on '**Cost sharing in Zambia's Public Universities: Prospects and Challenges'**, Masaiti and Shen (2013) stressed the need to introduce a student loan scheme to help the needy access higher education, the study focused on exploring the various underlying factors which could make cost-sharing more effective. The present study however, focused on exploring society's perceptions of a student loan scheme as a viable cost-sharing measure in promoting equity of access to quality higher education and how it can be effectively implemented in Zambia.

2.10 Summary

This chapter presented a review of literature relevant to the study. The review of such literature provided an in-depth comprehension of student financing policies in higher learning institutions from both local and international perspectives. The review of both local and international studies on the implementation and administration of higher education financing policies such as the student loans scheme in public higher learning institutions was pivotal to the study at hand. It helped in identifying and situating the existing knowledge gap in Zambia's literature on student financing with particular emphasis on student financing policies and equity issues in higher education. The subsequent chapter will present the methodology used in the study

CHAPTER THREE

METHODOLOGY

3.1 Introduction

The previous chapter reviewed literature relevant to the study. This chapter presents the methodology used in the study. Included in this chapter are; research design, target population, sampling techniques, study sample and procedure, methods of data collection, data analysis techniques, validity testing and ethical considerations.

3.2 Research Design

Research design refers to a plan or framework within which research must be carried out so that the desired information can be obtained with greater precision. It is the glue that holds the research project together (Kasonde-Ng'andu, 2013). It involves the intersection of philosophical strategies of inquiry and specific methods (Creswell, 2008). According to De Vaus (2001:9) "The function of a research design is to ensure that the evidence obtained enables us to answer the initial question as unambiguously as possible." Obtaining relevant information, therefore, entails specifying the type of evidence needed to answer the research question, to test a theory, to evaluate a programme or to accurately describe some phenomenon.

In this study, a cross sectional study design was adopted. Bryman (2008) asserted that the cross sectional study or survey design involves the collection of data on more than one case, at a single point in time. The cross sectional design was very appropriate to this study especially that it was concerned with the exploration of the views and perceptions of various sections of society (De Vaus, 2001). The cross sectional design therefore, guided this study in exploring education administrators, parents and students' perceptions of a publicly financed national student loans scheme and its implementation in Zambia, as a viable cost sharing measure in promoting equitable access to higher education.

Bryman (2008) further argued that though a cross sectional design was often associated with a quantitative research, it could as well be employed in qualitative research, as evidenced by the use of semi-structured interviews or unstructured interviews with a number of participants.

The fact that the study aimed at exploring society's perceptions of a student loan scheme and its implementation in Zambia made it more qualitative and descriptive in nature. The exploratory nature of qualitative research permitted the gathering of new information and revealed valuable attitudes and perspectives that hardly could have been accessed through the traditional quantitative approach alone (Creswell, 2008).

The research method on the other hand refers to the systematic methodological and accurate execution of the employed design. This study employed methodological triangulation in order to have in-depth and breadth of understanding of the research question at hand (Bryman, 2008). Both qualitative and quantitative approaches were thus used. Triangulation refers to the use of two or more methods of data collection in the study of some aspect of human behaviour (Cohen et al., 2007). The use of both qualitative and quantitative approaches in this study had been necessitated by the differences in the research questions to be addressed and the desire of a diverse range of views in order to cross validate findings and ensure completeness (Bryman, 2008).

Many researchers further agree that the qualitative and quantitative approaches to be employed in the study differ in both their epistemological and ontological perspectives (Cohen, et al., 2007; Bryman, 2008). For instance, while on one hand qualitative approaches are based on an interpretive epistemological position and a constructivist ontological orientations, quantitative approaches on the other hand use the positivists' epistemological position and are objectivists in their ontological perspectives (Teddlie and Tashakkori, 2003a). Meaning that in qualitative research, social phenomena and their meaning are created by social interaction between individuals, while in quantitative research, social phenomena are believed to exist independently of individuals (Cohen et al., 2007). In view of such philosophical differences between qualitative and quantitative approaches to research, methodological triangulation in this study was meant to strengthen and facilitate comparison, statistical aggregation, corroboration and completeness of the findings (Teddlie & Tashakkori, 2003a; Bryman, 2008).

3. 3 Location (Research Site)

The study was conducted in Lusaka and Kitwe districts. These two research sites were selected on the basis that they were homes for two of Zambia's public universities, UNZA and CBU where the student loans scheme policy was being implemented.

3. 4 Target Population (Participants)

The target population for this study comprised all stakeholders in higher education planning and financing such as, education administrators, educationists, economists, parents and students in public universities.

3. 5 Sampling

Merriam and Simpson (1995) define a sample as a strategically and systematically identified group of people or events that meet the criterion of representativeness for a particular study. It is thus a subset of the population taken to be a representation of the entire population (Maxwell, 2005, Kasonde-Ng'andu, 2013). Due to methodological triangulation adopted in this study, both probability and non-probability sampling techniques were used to select actual participants in the study. These were purposive and random sampling techniques.

3.5.1 Purposive Sampling

Purposive sampling was used to select key institutions and informants to the study. According to Kombo and Tromp (2006), the power of purposive sampling, though a non probability sampling technique, lies in selecting information rich cases for in-depth analysis related to the central issue being studied.

UNZA and CBU were purposively selected on account that they were both public higher learning institutions with the majority of the students on government sponsorship. The purposive sampling technique was also used to select key informants to the study who are information rich cases in higher educational planning, administration and financing in Zambia. These are participants in key positions and who are ‘more knowledgeable people’ about student financing and student loans scheme in particular (Patton, 1990). Additionally, parents were selected through the snowballing procedure to be part of the sample on account that they bear part of the cost for the education of their children. Only parents with children or siblings in college or university participated in the study to get their views on the student loans scheme.

Students at UNZA and CBU were selected for the sample on the basis of the following criteria. A student was: a full time student, on government or self-sponsorship, and accommodated at the university.

3.5.2 Probability Sampling

Probability sampling techniques were used to select students from UNZA and CBU to participate in the study. The systematic and simple random sampling techniques were used at both institutions to come up with a stratified sample of male and female students.

3.5.3 Study Sample and Sampling Procedure

The study sample comprised Five (5) key informants, seven (7) parents, 50 students from CBU and 95 from UNZA. The total study sample therefore, was 157. The justification for selecting 100 student participants from UNZA and 50 from CBU was that the former was more populated than the latter. In addition, the sample size of 157 participants was selected mainly for three (3) reasons. The first one was that financial resources were limited and could not allow for a sample bigger than the one selected. Secondly, the timeframe given within which the study was to be completed was limited to allow for a sample bigger in terms of size than was selected. Lastly and most important of all, the selected sample size was reasonably adequate in that the study was more qualitative and less quantitative in nature. As such, the interest of the researcher was to carefully select smaller numbers of cases to give a greater depth of information on the topic under study (Teddlie and Yu, 2007).

Due to difficulties associated with finding a sampling frame from which key informants must be selected, purposive sampling was used to select five (5) key informants. The key informants included one (1) former University Administrator, one (1) Educationist, two (2) Economists, and one (1) Senior Government Official. In addition, seven (7) parents were selected through snowballing to participate in the study. Of the seven (7) parents, four (4) were selected from Kitwe and the other three (3) from Lusaka. A parent was selected to participate in the study on the basis that they had a child or dependant in college or university and were accessible.

After selecting the key informants and parents from the target population, 145 participants were drawn from students at UNZA and CBU, using random sampling techniques in order to have a total sample of 157 participants.

The University of Zambia had a population of 12, 450 full time students, of these 3,700 were accommodated (UNZA, 2013). Therefore, the 'Student Accommodation List' from the office of the Dean of Students Affairs was used as a sampling frame. A sampling frame "is the listing of all units in the population from which a sample is selected," (Bryman, 2008:698). A stratified sample was drawn from the sampling frame on the basis of gender.

To start with, a systematic sampling technique was used to draw a total of 200 students. From the 'Female Accommodation List', starting with the first name, every 10th Name with the corresponding room number was selected to draw 100 names of female students. Again from the 'Male Accommodation List' starting with the first name, every 10th Name was selected with the corresponding room number to draw 100 male students.

Further, the simple random sampling technique was used to draw a total of 100 students from the 200 female and male students. All the 200 names with corresponding room numbers were written on small pieces of paper folded and put into a box. After shaking thoroughly, 100 small pieces of paper were selected one by one from the box. This gave a total of 100 male and female participants from UNZA selected to be part of the study sample.

CBU had over 6000 full time students and of these only 1800 were accommodated at the institution. The student accommodation list was used as a sampling frame to select 100 students. Using gender as the selection criteria, stratified sampling was used to select 50 female and 50 male names of students with corresponding room numbers from the Student Accommodation

Lists. The lists were obtained from the office of the Dean of Student Affairs at CBU. Each stratum of 50 students was formed by separately selecting every 10th name and the corresponding room number starting with the first name on the list. After that, a total of 100 names of both male and female students with corresponding room numbers were selected and written on small pieces of papers. The small papers were folded and put in a box.

Thereafter the simple random sampling technique was used to select a total of 50 student participants from the 100. The box was thoroughly shaken and 50 small pieces of papers were handpicked one by one from it without looking on. This sampling procedure gave a total of 50 participants comprising of both male and female students to be part of the sample. The sampling procedures at UNZA and CBU gave us a randomly selected sample of 150 student participants in the study. Finally, the entire sampling process generated a study sample of **162** participants in total. However, after data collection it was found that only **157** had participated in the study, five (**5**) students failed to return the questionnaires.

3.6 Research Instruments

The Semi-Structured Interview Schedule, Questionnaire and Focus Group Discussion Guide were used to collect data from the 157 participants as shown in Table 3 below.

Table 3: Distribution of Respondents in the Study by Interview and Questionnaire

Category	**Interview**	**Questionnaire**	**Total**
Key Informants	05	00	**05**
Parents	07	00	**07**
Students	00	145	**145**
Total	**12 (7.6%)**	**145 (92.4%)**	**157 (100%)**

3.6.1 Semi-Structured Interview

Semi-structured interviews were conducted to collect qualitative data from five key informants and seven parents (Appendices: B, C, D, E and G). Using the interview guide, one-on-one interviews were conducted and tape-recorded to collect data on the student loans scheme from all the key informants and parents in the study. Due to its flexibility, both open and closed-ended questions were included in the interview schedules to collect in-depth information so as to get a complete and detailed understanding of the issue at hand (Kombo and Tromp, 2006).

3.6.2 Questionnaire

A self completion questionnaire was administered to students at UNZA and CBU to collect quantitative data. The main essence of administering a self completion questionnaire to students was to explore their perceptions of the student loans scheme policy and its implementation in Zambia.

The questionnaire had three sections (Appendix: I). Sections **A** and **B** of the questionnaire sought information on students' Bio Data and Financial Support respectively. Finally section **C** of the questionnaire sought students' perceptions on the student loans scheme and its implementation in Zambia. To achieve that, 30 related statements based on a **5-point** Likert scale ranging from 1 to 5, with 1 representing the extreme positive perception and 5 representing the extreme negative perception of all responses were prepared. Respondents were availed with the questionnaire for grading to determine each one's level of agreement with the statement. The rankings were categorized as follows: **1=Strongly Agree, 2=Agree, 3=Neutral, 4=Disagree and 5=Strongly Disagree**. Students therefore, graded each statement by means of ticking one of the five (5) rankings appearing next to it. The overall picture of student responses to 30 student loans scheme perception statements is given in appendix J below. According to Bryman (2008), a questionnaire is a collection of questions administered to respondents which must be answered as correctly as possible. It is called a self completion questionnaire when used on its own.

During data collection, with a student sample of 150 in mind, a total number of 190 self administered questionnaires were distributed to students at UNZA and CBU. 120 questionnaires were distributed at UNZA and the remaining 70 at CBU. This was aimed at increasing questionnaire retention. Thereafter 95 questionnaires were collected from UNZA and 50 from CBU, representing 145 (76%) questionnaire retention from the 190 distributed in total.

3.6.3 Focus Group Discussion Guide

Focus Group Discussions were conducted and tape-recorded to collect further detailed information on the subject at hand from student respondents who had shown willingness to participate in the focus group discussions after administering the questionnaire to them. The focus group discussion questions were prepared to get a more detailed understanding of the students' knowledge about student loans scheme policy (Appendix: H). Two focus group discussions were conducted with students at UNZA. 13 students participated in the focus group discussions at UNZA. The first focus group had 6 (six) discussants while the second one had seven (7). Both discussions were facilitated by the researcher to ensure that they focused on the topic at hand. In addition, the discussions were recorded using a recorder for easy transcription. No focus group discussion was conducted with student participants at CBU. Data collection at CBU took place when students were extremely busy preparing for final examinations and had no time to accord the researcher a focus group discussion.

According to Kombo and Tromp (2006), when properly planned and facilitated, Focus Groups can produce a lot of information quickly and are good for identifying and exploring participants' beliefs and perceptions. Focus Groups thus are aimed at discussing a fairly tightly defined topic; and the emphasis is on interaction within the group and the joint construction of meaning (Bryman, 2008).

3.6.4 Collection of Important Secondary Data

Lastly, official reports, publications and other important secondary sources relating to the study were examined to collect vital secondary data through the document analysis method.

3.6.5 Data Collection Procedure

Before embarking on data collection, permission was sought in advance from the relevant authorities to access and conduct research in public institutions (Appendices: N, O and P). For the key informants, appointment letters were written and sent in advance to them in order to secure dates for one-on-one interviews. The researcher also carried an official introductory letter from the Directorate of Research and Graduate Studies at UNZA for identification purposes. Data collection for the study took place from 15th January, 2014 to 5th March, 2014.

3.6.6 Problems encountered during Data Collection

Data collection from some key informants, especially at the Ministry of Education Headquarters was really challenging and expensive to the researcher. On several occasions interview appointments were rescheduled by the key informants due to their busy schedules with other duties. As a result of that the researcher spent a lot of time, energy and transport money just to secure the interviews.

3.7 Data Analysis

Data analysis is the process of bringing order, structure and meaning to the mass collected data (Kombo and Tromp, 2006). Qualitative and quantitative data collected in the study were analyzed differently.

3.7.1 Qualitative Data Analysis

Qualitative data from semi-structured interviews and Focus Group Discussions were collected, transcribed and coded into themes and sub-themes that emerged through thematic analysis. This was done by carefully listening to the recorded conversations in order to interpret, reduce and code key responses into major and sub-themes that emerged for later discussion. This was done in the light of the research questions at hand. Some responses were also isolated to be used as original quotes for verbatim to highlight important findings of the study.

3.7.2 Quantitative Data Analysis

Quantitative data on the other hand, were collected through a questionnaire. The data from 145 questionnaires collected, were entered on the data entry screen created on the Census and Survey Processing System **(CSPro**) version 5.0 software. CSPro software facilitated for accuracy and speedy entry of data from questionnaires. Thereafter, the data set created in CSPro was exported to the Statistical Package for Social Sciences **(SPSS)** Version 21.0 software for analysis. Descriptive statistics in form of frequencies tables, means and charts were generated using SPSS software. Before analysis, the 5-Point ranking responses for section **C** of the questionnaire were collapsed and reduced to 3-Points: Agree, Neutral and Disagree for easy analysis. After analysis, quantitative data were interpreted by the researcher to answer the fourth and final research question of the study.

3.7.3 Document Analysis

Key official reports and publications and documents were also analyzed to provide valuable information for discussion. The triangulation of different methods of data collection yielded in-depth information on society's perception of the student loans scheme in promoting equitable access to higher education and its implementation in Zambia.

3.8 Validity and Reliability of Results

Issues of validity and reliability were thoroughly addressed throughout the study process. Validity of an instrument refers to the degree to which an instrument measures what it is intended to measure. Validity in this regard entails the extent to which an instrument fairly and comprehensively represents the factors under study (Cohen et al., 2008). Validity therefore "…is concerned with the integrity of the conclusions that are generated from a piece of research" (Bryman, 2008:3). Reliability is concerned with the consistency of the results obtained from a measuring instrument. To achieve content validity, the Questionnaire, Semi-structured Interview Schedules and Focus Group Discussion Guide were used as key instruments for data collection. In addition, the researcher made sure that these instruments had all the questions necessary to comprehensively answer the four research questions of the study.

In addition, in order to ensure that the results obtained by means of a questionnaire were valid and reliable, a pilot study was conducted on 10^{th} January, 2014 with 10 parallel UNZA students who never participated in the actual study. The pilot study helped the researcher to correct the errors which were identified by rephrasing, adding and omitting some questions from the questionnaire before the actual data collection day.

More so, the content of the questionnaire, Semi-structured Interview Schedules and Focus Group Discussion Guide, were examined by research experts from the Department of Educational Administration and Policy Studies. This helped the researcher to further revive and refine questions which were found faulty by the research experts in order to improve on the correctness and consistency of the responses given during the actual data collection (Cohen et al., 2007).

Furthermore, to ensure reliability of findings in a study which is predominantly qualitative and less quantitative, the researcher made sure that the processes of sampling, data collection and analysis were done correctly and accurately. For instance a random sampling technique was carefully used to select a representative group of student participants from UNZA and CBU. The researcher also ensured that only people who were more knowledgeable about the student loans scheme were selected as key informants to the study. Lastly, by triangulating the different methods of collecting qualitative and quantitative data, the researcher was able to cross-validate the results to ensure their credibility for generalization.

3.9 Ethical Considerations

Throughout the research, ethical principles relating to issues of informed consent, non-deception and confidentiality of participants were strictly adhered to. Participation in the study was voluntary and based on informed consent, with right of withdrawal at any time (Bryman, 2008). Participants had been told about the benefits of participating in the study. Further, the names of participants were with-held in order to protect their confidentiality. The information collected for the study, was used for purely academic purposes.

3.10 Summary

The chapter presented the methodology used in undertaking the study from data collection to data analysis. It has provided a detailed focus on the research design, sampling techniques and procedures, the sample size, instrumentation and the methods used to collect and analyze the findings of the study. The next chapter will present the results of the study.

CHAPTER FOUR

PRESENTATION OF RESULTS

4.1 Introduction

The preceding chapter provided the methodology employed for collection and analysis of data in the study. The data were collected from education administrators, educationists, economists, parents and students. The present chapter presents the results on the perceptions and implementation of the student loans scheme as a viable cost-sharing measure in promoting equitable access to higher education in Zambia. The results are presented using the thematic approach in line with the four objectives set out in chapter one of this dissertation. These are to:

1. Ascertain the general conditions which need to be present in Zambia for a student loans scheme to work successfully and sustainably,
2. Establish how the student loans scheme could be designed to benefit students of poor socio-economic backgrounds in accessing higher education in Zambia,
3. Explore possible mechanisms of enhancing effective loan recoveries from UNZA and CBU past beneficiaries in Zambia,
4. Explore students, parents and other stakeholders' perceptions of the student loans scheme and its implementation in Zambia.

In this chapter, the researcher begins by first presenting the demographic characteristics of the participants in the study. Thereafter, the presentation of both qualitative and quantitative results follows. Under each theme derived from the four objectives above, qualitative results are presented first. In doing so, some key quotes from interview conversations and focus group discussions with respondents have been highlighted to illustrate their importance to the study.

Thereafter, quantitative data are presented using statistical tables, frequency counts and charts. The results are carefully presented without any attempt to discuss them.

4.1. Demographic Characteristics of Respondents

Table 4: Percentage Distribution of Gender of Respondents

Category	Key Informants	Parents	Students	Total
Male	04	03	89	**96 (61%)**
Female	01	04	56	**61 (39 %)**
Total	**05 (3%)**	**07 (5%)**	**145 (92%)**	**157 (100%)**

From Table 4 above, this study had a total number of 157 respondents. These included 145 (92%) students, seven (5%) parents and five (3%) key informants. In terms of gender, the majority of the respondents were males which comprised 61% of the total number of respondents. On the contrary, the females were represented by 39% of the total number of respondents.

4.2.1 Marital Status and Age of Respondents

In this study, 37 (23.6%) respondents were married while 120 (76.4%) were single as shown in table 5 below. The age distribution of respondents was more confined to the youths. The majority of the respondents were aged between age 20-24 (54.1%), followed by those aged 30 years and above (26.8%). Those aged between ages 25-29 were 14.0% of the total number of respondents, those aged between ages 15-19 were represented by 5.1%.

Table 5: Marital Status of Respondents by Age

		Age of participant (Years)				Total
		15-19	20- 24	25- 29	30 and Above	
Marital Status	Married	00	01	01	35	**37 (23.6%)**
	Single	08	84	21	07	**120 (76.4%)**
	Divorced	00	00	00	00	**00**
	Total	**08 (5.1%)**	**85 (54.1%)**	**22 (14%)**	**42 (26.8%)**	**157 (100%)**

4.2.2 Financial Support to Students at UNZA and CBU

There were 145 students who participated in the study. 95 (65.5%) were studying at UNZA and 50 (34.5%) at CBU as shown in Table 6 below. Of the 145 students, 30 (20.7%) were in their First year of study, ten (6.9%) were in Second year, 33 (22.7%) in Third year, 68 (46.9%) in Fourth year and only Four (2.8%) were in Fifth year.

Table 6: Student Respondents from UNZA and CBU

		Year of Study					Total
		First Year	Second Year	Third Year	Fourth Year	Fifth Year	
University	UNZA	29	04	15	46	01	**95**
	CBU	01	06	18	22	03	**50**
	Total	**30 (20.7%)**	**10 (6.9%)**	**33 (22.7%)**	**68 (46.9%)**	**04 (2.8%)**	**145 (100%)**

Of the 145 student respondents, 106 (73.1%) were on government sponsorship, while 39 (26.9%) were on self sponsorship. The percentage sponsorship status of the 106 students under government support varied as follows: 44 (41.5%) were on 100%, 61 (57.6%) on 75% and one (0.9%) was on 50% as shown in Table 7 below

Table 7: Sponsorship Status of Student Participants

Sponsorship Status	Sponsorship Percentage			Total
	100%	75%	50%	
Government Sponsorship	44 (41.5%)	61 (57.6%)	01 (0.9%)	**106 (100%)**
Self Sponsored	-	-	-	**39 (100%)**
Total	-	-	-	**145 (100%)**

Table 8 below, further shows the sponsorship status of the student participants by nature of their region of origin. It appears the majority of the students (65.5%) came from areas that are predominantly urban in nature.

Table 8: Sponsorship Status by Region of Origin

		Sponsorship Status		Total
		Government Sponsored	Self-Sponsored	
Region of Origin	**Rural**	30	20	**50 (34.5%)**
	Urban	76	19	**95 (65.5%)**
	Total	106	39	**145 (100.0%)**

The parental statuses of student respondents in the study were distributed as shown in Table 9 below. The majority of the students (48.3%) had both parents alive.

Table 9: Parental Status of Student Participants

Parental Status	Frequency	Percent
Both Parents Alive	70	48.3
Both parents Not Alive	20	13.8
Only Father Alive	14	9.7
Only Mother Alive	37	25.5
Not Stated	04	2.8
Total	**145**	**100.0**

Having presented the demographic characteristics of the study participants, the next section presents the results of the study.

4.3 General Conditions to be Present in Zambia for a Student Loans Scheme to Work Successfully and Sustainably

One of the four objectives of the study was to ascertain the general conditions which need to be present in Zambia for the student loans scheme to work successfully and sustainably. This objective was guided by the research question: *What are the general conditions which need to be present in Zambia for the student loans scheme to work successfully and sustainably?* To get well informed responses, the researcher targeted key informants to the study to provide answers to this question.

When the question was asked regarding the general conditions to be present in Zambia for the loan scheme to be a success, the majority of the key informants thought that: the purpose of establishing the student loans scheme; government underwriting of the student loans; need for legally binding agreements; collaboration between the body administering the loan scheme with credible financial institution and the need for public awareness campaigns about student loans schemes, are some of the important general conditions for the loan scheme to be successful and sustainable in Zambia. These results are presented below.

4.3.1 Purpose of establishing the Student Loans Scheme

The key informants were of the view that the success of any student loans scheme is generally dependent on the aim of establishing such a scheme. To illustrate this, when asked to state some of the general conditions which needed to be present in Zambia for a student loans scheme to be successful, a senior government official stated that:

> *The success of the student loans programme will generally depend on the purpose of the establishment of the loan scheme*. In case *of Zambia, the purpose of the loan programme*

is to transfer part of the costs of higher education to the beneficiaries and promote equity and access to higher education.

4.3.2 Government to Underwrite the Loans

Three key informants to the study revealed that for the student loans scheme to be sustainable, government needed to finance or underwrite the loans as a form of collateral. They stated that government had an obligation to finance higher education for private commercial banks and other financial institutions cannot loan out their money to students without collateral.

To illustrate this, a former university administrator asserted that:

> *The government should underwrite a loan because the financial institutions will not provide money on a completely risk basis to the young people who are not really in a position to make very plausible commitments of collateral. Therefore, the collateral which goes into financing of loans being provided is by government underwriting.*

He further added that:

> *There has to be commitment by the government that providing affordable and high quality higher education is one of its obligations and commitment to the electorate.*

When asked if government was obligated to finance the student loans, an economist firmly opined:

> *Education is one of the social services and it is a public good. As such government has no option but to get involved in the provision of education as much as possible.*

The need for government to underwrite the student loans was equally supported by the majority of the student respondents (64.1%).

4.3.3 Need for legally binding Agreements

Another general condition for success revealed by the results is that there was need for a legally binding agreement between the loan beneficiary and the government as part of security for repaying back. It appeared that most of the key informants (three) were of the view that there was need for legislation governing the administration of the loans to provide for securities in the loan agreement. During the interview, when asked about more general conditions for the success of the student loans scheme in Zambia, one of the two economists stated regarding the loans to be borrowed that:

> *It is important to have students sign some kind of binding agreement which will be some kind of law for them to pay back.*

The economists' point of view was equally echoed by an educationist who also believed that for the student loans scheme to be a success:

> *It is important that both parties, especially the students themselves should respect the agreements that are drawn and defined between themselves and the persons that are providing the loans. This is a matter of cultural orientation. Students of higher learning institutions today for a long time now have been under the misguided understanding that they are supposed to be given money for free and they are not obliged to pay back.*

A similar view was held by a senior government official who noted that:

> *For effective loan recovery, the law governing the establishment of the loan scheme must provide for securities and co-signatories. This enhances accountability and responsibility, and strengthens the fact that the loan is recoverable. There is always need to define who becomes a co-signatory. However, care should be taken not to deny loans to students who cannot get a guarantor or a co-signatory to countersign the loan application form.*

4.3.4 Need for the Institution managing the Student Loans Scheme to Collaborate with Credible Financial Institutions

Two key informants were of the view that for the loan scheme to be successful, it was vital to identify credible financial institutions such as banks to work together with the government in managing the loan fund. To illustrate, a former university administrator stated that:

> *We need the banking systems with financial support systems which are attuned to this particular kind of need [student loans].*

This was also echoed by a senior government official who stated that:

> *The institution managing the loan programme need to collaborate with financial institutions including commercial banks in both disbursement and collecting loans from past beneficiaries.*

The senior government official added that:

> *Such collaboration may include requesting the banks to have special students' accounts and dedicated counters where individuals who want to repay their loans can do so conveniently. Opportunities for payment using credit cards and electronic funds transfer should be provided.*

4.3.5 Need for Public Awareness Campaigns about Student Loans

All the five key informants shared a similar view that public awareness campaigns regarding an established student loans scheme were an important condition for the success of the loan programme. Regarding this particular condition, a senior government official substantiated that:

> *For effective reach to all would-be loan applicants and past beneficiaries, a well designed loan programme should provide for effective publicity, information and public education programmes. This should include but not limited to an effective media strategy, education in schools and colleges and increasing, access to internet information.*

The senior government official further added that:

> *The loan programme design should include education, communication and outreach to all eligible tertiary education students and those who have benefited and need to repay the loan.*

Similarly, a former university administrator remarked that:

> *The other general condition which has to be there is general acceptance by the general public that some of the cost of higher education has to be shared, so is the commitment by the government to provide public education on cost sharing principles.*

An educationist was equally of the view that:

> *First of all we see a lot of resistance to change whenever the benefits are more than the costs. People really resist, so I think the first thing to do is to educate the masses, the potential students about the loan scheme as opposed to the grant so that even as it is being implemented, we are going to have less resistance because everyone will actually understand the benefits.*

In summary, the results indicated that most of the key informants were of the view that taking into consideration; the purpose of the student loans scheme, government underwriting of the loans, a legally binding agreement between government and borrowers, credible financial institutions to manage the loan funds and effective public awareness campaigns about student loans can make the student loan programme work successfully and sustainably in Zambia. The subsequent section presents results for the second objective of the study.

4.4 Design of the Student Loans Scheme to Benefit Students of poor Socio-Economic Backgrounds in Accessing Higher Education in Zambia

Apart from ascertaining the general conditions which needed to be present in Zambia for the student loans scheme to work successfully and sustainably, the second research objective of the study sought responses to the question: *How can the student loans scheme be designed to benefit students of poor socio-economic backgrounds in accessing higher education in Zambia*? To thoroughly answer this question, key informants were targeted for responses by means of semi-structured interviews.

The results revealed that the majority of the key informants thought: proper targeted loans through means testing, clearly defined eligibility to access loans and adequacy of the loan size given were important aspects of a student loans programme designed to benefit students of poor social economic backgrounds.

4.4.1 Proper Targeted Loans through Means Testing

Among the key informants, three were of the view that for the student loans scheme to benefit the poor they should be targeted through means testing in terms of design. When asked about how the scheme should be designed, an educationist asserted that:

> *I think it should be needs based, because it is something that we need to ensure we have capacity to sustain.*

Similar sentiments were shared by a senior government official who pointed out that:

> *Loan scheme design should ensure that loans are targeted and that they promote access and equity. For loans to be accessible to the poor and the needy, it is critical that*

effective means testing instrument are developed and applied to all loan applicants. Loan schemes should, therefore, develop computerized means testing instruments which check both household income and proxy indicators in assessment of loan applicants where direct indicators can be measured.

On further interrogation, a former university administrator had the following to say regarding the design of the student loans scheme in Zambia:

My personal view is that it should be needs based rather than merit based. But I think there is a case to be made that you can have some component of funding which is merit based. Priority from government should be to look at the needs based system and you can probably leave the merit based system to the private sector.

4.4.2 Eligibility to Access Loans

When the five key informants were asked about who should be eligible to access the loans, they thought that every school leaver admitted to UNZA and CBU on full time basis was eligible to access the loan. One of the five key informants had this to say when asked about who were eligible to access the loans:

It is a loan, meaning money is not going to be given free of charge. And if it is not free of charge, it is going to be paid back. Then any person that wants can get it.

The results however, also revealed that the loan funds were limited and as such one's level of vulnerability determined the extent of loan support they received from the government. To illustrate, one of the three key informants who were in support of this view noted that:

The student loans are limited and scaled down as follows: (a) 100%, (b) 75%, (c) 50% and (d) 25% of the total cost of tuition and accommodation.

When spelling out the requirements for a vulnerable student to access full government support, a senior government official stated that:

All needy students applying for 100% sponsorship are required to submit a Social Welfare Recommendation Report from the Ministry of Community Development, Mother and Child Health, which is used to assess their vulnerability. Such students are also expected to attach additional documents, such as copies of Death Certificates or Cause of Death Certificate of parents, letters from sponsors of their high school education, village headmen or chiefs, affidavit and so on, to support their vulnerability.

Furthermore, when asked about how potential loans beneficiaries should be screened and selected, an economist was of the view that:

> *We also need to come up with strict guidelines of who should qualify, so that whoever is given that mandate to do the selection will have some guidelines, and perhaps an audit can be done randomly to check whether things were done properly or not.*

4.4.3 Adequacy of Loan Size

Among the key informants, two respondents thought that a student loan scheme designed for the benefit of the less privileged should encompass the disbursement of loans sufficient enough to enable beneficiaries complete their study programmes. To demonstrate that, a senior government official pointed out that:

> *The design of loan programmes should take cognizance of the need to ensure that applicants are given sufficient amounts of loans to facilitate completion of academic programmes. The amounts should also consider the applicants ability to repay upon graduation. There should therefore be a gapping on the maximum loan that can be lent to a student to ensure sustainability.*

In summation, responses from key informants show that a student loans scheme designed to benefit students of poor socio-economic backgrounds, should be targeted through means testing, have clearly defined eligibility and selection criteria for loan beneficiaries as well as giving loan beneficiaries sufficient amounts to complete their study programmes. The next section presents results for the third objective of the study.

4.5 Mechanisms to Ensure Effective Loan Recoveries from UNZA and CBU Past Beneficiaries in Zambia

The third objective of the study provided the researcher an opportunity to explore mechanisms which ought to be in place to ensure effective loan recoveries from student beneficiaries at UNZA and CBU without defaulting. This was guided by the research question: *What mechanisms ought to be in place to ensure effective loan recoveries from UNZA and CBU past beneficiaries in Zambia?*

The responses from the five key informants indicated that mechanisms such as having: a strengthened legal framework, a clearly defined mode of repayment, credible institutions to collect loan repayments, government subsidization of interest rates on student loans, effective tracking mechanism, and law to enforce legal punishment and partnership with private employers can promote effective loan recoveries from past beneficiaries in Zambia. Presented below, are these mechanisms.

4.5.1 Strengthened Legal Framework

When asked about mechanisms which can be put in place to ensure effective loan recoveries from past beneficiaries in Zambia, three out of the five key informants stated that there was need for a law to empower those in authority to collect loan repayments. To illustrate this, a senior government official asserted that:

> *Although Statutory Instrument number 182 of 1973 provides for the administration of loans, it is weak on the repayment of the loans, thus, from its establishment, the Bursaries Committee concentrated on the administration of grants, scholarships and fellowships. To enable the Bursaries Committee recover the loans, a law is needed to be able to network with employers, collaborate with relevant agencies, appoint receiving banks for loan repayments, send periodic demand notices to borrowers and educate employers to deduct repayments at source.*

4.5.2 Having a clearly Defined Mode of Loan Repayment

During separate interviews, key informants were asked to state the mode (s) of loan repayment that would work effectively for Zambia to improve on recoveries. The researcher probed them on three (3) types of loans. These included: the Conventional Student Loans, Income Contingent loans and Graduate Tax repayment models. Of the four informants who were asked this question, two stated that the income contingent loan repayment mode would work in Zambia. One was of the view that the graduate tax could work well and the other was for the conventional loan type.

One economist had this to say regarding the income contingent loan repayment mode:

> *Perhaps income contingent or income based approach can be used were they assess somebody's income to determine the reasonable amount to get from him or her so that he or she does not remain with nothing. So income based approach could be fine.*

A former university administrator also expressed optimism that the income contingent loan could work as a mode of loan repayment system in Zambia. He was of the considered view that:

> *The general consensus that I have about our economy is that it is unlikely for quite some time to have a high level of formal employment opportunities. As such a substantial proportion of the graduates will be working on entrepreneurial or self employment type of activities. So if you define income broad enough to include self employed income, an income contingent repayment scheme has certain attractions over conventional loans, simply that the economy is still very volatile….*

Another economist expressed a different opinion when he stated that:

> *I think the graduate tax could work well. I think the tax system can work because the moment you discover that someone who had accessed the loan is now getting some kind of income from whatever source then it can be effected. So rather than going for the convention or whatever other means, I think the graduate tax can work.*

4.5.3 Credible Institutions to Collect Loan Repayments

When further requested to state other mechanisms needed to be present in our country to ensure effective loan recoveries, four out of the five respondents were of the view that already existing credible institutions such as ZRA, NAPSA, banks or a totally new statutory body can effectively collect the loan repayments from student beneficiaries in Zambia.
To demonstrate, an economist opined that:

> *If we say lets introduce a graduate tax, the only legal entity that collects taxes in Zambia is ZRA. The same could apply if we are to look at income-based kind of repayment system, because we save money by engaging these systems that are already established and have the structures to collect. So ZRA could work or some other institutions like NAPSA.*

A similar view was held by another economist who stated that:

> *If we are going for the graduate tax system, even the Zambia Revenue Authority will be of help, because we are looking at a situation where you can collect tax from anyone who declares some kind of income. ZRA would be the best institution to collect loan repayments.*

This view was further substantiated by an educationist who suggested that:

> *Either a statutory body is created to ensure that recoveries are made or we look at capacity building of existing institutions such as a given national bank or statutory body like National Pensions Scheme Authority to diversify and take it upon itself with the provisions of the statutory instrument that may be created.*

4.5.4 Government Subsidization of Interest Rates on Student Loans

Most of the key informants were of the view that government needed to subsidize the interest rates on loans borrowed by students to ensure that they were as low as possible for them to repay back. It was particularly evident from the three key informants that there was need to have as low interest rates as possible if students were to be encouraged to get the loans and repay back without defaulting. For instance, when asked about the extent to which government should subsidize interest rates on student loans, an educationist suggested that:

> *May be what one would want to hope is that in the initial stages such a loan should not initially attract interest. If it is subjected to interest then it should be very minimal, because we are providing loans to students that do not even have capacity to pay at the end of the day as they are coming from poor backgrounds and they need this money.*

Another economist opined that:

> *The interest rate should be as low as possible, because at the end of the day you are trying to encourage students to apply and promote higher education, but of course depending on what government will feel it should be of benefit to them. Remember that someone is getting the money from government for a period of 4 to 5 years depending on the programme. So the government should also benefit, it shouldn't just be a give away, but let the rate be low enough to encourage the students to go for the loans.*

After further probing, a former university administrator stated that:

> *At least at the beginning, it could be very well advisable to have relatively low interest rates on these loans in order to try and make it seem reasonable to graduates to be making the repayments.*

4.5.5 Effective Tracking Mechanism

Respondents were of the view that having a tracking system in place for past loan beneficiaries was an important mechanism for effective loan recovery.

Concerning the tracking mechanism, an economist had this to say during an interview:

> *What will be important is to find a way of tracking the graduates. If there can be a way of tracking as soon as one starts generating some income, then they can follow back and see how that person can pay back.*

Another economist expressed concern that:

> *At the moment I don't think we have a tracking system. If there can be some ways of tracking the graduates I think that will be necessary for this loan scheme to be effective.*

In the same vein an educationist urged that:

> *We need to have firstly, full proof, a very well managed data base with very good records to be able to trace the beneficiary of a loan.*

There was also consensus among some key informants that government needed to draw lessons from financial institutions that had been in the business of giving loans and tracking down borrowers.

4.5.6 Partnership with Private employers and Law to Enforce Legal Punishment

The majority of the key informants were also of the view that government needed to partner with private employers to recover the loans. For example, on further inquiry regarding mechanisms to recover loans, a former university administrator suggested that:

> *For those in informal employment there has to be some partnership between the employer and government, were employers will say they will make this part of their employment practices that they will collect money at source and remit to the repayment authority as they employ people.*

The majority of the key informants were also of the view that there should be some kind of legal punishment for individuals or companies who deliberately default to repay back loans. To illustrate, an economist observed that:

> *If the government so discovers that someone has been receiving some income from whatever source but not paying back and they are in a position to pay back then let there be some kind of legal punishment.*

Another economist was of the similar view that:

If we establish that a person was working and defaulted on purpose, maybe some punitive measures should be taken or defaulting should carry with it some punishment.

In summary the third research question explored a number of mechanisms that may be put in place for effective recovery of the loans from student beneficiaries. Such measures include having a legal framework, loan repayment mode, tracking system, credible institutions to administer loan repayment collections, government subsidization of interest rates on loans, partnership with private employers and legal punishment for deliberate defaulters. The following section presents results for the fourth and final objective of the study.

4.6 Students, Parents and other Stakeholders' Perceptions of the Student Loans Scheme and its Implementation in Zambia.

The fourth research objective provided the researcher an opportunity to explore students, parents and other stakeholders' perceptions of the student loans scheme and its implementation in Zambia. As such students and parents were vital respondents to this research question. Views expressed by student respondents were elicited through the questionnaire and Focus Group Discussions. As for parents and other stakeholders, interview schedules were used to gather their views on the student loan scheme and its implementation. This objective was guided by the research question: *How do students, parents and other stakeholders perceive the student loans scheme and its implementation in Zambia?*

In order to get clear and detailed understanding of the subject at hand, the views of the respondents were categorized into four (4) sub-themes that emerged during analysis. These were perceptions on the:

i. Importance of student financial aid in higher education financing in Zambia,

ii. Students and parents' willingness to contribute to the cost of higher education through student loans

iii. Role of the students' loans scheme in promoting equitable access to higher education in Zambia and,

iv. Implementation of the student loans scheme in Zambia.

4.6.1 Importance of Student Financial Aid in Higher Education Financing in Zambia

The majority of respondents in the study perceived student financial aid in higher education to be an important factor for them to access higher education. The study inquired from the respondents if they had the financial capacity to attend university education without government support. The majority of the student respondents under government sponsorship at UNZA and CBU said they had no such capacity and they were at the university because of the financial support they received from government. Figure 2 below shows that 99 (87.6%) students were not going to attend university education if it were not for government sponsorship and only 14 (12.4%) said they had the financial capacity to attend university education even without government support.

Many students agreed knowing a number of prospective students who failed to attend college or university education due to lack of financial support. For instance out of 145 student respondents, 118 (81.4%) agreed that they knew some of their colleagues from secondary school who had failed to attend university education due to lack of financial assistance, as shown in Figure 3 below.

Key informants were also of the view that government had a responsibility of providing financial aid to students for them to access higher education. To illustrate this, an economist stated that:

> *Student financial aid is important in public universities because we know that not everyone is able to pay the tuition fees that are charged by higher learning institutions. So I think it comes in line with especially students who come from not well to do families.*

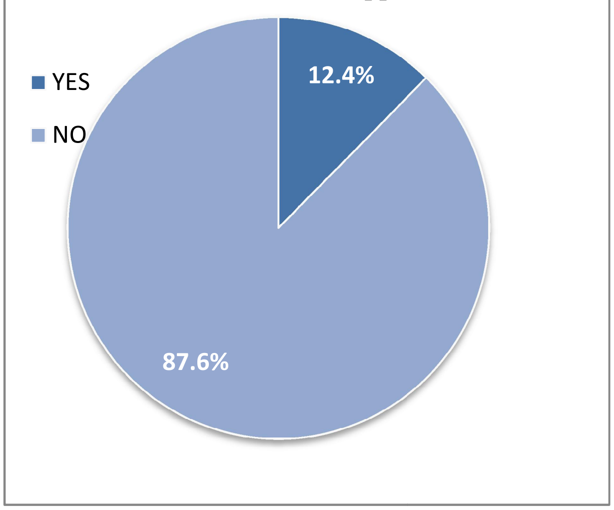


Figure 1: Students' Financial Capacity to Attend University Education without Government Support

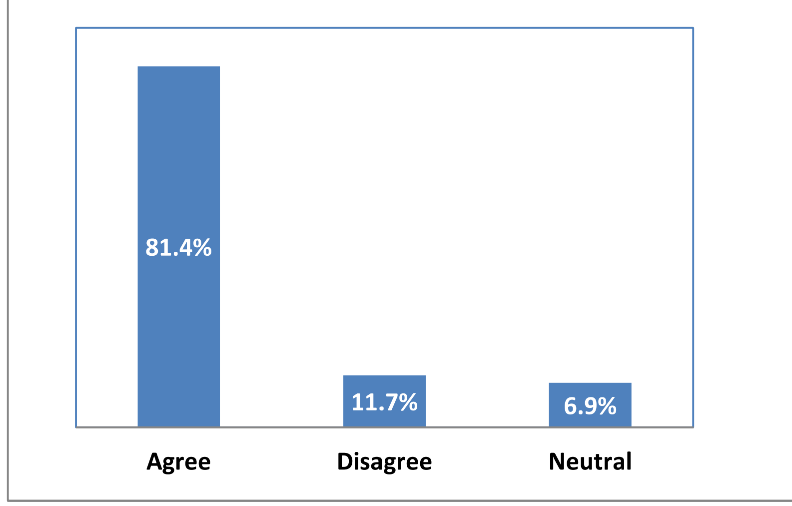


Figure 2: Knowledge of School Leavers who have Failed to Attend University Education due to Lack of Financial Support

The following section presents views on students and parents' willingness to contribute to the cost of higher education through the student loans scheme.

4.6.2 Students and Parents' willingness to contribute to the Cost of Higher Education through Student Loans

Before making any assumptions, about the respondents' willingness to contribute to the cost of higher education through loans, the study inquired from the respondents on how they perceived the government student loans scheme. From figure 4 below, it is evident that the majority of the respondents reported that government supported student loans are a very good way to finance students' higher education. This was represented by 80% of the total number of respondents in the study compared to 20% who reported otherwise.

When asked if they were willing to contribute to the cost of their education through student loans most respondents said they were willing to do so. It is evident from figure 5 below that 71.7% of the total number of student respondents agreed that as beneficiaries of higher education, they were obliged to contribute to its cost. Respondents were further asked to state whether they received financial support from their parents/guardians. It appeared from the responses given that most of the students had received financial support from their parents or guardians. 95 (65.5%) of the total number of student respondents said they had received financial support from their parents/guardians compared to 50 (34.5%) who reported otherwise as shown in Table 10 below.

Table 10: Parent/Guardian Financial Support to Students

		Students' Receipt of Financial Support from Parent/Guardian		
		Yes	**No**	**Total**
Parent/Guardian's Monthly Income	Less than K2000	23 (46.9%)	26 (53.1%)	49
	K2001-K3000	24 (85.7%)	04 (14.3%)	28
	K3001-K4000	14 (100%)	00	14
	K4001-K5000	08 (100%)	00	08
	More than K5000	16 (88.9%)	02 (11.1%)	18
	Not Stated	10 (35.7%)	18 (64.3%)	28
	Total	**95 (65.5%)**	**50 (34.5%)**	**145 (100%)**

Figure 3: Percentage Distribution of Goodness of the Student Loans by respondents

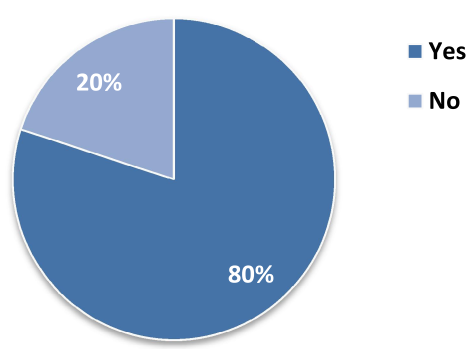
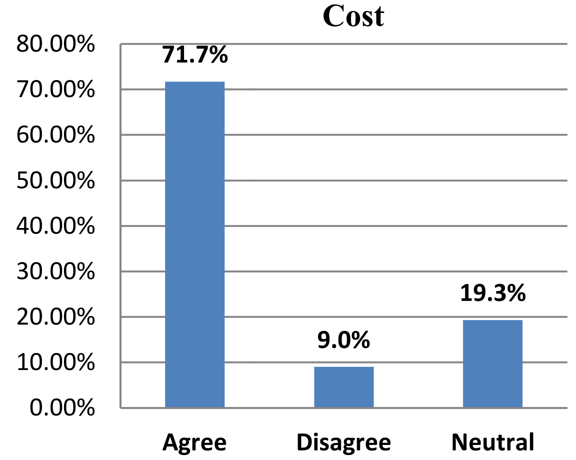


Figure 4: Benefiaries of University Education must Contribute to its Cost



The subsequent section presents results on whether or not the student loans scheme can promote equitable access to higher education in Zambia.

4.6.3 Perceptions on the Role of the Student Loans Scheme in Promoting Equitable Access to Higher Education in Zambia.

The study asked from respondents whether or not the student loans scheme can promote equitable access to higher education in Zambia. Most respondents in the study were of the view that the student loans scheme can enable many poor students access higher education. When asked if the student loans scheme can promote equitable access to higher education in Zambia, six parents reported that the student loans scheme had the potential of ensuring that many young people of poor socio-economic backgrounds had access to higher education in public universities. To illustrate, when one of the parents was asked to state whether the student loans scheme could cater for as many poor young people as possible to attend university education he responded:

> *Yes, I think it is the way to go. To my perception, a good number of intelligent children are the ones who are vulnerable. So I think it is very possible to cater for all of them.*

Another parent added:

> *I think so. It will help because we have so many students who are roaming around, indulging themselves in many dubious things such as selling drugs because they cannot access higher education, they are vulnerable and have no one to sponsor them.*

Similar views were expressed by some key informants who believed that the student loans scheme can enable many poor young Zambians to access university education. An educationist was quick to remark that:

> *It is only the student loans scheme that will ensure that there is no discrimination in so far as access to higher education is concerned. Because if there is no loan scheme a number of students will not be able to access higher education, because it is expensive and it will remain only for those that have got money.*

Students also expressed optimism that the loan scheme could enable many young people to access university education equitably. During a Focus Group Discussion, one of the students contributed regarding the loan scheme that:

> *To me yes, because if there is no student loans scheme, it will be difficult for those people coming from rural areas to afford paying for example, K16, 000 which they are paying. So I think if you have given them a loan, it can promote equitable access.*

Using the questionnaire, student respondents were further asked to show their perceptions regarding students' loans scheme and whether these loans can promote social equity in higher education. To appreciate this, the responses were analyzed using a Likert scale from 1 to 5, with 1 representing the extreme positive perception and 5 representing the extreme negative perception of all responses. The two tables below give the results of this question.

Table 11: Student Loans Scheme can lead to Greater Access by the Poor to University Education

Category	Agree	Neutral	Disagree	Total
Male	75 (84.2%)	11 (12.4%)	03 (3.4%)	**89 (100.0%)**
Female	51 (91.0%)	02 (3.6%)	03 (5.4%)	**56 (100.0%)**
Total	**126 (86.9%)**	**13 (9.0%)**	**06 (4.1%)**	**145 (100.0%)**

Table 11 above shows that the majority of the students believed the student loans scheme can lead to greater access by the poor to university education. This positive perception was represented by 126 (86.9%) of the total number of student respondents. Six (4.1%) of the student respondents were in disagreement, while thirteen (9.0%) remained neutral on the matter. Of the 126 (86.9%) student respondents with a positive perception on student loans promoting equity in public higher education, 75 (84.2%) were males and 51 (91.0%) were females.

To further substantiate the statistical significance of the differences in the gender of respondents and perceptions on the student loans in promoting equity of access in higher education, the responses of both males and female student respondents in Table 11 above were further analyzed using a One-way Analysis of Variance (ANOVA) test at the significance value of 0.05.

Table 12: ANOVA Test on the Perceptions of the Student Loans promoting Equitable Access to Higher Education in Zambia

Sex of Respondent	Number of Respondents	Mean	Standard Deviation	Standard Error Mean
Male	89	1.61	.949	.101
Female	56	1.50	.874	.117

P=0.498

From Table 12 above, the mean for males was 1.61 compared to 1.50 of females. This simply entails that with reference to the Likert scale, more females had a more positive perception that student loans can lead to greater access by the poor to university education, thereby contributing to social equity. Nonetheless, One-way ANOVA show that, there is no significant difference in the gender of respondents and perception on student loans and ultimately social equity (P=0.498, which is greater than the significance value 0.05). This simply entails that if there was any difference it was by chance.

Apart from leading to greater access by the poor to higher education, respondents were of the view that the student loans scheme was likely to be a more sustainable way of student financing. For instance 112 (77.2%) students agreed that the student loans scheme had potential to reduce the financial burden of government, parents and students in financing higher education in Zambia as shown in Table 13 below.

Table 13: Student Loans Scheme to Ease Governments, Parents and Students' Financial Burden towards Higher Education.

Response	Frequency	Percentage
Agree	112	77.2
Disagree	15	10.4
Neutral	18	12.4
Total	**145**	**100.0**

One of the parents also believed that the student loans scheme was a more sustainable way to finance higher education in Zambia. She stated that:

> *The loans will help out in such a way that it will be sustainable. The government will be able to get back the money that they gave out and it will provide a basis for extending the loans services to other people in need.*

When asked to state whether or not the student loans scheme could improve public higher education financing in Zambia, many students agreed that the student loans scheme can enable public higher learning institutions charge students profitable tuition fees as shown in Table 14.

Table 14: Student Loans Scheme can enable Public Higher Learning Institutions Charge Profitable Tuition Fees

Response	Frequency	Percentage
Agree	69	47.6
Disagree	39	26.9
Neutral	37	25.5
Total	**145**	**100.0**

The results further revealed that the majority of the participants in the study were of the view that the student loans scheme once fully implemented had the capacity to promote a sense of responsibility and hard work amongst students in public higher learning institutions as opposed to giving them free bursary grants.

To illustrate, at a Focus Group Discussion one student had this say about the student loans:

> *The student loans scheme will make students to work hard in the sense that they will have a mind that the money is going to be recovered after some time.*

One parent also had a similar view when she responded during the interview that:

> *The loans will make students become more responsible citizens because they will know that at the end of the day, they will need to give back to the government. So they will work hard. It will motivate them to work hard.*

Presented above were the views of the students, parents and other stakeholders on the student loans scheme promoting equity and access to higher education. The next sub-theme presents results regarding perceptions on the implementation of the student loans scheme in Zambia.

4.6.4 Implementation of the Student Loans Scheme in Zambia.

When all respondents were asked to give their opinion regarding the implementation of student loans scheme in Zambia, they believed that Zambia had the potential to successfully implement a viable student loans scheme. Many respondents however, expressed concern over the administration and recovery of the said loans from student beneficiaries.

On the administration of the student loans scheme, one parent expressed skepticism and lack of confidence in the Bursaries Committee to effectively administer the student loans to Zambians. When asked during an interview to state whether the Bursaries Committee had capacity in its current form to effectively administer the student loans scheme, one parent doubted:

> *Personally I have less confidence in them (Bursaries Committee) I have had incidences were children who are supposed to access the bursaries are not given. So somehow am skeptical.*

A similar concern was expressed by an educationist who wondered if the Bursaries Committee had the capacity to recover the loans. He suggested that:

The Bursaries Committee should be transformed if possible to an organ that will be able to realize that it has got a high responsibility to follow up those students and be able to take up the money back.

A senior government official was also of the view that:

Currently being a government department the public seem to lack confidence in the Bursaries Committee as they feel they don't get a fair treatment. The Bursaries Committee should have a law for it to be autonomous so that it can work on its own independently from the Ministry of Education for every Zambian to believe in it.

The other concern raised by respondents regarding the implementation of the student loans scheme bordered on how student beneficiaries were going to repay back the money when decent employment opportunities were limited in Zambia.

To illustrate, a female parent argued that:

Unless the government comes up with a good policy, that whoever graduates from university should directly be employed in government, then government will lose out and it will not be the fault of the students not to pay back.

The study further inquired from student respondents whether or not it was possible to implement a successful student loans scheme in Zambia, the majority said there was a possibility. The results revealed that the majority of the respondents 106 (73.1%) agreed that it was possible to implement a successful and viable student loans scheme in Zambia. The respondents were also requested to state whether or not they were in agreement with the phasing out of the bursaries scheme. 58 (40%) of the student respondents were not in support of phasing out and replacing the bursary scheme with the student loans as shown in Table 15 below. Students' perception towards the phasing out of the bursaries scheme was also shared by one parent who expressed dissatisfaction with the shift in policy. He stated that:

The shift from bursaries to loans means government is trying to run away from its responsibilities. I don't support the idea.

Table 15: Students' Perceptions on the Implementation of the Government Loan Scheme

Response	It is Possible to Implement a Viable Student loans Scheme	The Bursaries Scheme to be Replaced with a Student Loans Scheme
Agree	106 (73.1%)	48 (33.1%)
Neutral	23 (15.9%)	39 (26.9%)
Disagree	16 (11.0%)	58 (40%)
Total	**145 (100%)**	**145 (100%)**

4.7 Summary of Results

This chapter presented the results of the study on the perceptions and implementation of the student loans scheme in Zambia. The results have been presented in line with the four objectives set out in chapter one. The researcher used the thematic approach to present both qualitative and quantitative results. The results bordered on the general conditions for the success of the loans scheme, design of the loan scheme to promote equity and access, mechanisms for effective loan recoveries and students, parents and other stakeholders' perception of the student loans scheme and its implementation in Zambia. Chapter five will discuss the findings of the study.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.1 Introduction

The previous chapter presented the results of the study. The present chapter discusses the findings presented in chapter four by relating them to the literature reviewed in chapter two in the light of the four objectives of this study. The major findings are discussed under four (4) headings derived from the research questions. This is meant to provide adequate answers to the four objectives and realize the purpose of this study.

5.2 General Conditions for success and sustainability of a student loans scheme in Zambia

There is consensus in literature that for a student loans scheme to work and sustainably in any developing nation certain general conditions must be met (Johnstone, 2001; Woodhall, 2004; Ziderman, 2004; Mohadeb, 2006). These are discussed below.

5.2.1 Purpose of the Student Loans Scheme

One of the general conditions revealed by this study was that the success of any student loans programme is determined by its aim or purpose. This finding holds that any student loans scheme can only be said to be successful when it meets the very purpose for which it was established (Woodhall, 2004). In the case of Zambia, the purpose of establishing a student loans scheme is twofold. It is meant to promote cost-sharing and equity of access in higher education. As such, the student loans programme can only be a success in Zambia if it is able to transfer part of the cost of higher education to its beneficiaries, who are students and parents. Such a programme must also ensure that young Zambians of different socio-economic backgrounds, especially the poor access higher education without discrimination on the basis of income.

In a study of five Asian student loan schemes, Ziderman (2004) found that there were basically five objectives or aims of establishing student loan schemes. These are for the purpose of; generating income, facilitating expansion of higher education, improving equity and access for the poor, meeting specific manpower needs and easing student financial burdens. Most important of all, he found that the purpose of setting up a student loans scheme in any given nation to a greater extent influenced the design and operations of such a scheme as well as its financial sustainability (Ziderman, 2004).

It then follows from the above that the need to promote cost sharing and equity of access in Zambia's public higher education institutions should determine the design and operations of the student loans scheme. Such a purpose must also be the yardstick for evaluating the effectiveness of the student loan programme. It can therefore, be argued that the efficiency or effectiveness of the government supported student loans scheme in Zambia will be determined by the extent to which it is able to promote cost recovery and retention of the less privileged students in public universities.

5.2.2 Government to underwrite the Student Loans

Another important general condition revealed by this study was that for a student loans scheme to be sustainable, the Zambian government needed to underwrite or finance the loans. Government must finance the generally available loans to meet the cost of tuition and student welfare. The need for government to finance a publicly supported student loans scheme is premised on an understanding that many commercial financial institutions cannot risk to loan out money to students who cannot provide collateral (Johnstone, 2001). This could be justified for the majority of the not well to do students cannot afford to secure such collateral to access loans. Lending to students is thus perceived as a risk activity by many financial institutions, given the uncertain outcome of university study, lack of collateral and the absence of effective loan guarantors (Woodhall, 1992; Johnstone, 2001; Ziderman, 2005).

It is apparent from the foregoing that the student loans are inherently risky and as such their sustainability in Zambia will always depend on government funding. Government therefore will always be required to share in the risk of a student loan programme that is available for the needy students who lack creditworthiness (Johnstone, 2003). The success of a student loans scheme meant to benefit the poor will always depend on government for capitalization, subsidization of interest rates and bearing part of the risk as a guarantor in case of repayment default (Ziderman, 2005).

5.2.3 Need for legally binding Agreements

Key informants to the study were also of the view that a legally binding agreement is an important condition for the success of a student loans scheme. Every loan beneficiary must thus enter into a legally binding agreement with government as a form of security for loan repayment. Research evidence shows that having a loan scheme which provides for securities and co-signatories enhance accountability and responsibility on the part of the borrower for the recoverability of the loan (Woodhall, 2004).

Johnstone (2008) found that the risk of providing generally available loans to students without capacity to provide collateral can be lessened through the judicious use of co-signatory requisites. In this regard, when filling in the loan agreement form which acts as a legally binding agreement, the government should take up the responsibility of primary guarantor for poor students without sufficient collateral (Appendix: L). In addition, there must be a secondary guarantor for families with financial capacity to co-sign the loan and bear part of the risk. In so doing, the signatory and co-signatories can be held responsible for loan recovery.

5.2.4 Institution administering the loan scheme to collaborate with credible financial institutions.

This was another important general condition revealed by this study. It was established that the success of a student loans scheme is also dependent upon having well established banking or financial institutions to work with the institution administering the loan programme. The importance of this collaboration stems from an understanding that in Zambia like in any other developing nation, there are no non-financial institutions which administer the student loans scheme without the support of credible financial institutions in disbursing and recovering of loan collections (Ziderman, 2004).

In Zambia, the need for an institution administering the loans scheme to partner with a credible financial institution such as a commercial bank in managing the loan fund was equally stressed by the Bobby Bwalya Commission tasked to inquire into the "**Life and operations of the University of Zambia and Copperbelt University**" in 1997, (Serpell, 2012). To ensure efficiency in their operations, such financial institutions, must also come up with student tailor made services. Such services should include having accounts and counters dedicated to the payment and collection of the loans from loan applicants and past beneficiaries respectively.

5.2.5 Public Awareness Campaigns about Student Loans Scheme

The study further revealed that to successfully and sustainably implement a student loans scheme in Zambia, there must be effective public awareness campaigns about the loans. Such campaigns are important for the introduced loans to be socially and politically accepted by the affected parties. Potential, current, past beneficiaries and the general public at large, must be educated regarding what the loans scheme is. This is an important step for the beneficiaries to accept and embrace the policy shift from non repayable grants to repayable loans.

Woodhall (2004) found that to ensure that loan beneficiaries understand and accept the underlying principles and consequent obligation for borrowing and repayment of the loans, public awareness campaigns must be provided. Such awareness campaigns must also be used to help potential, current and past beneficiaries of student loans understand the eligibility criteria, grace periods, repayment obligations, and interest rates associated with such loans (World Bank, 1994). Effective awareness campaigns thus can help improve loan recoveries.

Public awareness campaigns can indeed help educate public opinion on student loans, thereby instilling a sense of responsibility in beneficiaries and those mandated to collect repayments to take up the obligation of loan repayments seriously (Mohadeb, 2006). Zambian students must therefore be helped to appreciate the very fact that failure to repay back the loans involves depriving the future younger generation of opportunities to access public higher education.

Previous research evidence shows that a student loans scheme implemented without the involvement of students and the general public is bound to fail. In Ghana for example, failure by government to mobilize public opinion on the advantages of the student loans scheme and its introduction rendered the loan programme unsuccessful. Worst still, the introduced student loans scheme helped to topple the Ghanaian government in 1971 (Woodhall, 2004; Otieno, 2004).

In view of the foregoing, the importance of public sensitization campaigns as a precondition for raising awareness about the student loans scheme cannot be under estimated in Zambia. For instance this study found that 58 (40%) of the students (Table 14) were against the phasing out of the bursary scheme and replacing it with a student loans scheme, even when this started in 2005. A similar finding was established in a study by Shen and Masaiti (2013) were more than 600 (84%) university students never supported the abolishment of the Bursaries Committee. Such findings may be attributed to the lack of comprehensive public awareness campaigns by those responsible to conscientize students and would-be beneficiaries of the shift in student financing policy in Zambia.

There is therefore need for greater political will on the part of government and those entrusted with the responsibility of implementing the student loans scheme in Zambia to engage all loan beneficiaries at the outset of its introduction to avoid resistance to change. Awareness campaigns can be done through radio, television, daily tabloids, internet and visiting potential university students in secondary schools. The next section discusses the major findings of the second objective of this study.

5.3 Design of the Student Loans Scheme to Benefit Students of Poor Socio-Economic Backgrounds in Zambia

The study revealed three important characteristics of a student loans scheme designed to benefit poor students. These were the need to have: targeted student loans through means testing, defining eligibility and selection criteria and giving adequate loans to deserving students.

5.3.1 Targeted Loans through Means Testing

This study found that to equitably benefit students of poor socio-economic backgrounds, the student loans must be properly targeted through means testing. It is only when loans are targeted at the rightful beneficiaries such as poor students that equity and access in higher education can be promoted. Means testing refers to a process of determining and ascertaining the vulnerability of a loan applicant to finance their education. It involves assessing one's level of family income, family size, parents' level of education and other proxy indicators in order to ascertain the level of financial support rightfully needed by the loan applicant (Woodhall, 2004). Targeting loans through means testing is important. It enables governments to achieve cost sharing policy objectives in higher education thereby reducing pressure exerted on the exchequer (Boit, 2013).

Numerous studies have documented that the use of means testing in loan programmes designed to benefit the less privileged is a common practice in many developing countries (Johnstone, 2001; Woodhall, 2004; Ziderman, 2004). Student loan schemes in countries such as Kenya, South Africa, Namibia and Malawi have been designed to award loans through means testing.

In South Africa for example, Ngolovoi and Marcucci (2006) found that loans are targeted through means testing by assessing a students' annual gross family income, family size and distance of their home from the admitting higher learning institution to arrive at the 'level of need' to be given to such a student.

In Kenya, Otieno (2004) reported that the idea of designing a means testing student loans scheme was arrived at as a result of the government's realization that students come from different socio-economic backgrounds. In addition the government was dictated by the fiscal limitations that did not permit it to award the maximum loan to all applicants. The Kenyan HELB as such uses information given in the loan application forms as a means testing instrument for identifying needy students. It has also developed criteria for awarding needs based loans.

In another study, Owino (2003:65) found that to ensure that needy students are given maximum support the Kenyan HELB uses a computer based programme to "award points according to the information provided by the student in the loan application form. The higher the points, the greater will be the need for more financial support."

Despite such measures being put in place, Otieno (2004) found that up to 25% of the loan recipients in Kenya lied about the education, employment and income status of their parents/guardians. Some even claimed that their parents had died even when they were alive for the loans body could not verify the information provided in the application forms.

There is therefore compelling evidence that statutory bodies entrusted with the responsibility of giving out loans to the student applicants must come up with rigorous means testing measures to ensure that loan applicants are awarded loans according to their levels of need. Having such a system serves two purposes. It enables students who are truly in greater need of support to be assisted, while promoting confidentiality and credibility of the awarding institution. However, in Zambia it appears there are no comprehensive means testing mechanisms. Like in Kenya, there is a possibility of loan applicants giving false information regarding their family income and other valuable information in the loan application, agreement and renewal forms (Appendix: K, L and M). This could even be the reason why the Bobby Bwalya Commission recommended that comprehensive means testing should be developed and used in Zambia as a basis for granting loans to students (Serpell, 2012). Another important aspect of loan programme design linked to means testing is the eligibility criteria to access the loans.

5.3.2 Eligibility to Access the Loans

This study further revealed that in Zambia the loans are limited due to the inadequacy of public resources to offer full financial support to every student admitted at a public university. Students are thus given a certain percentage of loan support on the basis of their level of vulnerability. The most vulnerable loan applicants are given 100% loan support after assessing their vulnerability support documents. Such documents include a recommendation letter from the Ministry of Community Development Mother and Child Health (MCDMCH) and other support documents (Appendix: Q). However, being in possession of vulnerability support documents is not sufficient enough to guarantee every loan applicant automatic eligibility to access the loans.

Ziderman (2004) argued that if the main purpose of a student loans scheme is to reach the poor students as for the case of Zambia, then targeting the poor will require not only setting up the definitions for eligibility in terms of family income and ceiling, but also the ability to check and test the authenticity of such information supplied by loan applicants. In the absence of such conditions, the scheme is subject to abuse with students from well off families gaining access to subsidized loans. It is therefore imperative for any loan scheme targeted on the needy students to clearly define the eligibility and selection criteria for receiving a loan. This could even be the reason why Serpell (2012:11) submitted to the Zambian Parliamentary Committee on Education, Science and Technology that designing a "…test and making its criterion public would serve to reduce the very considerable controversy that surrounds the fairness for establishing a candidate's vulnerability." The adequacy of the loans given to beneficiaries was also found to be an important component of loan programme design in this study.

5.3.3 Adequacy of Loans

Respondents revealed that loans given to student beneficiaries must be adequate enough to cater for the cost of tuition and student welfare. A student loans scheme therefore must be designed to meet the financial needs of student applicants. Many studies have documented that loans lent to students must be sufficient enough to meet the needs of the students at whom they are directed (Johnstone, 2003; Otieno, 2004; Ziderman, 2004). Whether or not an eligible student can afford loan repayment burden, they must be given adequate loans to see them successfully complete their programmes of study.

The amounts of loans given to student beneficiaries vary across nations depending on economic performance among other factors. According to the World Bank (2010), in Kenya students got a maximum loan of up to US$ 2, 032, while in South Africa loans ranged from US$ 515 to US$ 8, 397.

In most developing countries however, declining revenue bases as a result of dismal economic performance had affected the adequacy of loans given to student beneficiaries in terms of allowances. For instance in Zambia with the exception of tuition cost, allowances given to university student beneficiaries as part of the loan seem not to be adequate enough for one to: secure decent accommodation and meals outside campus, fund quality research projects and procure prescribed and recommended text books for their studies (Table 2 above).

As a result of being given inadequate loans, many students had resorted to various coping strategies to raise more income such as doing menial jobs within learning institutions to the detriment of their studies (Mweemba, 2003; Otieno, 2004). There is therefore need to ensure that students from the lower end of the socio-economic stratum are given adequate loan support. For a small loan size will make higher education beyond the means of the poor, thereby defeating the very purpose of the loan scheme in Zambia. The next section discusses mechanisms to ensure effective loan recoveries from beneficiaries.

5.4 Mechanisms to Ensure Effective Loan Recoveries in Zambia

The study explored a number of mechanisms which may be put in place to ensure effective loan recoveries from past beneficiaries in Zambia. Major ones among them included: strengthened legal framework, mode of loan repayment, credible institutions to collect loan repayments, effective tracking mechanism and government subsidization of interest rates on student loans.

5.4.1 Legal Framework

The study revealed that to ensure effective loan recovery and low default rates, there has to be a law to make loan repayment legally enforceable. This is important especially if the goal of such a loan scheme is to establish a self sustaining revolving fund. Zambia is yet to have such a law. The Bursaries Committee therefore has no legal capacity to recover the loans from UNZA and

CBU past beneficiaries. The current law is very weak to enforce loan recoveries. The legislation does not provide for any legal enforcement to recover the loans. As such since 2009 when loan repayments were supposed to commence no recoveries have been made so far (Parliamentary Assurances Committee, 2011; Mukanga, 2011; Serpell, 2012). There is therefore a compelling need to repeal and strengthen the legislative Act No. 182 of 1973 to not only allow for the administration of loans but also their recovery for the scheme to be sustainable in Zambia.

The implementation of the student loans scheme in Zambia without a law enforcing recovery of loan repayments is not in tandem with experiences obtaining in other countries within the sub-region. In South Africa for example, Jackson (2002) observed that the TEFSA Act No. 121 of 1999 legally empowers NSFAS to deduct loan repayments from the monthly salaries of graduates through the employers. In the case of Kenya, the HELB established in 1995 through an Act of Parliament is legally mandated to recover all outstanding loans from former university students as far back as 1952 (Otieno, 2004; Woodhall, 2004).

The two examples above confirm that having a strengthened legal framework for the administration and recovery of the student loans scheme in Zambia is very important. Any loan recovery mechanisms put in place without the backing of the law cannot work in Zambia. In that vein, having a strong legal framework for loan recovery in Zambia supersedes all other recovery mechanisms that may be instituted. One of such mechanisms is the mode of loan repayments discussed hereunder.

5.4.2 Mode of Loan Repayment

The study also established that there was no clearly defined mode of loan repayment in Zambia. Of the different modes of loan repayment used in other countries, this study found that the use of an income contingent loan repayment mode would be more effective for recovering the loans in

Zambia. Literature on student loan schemes further reveal that the income contingent loans seem to be common in many countries where student loans schemes are working (Ziderman, 2004; Johnstone, 2008; Boit, 2012).

The advantages of using the income contingent loans, compared to the graduate tax and conventional loans, as a loan repayment plan is that loans can be recovered in good time before their value is eroded (Johnstone, 2001; Otieno, 2004). In addition, unlike the graduate tax system where one is obligated to pay tax to government like PAYE for the rest of their working life, income contingent loans can enable past borrowers to pay off debts fast enough to allow further borrowing for other purposes. Income contingent mode of loan repayment is likely to motivate low income earners to repay the loans according to what they earn. This mode of loan repayment is also said to cushion itself against the eventualities of death, emigration and layoffs (Boit, 2012).

Countries such as Kenya, South Africa, Australia and the United Kingdom, use income contingent loans for repayments (Johnstone, 2008). One common feature of the countries in which the income contingent loan repayment mode has been successful is the presence of well established financial institutions such as banks attuned to this particular need (Ziderman, 2004). More so in these countries, employers in the private sector pay their employees' salaries through the banks. Income contingent loans however are not likely to work well in countries where the majority of the past beneficiaries are in the informal sector with a poorly developed banking system (Boit, 2012). The implication therefore is that the feasibility of income contingent loans depends heavily on the existence of reliable tax or social security systems with access to accurate information and the administrative capacity to handle loan collection in an efficient and effective manner (World Bank, 1994).

In view of the foregoing, if Zambia is to use the income contingent mode of loan repayment, there is need for the Bursaries Committee to work closely with tax collectors and banking institutions to effectively collect loan repayments.

5.4.3 Loan Collection Institutions

The study further revealed the need to engage reliable financial institutions to collect loan repayments. The key respondents to the study suggested that institutions such as ZRA, NAPSA and commercial Banks can be used to collect loan repayments on behalf of the statutory body mandated to administer the student loans in the country.

This finding is similar with what other studies found in other countries. In Kenya for example, Otieno (2004) found that the Kenya Revenue Authority (KRA) is used to collect loan repayments. In Ghana the loan repayment is linked to the National Insurance Scheme (Woodhall, 2004). These institutions have been found to be more effective in collecting loans through deductions from borrowers' monthly salaries. Most important of all such agencies have been found to be more professional, incorruptible and technically experts in loan collection (Mohadeb, 2006).

However, the decision to either collect loan repayments through an effective loan collection machinery such as commercial banks, income tax systems or national insurance mechanisms is entirely dependent upon what the legal framework governing the administration and collection of such loans stipulates. Due to lack of a legal framework in Zambia, it is not clear which institution(s) will be collecting loan repayments in Zambia. In the past, an attempt to use the 'Finance Bank Zambia' to collect loan repayments failed (Parliamentary Assurances Committee, 2011).

5.4.4 Low Interest Rates

The study further established that the extent to which government subsidized interest rates on student loans had a great bearing on loan repayments by the past beneficiaries. The majority of the key informants were of the view that the interest rates on loans to be given to poor students must be as low as possible. 94 (64.8%) student respondents on the other hand, were of the view that loans should be repaid without interest. However, the idea of having low interest rates is to attract the poor students who are usually risk aversive to apply for such loans and motivate them to repay back at affordable rates. The implication of this finding is that government should to a greater extent subsidize the interest on loans borrowed by poor students.

This finding is in agreement with other studies which found that in many developing countries, interest rates are reasonably low to attract repayments (Woodhall, 2004; World Bank, 2010). In Kenya for instance, Woodhall (2004) found that past loan beneficiaries of student loans pay 4% compound interest from loan origination. They are also given one year grace period following completion of their programmes of study.

The World Bank (2010) further reports that interest rates on student loans are determined by the economic performance of a particular country. If the economy is doing fine, then interest rates are likely to be low and the opposite is true for a dismal economy. In South Africa, past beneficiaries repay back their loans with real interest rate at 2% (Johnstone, 2003; Marcucci and Ngolovoi, 2006). Repayments start immediately one is in full time permanent employment. The repayment rates range from 3 to 8 % of income threshold. Marcucci and Ngolovoi (2006) further add that student borrowers who excel academically have their loans forgiven. In addition, in Mauritius student loans are repaid at 3% interest of the market rate (Mohadeb, 2006).

The examples above suppose that if a student loans scheme is meant to benefit the less privileged, then the interest rates must be subsidized to be reasonably low. Therefore, the more governments subsidize the loans, the more effective the loan is likely to be in assisting the poor students. Governments must however be wary of the fact that excessive subsidization of student loans may compromise the financial viability of a loan scheme (World Bank, 1994). This defeats the whole purpose of coming up with a student loan scheme, to promote cost recovery. As such for loan repayments on beneficiaries from families with means to repay must not attract subsidies.

5.4.5 Effective Tracking System

The study further revealed that to improve the rate of loan recovery and reduce on default, there must be an effective way of tracking and identifying the past loan beneficiaries for possible repayment. Respondents were of the view that the institution managing the student loans scheme needed to ensure that a well managed data base with correct records of borrowers was in place to help track the past beneficiaries.

This finding was in line with many other studies which show that having an effective tracking system for past loan beneficiaries can improve loan recovery. For instance Woodhall (1991:170) found that "…an adequate system of data collection, storage and analysis is essential if the loan recovery is to be effective." Indeed sound record keeping, storage and processing can help in tracking down past beneficiaries. In countries like Kenya for example there are inspectors employed to track borrowers (Otieno, 2004; Mohadeb, 2006). Such tracking mechanisms can equally be exploited in Zambia. In addition information on the National Registration Cards of borrowers can be a good source of correct data for tracking borrowers (Mukanga, 2013).

Research evidence further indicates that as a result of putting in place some of the mechanisms discussed above, loan recovery rates have improved tremendously in some countries. In Kenya for example, Otieno (2004) estimated that after the loans scheme was reformed in 1995 through an Act of Parliament, the recovery rate had increased from 3.3% to 18% for the loan repayments became legally enforceable. This has helped the Kenyan HELB to independently generate 50% of the loan funds disbursed to new applicants every year. Otieno (2004:84) further conceded that the increase in Kenya's loan recovery rate "…is attributed to aggressive public education, enactment of a legal instrument binding borrowers and employers to ensure repayments and streamlined record keeping among other factors."

It can therefore be deduced from the discussion above that if Zambia is to commence and improve the recovery rate of the money being loaned out to poor students and establish a revolving fund, there is need to ensure that the loan scheme is accompanied with: legal authority to collect, rigorous technology to maintain accurate records, collectors who can track borrowers and verify their financial conditions, advisors and repayment counselors in the universities and ability to enlist both the government's tax collecting authority and employers in the collection of repayments (Mohadeb, 2006). But how do students, parents and other stakeholders perceive the student loans scheme and its implementation in Zambia?

5.5 Some Perceptions on the Student Loans Scheme and Its Implementation in Zambia

5.5.1 Importance of Student Financial Aid in Public Higher Education

The study revealed that student financial aid by government is very cardinal for students from different socio- economic backgrounds to access higher education. 87.6% of the students agreed that they were not going to attend university education without government support (Figure: 2). It was also found that due to lack of financial assistance, many young Zambians failed to attend college or university education (Figure: 4). Worse still others fail to finish their programmes of study due to their inability to meet tuition costs. Many Zambians therefore, cannot access higher education without government support for it is very expensive.

The findings signify that government has a huge responsibility to provide education to all Zambians. This finding is in conformity with the human capital theory. The human capital theory is premised on an understanding that a nation can only develop through greater investment in education for human capital formation (Becker, 1964; Baptise, 2001). The need for governments to invest in the education of the citizens, could possibly justify why in many states in Sub-Saharan Africa the State provides over 80% of financial support to public higher education (Johnstone, 2001; Teferra, 2007). Indeed the Zambian government has a duty to ensure that human resource needs in areas such as health, education, engineering and others are met by providing financial support to those pursuing higher education in public institutions. Student financial aid by government however, has to be done in a more sustainable and equitable manner.

5.5.2 Willingness to contribute to the Cost of Higher Education through Student Loans

Cost sharing through partnership is one of the fundamental principles in the provision of education in Zambia (MOE, 1996). In line with the principle of partnership, this study found that parents and students were willing to contribute to the cost of higher education in Zambia. In the study 95 (65.5%) student respondents for instance, agreed to having received financial support from their parents/guardians. This was an indication that parents were contributing to the cost of the education of their children. In addition to that, 104 (71.7%) of the students agreed that as beneficiaries of university education, they were obligated to contribute to its cost (Figure 5).

This finding substantiated the argument that beneficiaries of higher education needed to contribute to its cost (Bar, 2004). It is also justifiable that students contribute to the cost of their education as they stood to benefit more from their future private rates of return (Psacharopoulos, 1980). In addition, student loans were likely to increase students' motivation by making them aware of the costs of higher education and requiring them to evaluate both costs and benefits in the light of the obligation to repay their loans (Woodhall, 2004). This may also explain why eight out of every ten students in the study agreed that it was a good idea for them to finance their education through student loans (Figure 4). Even the majority of the parents and key informants accepted that the student loans scheme was a good policy in student financing. This could be so justified in that like the IDPM (2012) observed, any effective policy in higher education financing must embrace areas such as access, equality and sustainability.

5.5.3 Role of Student Loans Scheme in Promoting Equity and Access to Higher Education

A substantial share of the sample population in this study revealed that if the student loans schemes are effectively targeted they had capacity to enable many young people of poor socio-economic backgrounds access higher education in Zambia compared to the previous non repayable bursary grants. For instance 126 (86.9%) of the student respondents were of the view that the student loans scheme had capacity to promote equitable access to university education (Table 11).

In addition, the study revealed that more female students were of the view that the student loans scheme can promote equitable access to higher education than their male counterparts. This was so in that on the likert scale, the mean responses of the male and female students were 1.50 and 1.62 respectively. This implied that the female students had a more positive perception of the student loans scheme than the male students on the student loans scheme promoting equity and access to university education in Zambia.

However, when a one way-ANOVA test was computed to substantiate the statistical significance of the difference in the gender of respondents and perceptions on the student loans scheme promoting equity and access in public higher learning institutions, the results revealed no significant difference (Table 12). This is because the calculated P-Value (0.498) was greater than the significant observed value (0.05). This meant that there was no significant difference in the gender of respondents and perceptions on the student loans scheme promoting equity and access in public higher education. Therefore both male and female students were of the view that the student loans scheme could lead to greater access by the students from poor socio-economic backgrounds to university education in a similar way. This view was equally supported by most of the key informants and parents in the study.

The positive perception of the majority of the respondents in the study that if properly targeted, student loans could promote equitable access to higher education can further be supported by looking at what is obtaining in other Sub-Saharan African countries where student loan schemes have been successfully implemented. Below are some of such examples.

The South African NSFAS is an epitome of how the student loans scheme can promote equitable access to higher education. Johnstone (2003) found that this scheme had managed to reach greater population coverage of up to 20% of the less privileged students in public universities. This scheme has helped many less privileged black South Africans to access higher education in the post-apartheid era. It is therefore, possible that the Zambian student loans scheme can promote equity of access as it removes the financial barrier to enter tertiary education at the time of enrollment (Bar, 2004).

In contrast with the student loans, research evidence reveal that highly subsidized higher education through bursary grants has remained a preserve of the elite and not the poor (Pillay, 2009). This could explain why student financing in Zambia through bursaries has constrained the expansion of and access to public university education (Serpell, 2012). This is because bursary grants are not sustainable enough to meet the ever growing youthful population to access university education. As such it is only the student loans scheme policy which, if successfully implemented and targeted, can enable many poor Zambians to access higher education against their future income (Ziderman and Albrecht, 1995).

Another interesting finding of the study was that the student loans scheme as a sustainable way of student financing, can help ease the financial burden of government, parents and students in financing higher education. 112 (77.2 %) of the students agreed that the loan scheme had the capacity to reduce the financial burden of their parents/guardians to support them (Table 13). This is especially that most of their parents/guardians possess relatively low monthly incomes (Table 13).

Apart from promoting equity of access, the study found that the student loans scheme can enable public universities to effectively implement the cost sharing policy by means of introducing economic tuition fees for which poor students are likely to pay through government supported loans. The need for universities to be allowed to charge economic fees was equally espoused by the Bobby Bwalya Commission in 1997 (Serpell, 2012). This indeed can help improve the financial status of public universities which do not receive adequate funding through grants from the state (UNZA, 2012).

This finding was in line with what Ziderman (2004) found that student loans scheme can enable higher education institutions acquire resources for expanding access to higher education. The need for the public universities to determine and charge economic fees is in conformity with the neo-liberal ideologies. Charging tuition fees automatically introduces a virtue of price which is a market mechanism. The neoliberal ideology postulates that like in any other market, higher education provision by public universities must be left to operate independently without state intervention (Kandiko, 2010). In this vein, higher education provision is a service which must be bought through government supported loans by students as customers (Harvey, 2005). This enhances autonomy and efficiency in the operations of public higher learning institutions.

5.5.4 Implementation of the Student Loans Scheme in Zambia.

The study revealed varied and interesting views regarding the implementation of a viable student loans scheme in Zambia from parents and students. Most of the respondents however, were of the view that it was possible to implement a viable student loans scheme in Zambia. For example, of the student respondents 106 (73.1%) responded in the affirmative that a viable student loans scheme was possible to implement in Zambia.

Despite there being a possibility of the current student loans scheme turning out to be a viable one, many parents wondered how the administration and collection of loan repayments were going to be done owing to the administrative challenges which rocked the Bursaries Committee in managing the bursaries scheme. The inability of the Bursaries Committee to perform according to the expectations of the general public however could be attributed to, among other things, the lack of a piece of legislation to empower the committee to work as an independent body without external interference in its operations (Chimese, 2013).

In line with the aforementioned, Ziderman (2005) found that in many African countries, loan agencies as well as top agency personnel are constrained to effectively carry out their duties by politicians who either or both do not understand the economics of loans and repayments or are afraid of alienating voters especially student bodies by supporting the interest rates, rationing and collection methods that are particularly essential to real cost sharing. This therefore justifies the call in Zambia that "an autonomous statutory body to administer the student loans scheme should be established by the government. The body established should replace the Bursaries Committee" (Serpell, 2012:4).

Some parents also wondered how the loans will be paid back by the students since there were few lucrative jobs in the formal sector in Zambia. This challenge however is not only peculiar to Zambia alone, but also other developing countries in Sub-Saharan Africa. For the default rate can only be minimized if the majority of the past loan beneficiaries had full time permanent jobs in either the formal or informal sectors. In Kenya for example, Otieno (2004) found that despite so many rigorous loan recovery measures being put in place, unemployment still remained among the major obstacles to loan recovery.

However, despite the so many challenges that may be faced, the implementation of a viable student loans scheme seem to be the only sustainable policy option in view of Zambia's current economic standing, if the expansion of public higher education provision is to be realized (MOE, 1996).

5.6 Summary

In summary this chapter has discussed the major findings of the study. The next and last chapter will draw conclusions to the study and provide recommendations on the student loans scheme and suggestions for future research.

CHAPTER SIX:

CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

The preceding chapter presented the major findings of the study. The present chapter will draw conclusions to the study, provide recommendations on the student loans scheme and its implementation in Zambia based on the findings and make suggestions for further research.

6.2 Conclusion

The purpose of this study was twofold. It aimed at investigating Zambia's capacity to design and implement an effective student loans scheme, as a viable cost sharing measure in promoting equitable access to higher education in Zambia. The study further sought to explore the students, parents, educational administrators and other stakeholders' perceptions of the student loans scheme and its implementation in Zambia.

After a careful analysis of the findings in the light of the study purpose, the researcher is of the view that while Zambia had the potential to implement a viable student loans scheme, a number of necessary preconditions had not been put in place to warrant an effective student loans scheme. Such included the following major findings:

i. Lack of a legal framework to make the repayment of student loans legally enforceable in Zambia since 2004. The introduction of a law to make loan repayments legally enforceable should have preceded the phasing out of the Bursary Scheme and consequent implementation of the current Student Loans Scheme.

ii. There were no effective public awareness campaigns to reach out to and sensitize all potential and loan beneficiaries in Zambia about the availability of these loans, how to access them and the obligation to repay back.

iii. It was also clear from the study that there is no rigorous means testing institutional infrastructure to properly target the limited loans at intended beneficiaries.

iv. There was no system in place to track past loan beneficiaries for possible repayments

v. Lack of an autonomous institution to independently administer and recover student loans in Zambia.

vi. Lack of collaboration between the Bursaries Committee and the tax administration system to recover loans

vii. Lack of a clearly defined loan repayment system.

In addition, an analysis of respondents' perceptions of the student loans scheme and its implementation in Zambia brought out the following key findings:

i. The student loans scheme was perceived to be a good policy which could promote equity and access to higher education in Zambia.

ii. Students were willing to contribute to the cost of higher education through the student loans scheme.

iii. The student loans scheme was perceived to be a sustainable way of student financing which could ease the financial burden of the Zambian government, parents and students in financing higher education.

iv. Some students lacked proper understanding of the difference between the student loans scheme and the bursary scheme.

v. Concerns were raised about how the loans were to be repaid in the absence of decent employment opportunities in Zambia.

6.3 Recommendations

In the light of the major findings above, the following recommendations are being proposed to ensure effective implementation of the student loans scheme policy in Zambia.

i. Government must immediately repeal and amend Statutory Instrument No. 182 of 1973 to make loan repayment legally enforceable in Zambia.

ii. The Bursaries Committee must come up with a rigorous computerized means testing system in order to target the loans at intended beneficiaries, especially the needy.

iii. There is need for effective public awareness campaigns to reach out to as many Zambians as possible in order to educate them about the student loans, eligibility to access them and obligations for borrowing and repayment.

iv. Need for a law to transform the Bursaries Committee into an autonomous statutory body with capacity to operate independently at the highest level of managerial efficiency without any external interference for it to reclaim public confidence.

v. The Bursaries Committee should enhance the effectiveness and transparency of eligibility and selection criteria to access the loans.

vi. There is need for an effective tracking system and a well managed data base for identification of the past loan beneficiaries within and outside Zambia.

vii. The Bursaries Committee should engage banks and tax administration institutions such as Zambia Revenue Authority (ZRA) and National Pensions Scheme Authority (NAPSA) to collect loan repayments through income tax from beneficiaries in formal employment.

viii. There is need for a law that will enable all employers in the informal sector to be paying workers' salaries through banks in order to effect loan repayments from past beneficiaries.

ix. Need for greater political will on the part of government to ensure adequate capitalization of the student loans scheme in Zambia.

x. The Bursaries Committee should adopt the income contingent mode of loan repayment owing to its flexibility on the part of the borrower.

xi. Interest rates on loans must be so reasonably low that they cover inflation with appropriate grace periods for possible repayments in order to attract needy students to apply for the loans and repay back.

Although the implementation of the student loans scheme in Zambia is still in its infancy, its viability will depend on how fast and effectively the above recommendations are put in place. Without such measures to enforce repayments, the loan scheme will remain a normative term but a bursary scheme on the ground.

6.4 Suggestions for Further Research

The field of higher education financing in Zambia is still a virgin area for research. As such this study on the Perceptions and Implementation of the student loans scheme in Zambia is by no means exhaustive. Further research may therefore be conducted on the following topics:

1. The relationship between government funding formulas and the financial status of public higher learning institutions in Zambia.
2. Extent to which lack of financial support is a factor leading to non completion of study programmes among students in Zambia's public universities.

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Appendix A: **Consent Form**

THE UNIVERSITY OF ZAMBIA

SCHOOL OF EDUCATION

DEPARTMENT OF EDUCATIONAL ADMINISTRATION AND POLICY STUDIES

Dear interviewee,

I am a post-graduate student at UNZA. I am conducting a research on the Perceptions and Implementation of the Student Loans Scheme in Zambia. It is part of my studies. The purpose of this study is to explore society's perceptions of the Student Loans Scheme and how it can be effectively implemented to promote equitable access to higher education in Zambia. You have been purposively selected to voluntarily take part in this study as one of the key informants by means of this interview. The information supplied will be considered confidential and used purely for academic purposes.

You reserve the right to accept or refuse to participate in this study. You may terminate your participation in this study at any time without having to give an explanation. Your identity as a participant will be kept confidential as far as the law allows. If you are willing to participate in the interview, indicate your name* and sign in the spaces provided below.

…………………….

Kapambwe Mwelwa

Voluntary Consent

I*…………………………………..,voluntarily consent to be interviewed by the said Kapambwe Mwelwa. I understand the purpose of the study as explained to me. I also understand that I have the right to end the interview at any time and choose not to answer particular questions that are asked during the interview. I further understand that the information I give will be used purely for academic purposes.

Interviewee's Signature: …………………………**Consent Date:** ……………………………………..

Appendix B: Interview Schedule for Senior Government Officials

Interviewee's Details

Name of institution: ……………………………………………………………………
Gender: ……………………………………………………………………………
Position held: ……………………………………………………………………..

Questions

1. What are the different forms of student financial aid in higher education in Zambia?

2. What is your understanding of the Government Student Loans Scheme?

3. What is the rationale behind establishing the National Student Loans Scheme in Zambia?

4. What are the conditions which need to be present in Zambia for the Student Loans Scheme to work successfully and sustainably?

5. What are the characteristics of a well designed student loans scheme?

6. What is the eligibility and selection criterion for the needy students to access the student loans?

7. What mechanism(s) ought to be in place to ensure effective loan recoveries from CBU and UNZA graduates in Zambia?

Thank you for your time!

Appendix C: Interview Schedule for a Senior University Administrator

Name of institution: …………………………………………………………………………
Gender: ……………………………………………………………………………………
Qualification: ……………………………………………………………………………..
Position held: ……………………………………………………………………………..

Questions

1. How important is student financial aid in public higher learning institutions in Zambia?

2. What is your understanding of the National Student Loans Scheme?

3. With the implementation of the cost-sharing policy in higher learning institutions, what do you think are the advantages of providing student financial aid in form of student loans and not grants in public universities?

4. What do you think are the conditions which need to be present in Zambia for the Student Loans Scheme to work successfully and sustainably?

5. Compared to the Bursaries Scheme, do you think the Student Loans Scheme can promote equitable access to higher education among students of diverse socio-economic backgrounds in Zambia? Please explain

6. Regarding loan repayments,

   (a) What could be the most appropriate terms of loan repayment in Zambia (Conventional loan/Mortgage repayment, Income contingent repayment or Graduate tax)? Justify your answer
   (b) To what extent should government subsidize the interest rates on student loans and why?
   (c) Which institution(s) should recover and collect loan repayments from student borrowers in Zambia? Justify your answer
   (d) What measures ought to be in place to ensure that student borrowers repay loans without defaulting?
7. How best do you think Zambia can implement the National Student Loans Scheme?

Thank you for your time!

Appendix D: Interview Schedule for Educationists

Interviewee's Details

Name of institution: …………………………………………………………………

Gender: …………………………………………………………………………………

Position held: ………………………………………………………………………..

Questions

1. What is your understanding of the National Student Loans Scheme?

2. How important is the Student Loans Scheme for students pursuing higher education in Zambia? Please explain

3. What are the conditions which need to be present in Zambia for the Student Loans Scheme to work successfully and sustainably?

4. Compared to the bursaries scheme, do you think the Student Loans Scheme can promote equitable access to higher education in Zambia? Please explain

5. Regarding loan repayments,

(a) What could be the most appropriate terms of loan repayment in Zambia (Conventional loan/Mortgage repayment, Income contingent repayment or Graduate tax)? Justify your answer

(b) To what extent should government subsidize the interest rates on student loans and why?

(a) Which institution(s) should recover and collect loan repayments from student borrowers in Zambia? Justify your answer

(b) What measures ought to be in place to ensure that student borrowers repay loans without defaulting?

Thank you for your time!

Appendix E: Interview Schedule for Economists

Interviewee's details

Name of institution: …………………………………………………………………………

Gender: ………………………………………………………………………………………

Qualification: ………………………………………………………………………………..

Position held: ………………………………………………………………………………..

Questions

1. What is your understanding of the National Student Loans Scheme?
2. With the implementation of the cost-sharing policy in higher learning institutions, what do you think are the advantages of providing student financial aid in form of student loans and not grants in public universities?
3. What do you think are the conditions which need to be present in Zambia for the Student Loans Scheme to work successfully and sustainably?
4. In relation to the prevailing economic conditions, can Zambia sustain student financial aid in form of bursaries or grants at UNZA and CBU? Justify your answer please
5. Regarding the design of the Student Loans Scheme,

(a) Who should be eligible to access the loans?

(b) What should be the selection criteria for the needy but deserving student applicants to access the loans?

(c) To promote equity in higher education, should the award of loans to student applicants be merit based or means tested or both? Please explain

(d) Which institution(s) must be involved in the administration of the Student Loans Scheme to ensure transparency and fairness in the screening, selection and award of loans to student applicants?

6. Regarding loan repayments,

(a) What could be the most appropriate terms of loan repayment in Zambia (Conventional loan/Mortgage repayment, Income contingent repayment or Graduate tax)? Justify your answer

(b) To what extent should government subsidize the interest rates on student loans and why?

(c) Which institution(s) should recover and collect loan repayments from student borrowers in Zambia? Justify your answer

(d) What measures ought to be in place to ensure that student borrowers repay loans without defaulting?

Thank you so much for your time!

Appendix F: **Consent Form**

THE UNIVERSITY OF ZAMBIA

SCHOOL OF EDUCATION

DEPARTMENT OF EDUCATIONAL ADMINISTRATION AND POLICY STUDIES

Dear interviewee,
I am a post-graduate student at UNZA. I am conducting a research on the Perceptions and Implementation of the Student Loans Scheme in Zambia. It is part of my studies. The purpose of this study is to explore society's perceptions of the Student Loans Scheme and how it can be effectively implemented to promote equitable access to higher education in Zambia. You have been purposively selected to voluntarily take part in this study one of the parents by means of this interview. The information supplied will be considered confidential and used purely for academic purposes.

You reserve the right to accept or refuse to participate in this study. You may terminate your participation in this study at any time without having to give an explanation. Your identity as a participant will be kept confidential as far as the law allows. If you are willing to participate in the interview indicate your name* and sign in the spaces provided below.

…………………….
Kapambwe Mwelwa

Voluntary Consent
I*………………………………..,voluntarily consent to be interviewed by the said Kapambwe Mwelwa. I understand the purpose of the study as explained to me. I also understand that I have the right to end the interview at any time and choose not to answer particular questions that are asked during the interview. I further understand that the information I give will be used for purely academic purposes.

Interviewee's Signature: …………………………**Consent Date:** ……………………………………..

Appendix G: Interview Schedule for Parents

Interviewee's details

Name of parent: …………………………………………………………………………….
Gender: ………………………………………………………………………………..
Residential area: …………………………………………………………………………
Level of education: …………………………………………………………………...
Occupation: …………………………………………………………………………...
Number of children in college or university: ………………………………………………

Questions

1. Why is it your desire as a parent to send your children to university or college?

2. Looking at your monthly income, do you think you can afford to sponsor your children to attend university or college education? Why have you said so?

3. At CBU and UNZA the majority of the students are on government sponsorship. Do you think every student deserves to be on bursary? Justify your answer?

4. Government recently announced intentions to scrap off the Bursary Scheme and replace it with an effective Student Loans Scheme. Do you think it is a good idea for students to get loans to access higher education? Please explain.

5. What kind of students do you think should access the student loans from government?

6. Do you think the Student Loans Scheme will help as many people as possible to access university education in Zambia? Please explain your answer.

Thank you so much for your time!

Appendix H: Focus Group Discussion Questions for Students at UNZA and CBU

Details of participants

Name of institution: …………………………………………………………………..
Number of participants: …………………………………………………………………
Date: ……………………………………………………………………………………..

Questions

1. At this university, are there cases of
   (a) Candidates who once admitted fail to report for studies due to lack of financial support?

   (b) Students who fail to complete their programmes of study due to lack of financial aid?

2. (a) Do you think student financial aid is important at this university? Give reasons for your answer?

   (b) How many of us would have come to this university without government sponsorship?

   (c) Do you think the current Bursary Scheme is a sustainable way of government's student financial aid at this university?

3. Do you think every student at this university is qualified to be on bursary support? Why have you answered so?

4. Recently government announced the need to scrap off and replace the current bursaries scheme with a National Student Loans Scheme for students at UNZA and CBU. What is your understanding of the National Student Loans Scheme?

5. Do you think the student loans scheme is a good policy for student financing in public universities

6. When compared to the Bursary Scheme, do you think the Student Loans Scheme will enable students of different social economic background to access university education in Zambia?

7. Are you willing to get a student loan from the government to finance your education?

Thank you so much for your time!

Appendix I: Questionnaire for Students at UNZA and CBU

THE UNIVERSITY OF ZAMBIA

SCHOOL OF EDUCATION

DEPARTMENT OF EDUCATIONAL ADMINISTRATION AND POLICY STUDIES

Dear Respondent,

I am a post-graduate student at UNZA. I am conducting a research on the 'Perceptions and Implementation of the Student Loans Scheme in Zambia', as part of my studies. You have been randomly selected to take part in this study voluntarily by means of a questionnaire. The questionnaire has three (3) sections, **A**, **B and C**. You are requested to respond as truthfully as possible. Indicate your responses as instructed. It should take no longer than 15 minutes of your time. The information supplied will be considered confidential and used only for academic purposes.

You reserve the right to accept or refuse to participate in this study. You may terminate your participation in this study at any time without having to give an explanation. Please do not enter your name or contact details on the questionnaire. Your identity as a participant will be kept confidential as far as the law allows. To declare your willingness to freely take part in this study, sign below.
Your participation is deeply appreciated.

Yours sincerely

…………………….
Kapambwe Mwelwa

***Respondent to Sign**

I* …………………………..do hereby declare that I have voluntarily accepted to provide responses to the questionnaire administered to me by the said Kapambwe Mwelwa. I understand the purpose of the study as explained to me. I also understand that I can withdraw from the study at any time without having to give any prior notice and that participation in this study is purely voluntary. I further understand that the information I give will be used for purely academic purposes.

A. Student Characteristics

Instructions: Please tick [√] or indicate your appropriate response (s) in the spaces (…) provided

1. What is your sex? Male [ ] Female [ ]
2. Age 15 -19 Years [ ]
   20- 24 Years [ ]
   25 -29 Years [ ]
   30 Years and above [ ]
3. Marital status Married [ ]
   Divorced [ ]
   Single [ ]
4. Nationality: Zambian [ ]
   Non Zambian [ ]
5. If Zambian, from which province do you come from? …………………………………..........
6. How would you describe the residential area where you come from?
   Rural [ ] Urban [ ]
7. At which university are you studying? ……………………………………………......
8. In which school are you admitted? ……………………………………………………
9. What is your programme of study? ……………………………………………......
10. In which year of study are you currently enrolled? ....

B. Student Financial Support

11. Sponsorship status : Government sponsored [ ] Self sponsored [ ]
    Any other specify: ……………………………………………
12. If on government sponsorship, what is your bursary sponsorship percentage?
    100% [ ]
    75% [ ]
    50% [ ]
    25% [ ]
13. Regarding your parents, which of the following apply to you?
    Both of my parents are still alive [ ]
    Both of my parents are not alive [ ]
    Only my father is alive [ ]
    Only my mother is alive [ ]
14. What is your parent/guardian's monthly income?
    Less than K 2000[ ]
    K 2001 – K 3000[ ]
    K 3001 - K 4000 [ ]
    K 4001 – K 5000[ ]
    More than K 5001 [ ]
15. Do you receive any financial support from your parents/guardians while at university?
    Yes [ ] No [ ]
16. Are you in any form of employment? Yes [ ] No [ ]

17. If in employment how much in kwacha do you earn per month? ....

18. If you are on bursary, were you going to attend university education in the absence of government sponsorship? Yes [ ] No [ ]

19. Which of the following forms of student financial aid do you know? Tick the one (s) you know
    1.Bursary Support [ ]
    2. Student Loans [ ]
    3. Academic Fellowships [ ]
    4. Scholarships awards [ ]

20. Is it a good idea for students to get loans from government to finance their education? Yes [ ] No [ ]

C. Perceptions of the Student Loans Scheme and its Implementation in Zambia

Instructions: Below are 30 statements that may or may not describe precisely your view(s) towards the Student Loans Scheme and its implementation in Zambia. Please grade each statement by means of ticking [√] one of the five (5) rankings appearing next to it. The number ticked should reflect the level of agreement with the statement. These rankings are 1= Strongly Agree (SA), 2= Agree (A), 3= Neutral (N), 4=Disagree (D), and 5= Strongly Disagree (SD).

Definition of a Student Loan: Refers to money that one can borrow from the government to pay for higher education only to be repaid after completing one's programme of study

	Statement	**SA**	**A**	**N**	**D**	**SD**
		1	**2**	**3**	**4**	**5**
21	To promote equity and access to higher education, student financial aid must be accessible to all Zambians					
22	Many secondary school leavers fail to attend university education due to lack of financial support					
23	Lack of financial support is one of the major reasons for non-completion of study programmes in universities by some students					
24	Government seems to lack sufficient funds to sponsor every student admitted to a public university through bursaries					
25	The current bursary scheme is a channel through which free university education is given to a lucky few					
26	The majority of students who access bursary support come from well to do families					
27	With the introduction of cost the sharing policy in public higher learning					

	institutions, sustainable student financial aid should be in form of student loans and not bursaries					
28	When properly targeted at disadvantaged groups, student loans can lead to greater access by the poor to university education, thereby contributing to social equity					
29	The level of family income of a student must be one of the key determinants for eligibility to access the loans					
30	When targeted at primary fields, student loans can help meet the shortage of specific manpower needs that hinder development					
31	Student loans must be accessible even to students in colleges and private universities					
32	The student loans scheme as a revolving fund, is likely to be more sustainable on government spending than the current bursary support system					
33	The student loans scheme as a cost recovery measure, is likely to improve state financing of public universities					
34	With more public universities coming up, the student loans scheme is likely to be a more sustainable policy option in student financing					
35	Student loans can make it possible for universities to introduce and charge profitable tuition fees					
36	Student loans will increase student commitment to studies					
37	Beneficiaries of university education must contribute to its cost					
38	Students who look at education as a reward to their adult future are likely to bear financial burden by means of a loan to access higher education					
39	To reduce on the risk of student borrowers failing to pay back, the government must be the sponsor all loans borrowed by students					
40	Strict laws must be put in place to enforce loan repayments					
41	Universities must be involved in the selection and screening of those to access student loans					
42	Given the high cost of university education, it is the poor children for whom loans must be made available					

43	Student loans must be repaid back with interest					
44	The students loans scheme is a desirable policy in public university financing					
45	The student loans scheme policy is likely to instill a sense of responsibility in students regarding public property					
46	The cost sharing policy at UNZA and CBU will only be meaningful once the student loans scheme is fully functional					
47	The current bursary scheme must be scrapped off and replaced with the student Loans scheme in student financing					
48	Effective implementation of the student loans scheme will enable tertiary institutions provide quality academic programmes responsive to national development					
49	Successful implementation of the government student loans scheme will ease the financial burden of government, parents and students to finance higher education					
50	It is possible to implement a successful and viable government student Loans scheme in Zambia					

Thank you so much for your time!

Appendix J : Students' Perceptions of the Student Loans Scheme Policy in Zambia

	Statement	Mean	SD	Min	Max	N
21	To promote equity and access to higher education, student financial aid must be accessible to all Zambians	1.42	.839	1	5	145
22	Many secondary school leavers fail to attend university education due to lack of financial support	1.77	1.129	1	5	145
23	Lack of financial support is one of the major reasons for non-completion of study programmes by some students in universities	2.12	1.102	1	5	145
24	Government seems to lack sufficient funds to sponsor every student admitted to a public university through bursaries	2.62	1.444	1	5	145
25	The current bursary scheme is a channel through which free university education is given to a lucky few	2.30	1.270	1	5	145
26	Majority of students who access bursary support come from well to do families	2.60	1.366	1	5	145
27	With the introduction of cost sharing policy in public higher learning institutions, sustainable student financial aid should be in form of student loans and not bursaries	2.81	1.391	1	5	145
28	When properly targeted at disadvantaged groups, student loans can lead to greater access by the poor to university education, thereby contributing to social equity	1.57	.919	1	5	145
29	The level of family income of a student must be one of the key determinants for eligibility to access the loans	2.31	1.341	1	5	145
30	When targeted at primary fields, student loans can help meet the shortage of specific manpower needs that hinder development	2.33	.958	1	5	145
31	Student loans must be accessible even to students in colleges and private universities	2.42	1.177	1	5	145
32	The student loans scheme as a revolving fund, is likely to be more sustainable on government spending than the current bursary support system	2.30	1.151	1	5	145
33	The student loans scheme as a cost recovery measure, is likely to improve state financing of public universities	2.26	1.067	1	5	145
34	With more public universities coming up, the student loans scheme is likely to be a more sustainable policy option in student financing	2.32	1.072	1	5	145
35	Student loans can make it possible for universities to introduce and charge profitable tuition fees	2.73	1.203	1	5	145
36	Student loans will increase student commitment to studies	2.08	1.161	1	5	145
37	Beneficiaries of university education must contribute to its cost	2.13	.995	1	5	145
38	Students who look at education as a reward to their adult future are likely to bear financial burden by means of a loan to access higher education	2.34	1.089	1	5	145
39	To reduce on the risk of student borrowers failing to pay back, the government must be the sponsor all loans borrowed by students	2.27	1.226	1	5	145
40	Strict laws must be put in place to enforce loan repayments	2.30	1.237	1	5	145
41	Universities must be involved in the selection and screening of those to access student loans	2.52	1.380	1	5	145
42	Given the high cost of university education, it is the poor children for whom loans must be made available	2.10	1.303	1	5	145
43	Student loans must be repaid back with interest	3.80	1.273	1	5	145
44	The students loans scheme is a desirable policy in public university financing	2.32	1.073	1	5	145
45	The student loans scheme policy is likely to instill a sense of responsibility in students regarding public property	2.07	.918	1	5	145
46	The cost sharing policy at UNZA and CBU will only be meaningful once the student loans scheme is fully functional	2.46	1.149	1	5	145
47	The current bursary scheme must be scrapped off and replaced with the student Loans scheme in student financing	3.10	1.361	1	5	145
48	Effective implementation of the student loans scheme will enable tertiary institutions provide quality academic programmes responsive to national development	2.54	1.130	1	5	145
49	Successful implementation of the government student loans scheme will ease the financial burden of government, parents and students to finance higher education	2.07	1.045	1	5	145
50	It is possible to implement a successful and viable government student Loans scheme in Zambia	2.07	1.058	1	5	145

Appendix K: Loan Application Form

Receipt number

BC/GRZ/SL/FORM 1/2010

Passport Size Photograph

REPUBLIC OF ZAMBIA

MINISTRY OF EDUCATION

BURSARIES COMMITTEE

APPLICATION FOR A STUDENT LOAN

Instructions: This application form should be completed and sent together with the acceptance letter from the University and other relevant documents to the Secretary, Bursaries Committee, P.O. Box 50093, Lusaka or submitted in person at Maxwell House Annex Building, Los Angeles Boulevard, Longacres, Lusaka. Applications may be made at any time but must reach the Secretary at least three months before the date on which the desired course of study begins.

NOTE: Photocopies of this application form will not be accepted

PART I: APPLICANT'S DETAILS (Complete in block letters)

1a. Surname:______________________________1b. First name:____

1c. Other names:____

2 Date of birth:

		/			/				

(dd/mm/ccyy)

3. Sex:

Female		Male	

Tick where applicable

4. Country of birth: __________________________5. Nationality: ___________________________________

6a. NRC number:

						/			/	

6b. Village:_____________________________________6c. Chief:______________________________________

7. Passport number:

8. Marital status:

Single		Married		Widowed		Divorced	

Tick where applicable

9a. Home Address: ____

____

9b. Town/Village:____

9c. District: ____________________________ 9d. Province:______________________

10. Full Postal Address: ____

____

11a. Phone/Fax Number:__________________ 11b. Cell Number:__________________

11c. E-mail:____

PART II: SCHOOL AND DEGREE INFORMATION

12a. Name of last school attended for Grade 12:__________________________________

12b. District:____

12c. From (date):________________________________ To (date):__________________

13. Qualification obtained: Tick where applicable

O level		GCE		A level	

14a. In which year did you complete Grade 12? __________________________________

14b. Indicate your examination number:

15. Specify your highest academic qualification

Certificate	Diploma	Degree

16a Are you employed? Tick where applicable

Yes		No.	

16b. If your answer to 16a above was yes, name your employer ______________________

16c. Address of employer:____

____

16d. Phone /Cell number of employer: ____

16e. E-mail address of employer:____

17a. Have you received an acceptance letter?

Yes		No.	

17b. If your answer to 17a above was yes, indicate the institution that has accepted you:

CBU	UNZA	OTHER (Specify)

17c. Indicate your student identity number:

18a. What degree are you seeking?____

18b. Indicate your current year of study:

Tick where applicable

1	2	3	4	5	6	7

18c. State your programme of study:____

18d. What is the duration of the programme?______________________________________

19a. Have you applied for or received any scholarship, bursary or any other form of assistance from other organizations or institutions?

Yes		No.	

19b. If your answer to 19a above was yes, give details:______________________________

____

20a. Have you ever benefited from Bursaries Committee sponsorship before?

Yes		No	

20b. If your answer to 20a above is yes, give student loan number and other details of when and how you benefited:

____

____

____

PART III: TYPE OF FINANCIAL SUPPORT REQUESTED FOR

21. Indicate the loan category you would wish to be considered for:

Tick where applicable

25 %		50 %		75 %		100 %	

NOTE: 1. **Only financially incapacitated** (vulnerable) Zambians may apply for the 100% loan and are expected to attach all relevant documents in support of vulnerability.

2. The Bursaries Committee reserves the right to determine and give the actual level of the loan sponsorship.

PART IV A: PERSONAL DETAILS OF PARENT/GUARDIAN

22a. Surname:_______________________________ 22b First name:_______________

22c. Other names:____

23. Sex: Tick where applicable

Female		Male	

24. Nationality:____

25a. NRC number:

						/			/	

25b. Village:__________________________________ 25c. Chief:__________________

25d. District:____

26a. Home Address: ____

____

26b. Town/Village:____

26c. District:____________________________ 26d. Province:____________________

27. Full Postal Address: ____

____

28a. Phone/Cell Number:___________________ 28b. Fax:__________________________

28c. E-mail:____

29. Relationship to applicant:____

PART IV B: EMPLOYMENT DETAILS OF PARENT/GUARDIAN

30a. Name of father:____

Occupation:____

Position/Rank:____

Name of Employer :____

Address of Employer:____

____

Phone/Cell number of Employer:____

30b. Name of mother:____

Occupation:____

Position/Rank:____

Name of Employer: ____

Address of Employer:____

____

Phone/Cell number of Employer:____

30c. Name of guardian:____

Occupation:____

Position/Rank:____

Name of Employer:____

Address of Employer:____

____

Phone/Cell number of Employer:____________________________________

PART V: DECLARATION BY THE APPLICANT

I ………………………………………of NRC number…………………………do understand that this is a Loan and not a Grant and that I have to pay it back at the prevailing Government interest rate on the loan paid out to me. I undertake to abide by this agreement and hereby agree that the loan shall be repaid by me in order to ensure the continuity of the Loan Scheme for the benefit of others.

To the best of my knowledge, the information I have given is the absolute truth. I also understand that any false information on this form will lead to immediate forfeiture of the loan and possible prosecution or both.

Signature of Applicant……………………………….. Date: ……………………………

Signature of Parent/Guardian ……………………… Date……………….........................

PART VI: FOR OFFICIAL USE ONLY

Approved/Not approved for one academic year/semester only

………………………………….. Date: …………………….

Secretary, Bursaries Committee

Appendix L: Student Loan Agreement Form

BC/GRZ/SL/FORM 2/2010

REPUBLIC OF ZAMBIA

MINISTRY OF EDUCATION

BURSARIES COMMITTEE

Distribution

Copy- Student

Copy-Student File

Copy- Student Finance

Programme of Study……………......................Name of Bank: ....
Current Year of Study…………………….....Name of Account: ....

University student identity No:								

SL/N:													Name of Bank Branch:													

NRC No.							/			/			Bank Account No:													

Confirmation of Bank Account details:	YES		NO	

STUDENT LOAN AGREEMENT FORM

An agreement made and entered into by and between…………………… …………………….in his/her capacity as Secretary, Bursaries Committee, for and on behalf of the Bursaries Committee (hereinafter called the Government) of the first part; and ………………………………………………. (hereinafter called the Student) of the second part; **WHEREAS** the student wishes to pursue a course of studies at…………………………………………. (Hereinafter called the Institution) for the purpose of acquiring the qualification of …………………………………… in the School of ……………………………………………………..………

AND WHEREAS the student has applied to the Bursaries Committee for a financial assistance to enable him/her to attend the Institution for that purpose:

NOW THEREFORE in consideration of the undertaking by the student herein contained, the Bursaries Committee grants to the student such financial assistance by making payment for the following

(i) A stipulated amount of tuition fees paid directly to the University

(ii) A stipulated amount of accommodation fees paid directly to the University

(iii) A fixed amount towards student support paid directly to the student through a Bank Account

NOTE: The amount towards student support is determined by the Bursaries Committee at the time of application, and is not negotiable by the student or students' union.

CONDITIONS OF THE LOAN AGREEMENT

1. (a) The Grant/Loan is only valid for one academic year/semester but **may be** renewed on application after production of satisfactory academic results;

   (b) Part of the Grant/Loan due to the student is paid to the beneficiary through a bank account as **funds become available**.

   (c) Students awarded the Bursaries Committee Grant/Loan are expected to **meet any shortfall** not covered by the Grant/Loan;

   (d) Students in receipt of the Bursaries Committee Loan, Grant or Scholarship will not qualify for any other offer at the same level of qualification.

NOTE: **The Bursaries Committee will only effect the loan if the student shows evidence that he/she has paid his/her obligatory fees to the University and has a valid bank account.**

2. In consideration of the Grant/Loan, the student undertakes:

   (a) To **attend** the institution for an academic year/semester as may be approved by the Bursaries Committee;

   (b) **Not to change** his/her course of studies without the consent of the Bursaries Committee;

   (c) To exercise **due diligence** in his/her course of studies during the whole of the period specified in paragraph (a) of this clause and to exercise his/her best endeavours to pass within that period, the final examination at the institution entitling him/her to the award of a degree in respect of the profession for which the course of studies was undertaken (hereinafter called the qualifying examination);

   (d) Upon completion of his/her course of studies at the institution, he/she shall be required to complete a **trace document** from Bursaries Committee before a transcript of results/certificate can be issued by the institution;

3. The **Loan** repayment procedures shall be as follows

(a) With a one year grace period after completing studies, the loanee shall commence the repayment of the loan at a minimum rate of 15% interest. However, the loanee is free to repay the loan earlier than the stipulated period;

(b) The loan shall be repaid at the rate of 25% of the loanee's basic salary;
(c) In the event that the loanee is not in formal employment, the recovery period shall be ten years;
(d) The loanee shall make the repayment of the loan:
  (i) In person to the managing financial institution,

  (ii) Through selected banks on the advice of the managing financial institution, or

  (iii) Through employers to the managing financial institution.

4. The obligations of the Loanee's Parents/Guardian and Guarantor are to ensure that:

(a) The Bursaries Committee is informed of the Loanee's current address and occupation,
(b) All repayments of the loan are accompanied with the name and the Student Loan Number, and
(c) The Loanee repays his/her loan.

5. The Bursaries Committee shall cancel, alter and/or recover the whole or part of the Grant/Loan:

(a) When a student is **referred to part time**;
(b) When a student **fails some course and is required to repeat** the whole academic year/semester
(c) When a student **fails to complete the programme of study** within the stipulated period. **Note** that **no extensions** are permitted without the express permission of the Bursaries Committee.

(d) When a student is **excluded or redirected from a programme** or school and is later on **readmitted** on application into the same or different programme in the same year or semester of study.

(e) When a student **withdraws from or changes the programme** of study without a valid reason to the Bursaries Committee. Any withdrawal on medical grounds shall be **certified** by a Government medical doctor;

(f) When a student **withdraws** from studies and later is **readmitted** and is required to **repeat except** on medical grounds;

(g) When a student is **involved in unsatisfactory** conduct such as prolonged and unjustified absenteeism from tuition, class boycott, inciting students, unlawful demonstration, riotous behaviour or criminal activities;

(h) In the event of the student being **suspended** or **expelled** by the University, notwithstanding any court proceedings this may be commenced subsequently by reason of the suspension or expulsion;

(i) When a student **finds alternative sponsors** during the course of the academic year/semester;

(j) For any reason which the Bursaries Committee, **in its absolute discretion**, may consider good and sufficient;

6. The Bursaries Committee may **defer the repayment** of any amount due from the Student/Loanee in terms of this agreement for such a period or periods as it may deem necessary and the granting of further time for repayment or of any other relief or indulgence by the Bursaries Committee, shall not be construed as a waiver of its rights to enforce the provision of this agreement.

7. The Bursaries Committee Student loan/Grant awarded to the student shall not be extended to the spouse, children or any other dependant..

8. Nothing contained in this agreement shall be **construed as imposing any liability** on the Bursaries Committee to settle any debts incurred by the student for any particular period or any particular capacity.

9. All the amounts paid to or on behalf of the student in terms of this agreement or such

proportion thereof as the Bursaries Committee may direct shall become immediately **repayable on demand** by the student who is deemed to have accepted the calculation of the monies recoverable as genuine pre-estimates or the damages to which the Bursaries Committee is entitled in the event of the breach of the agreement leading to the right of the Bursaries Committee so as to demand recovery, repayment, cancellation or alteration of the Grant/Loan or any part thereof.

10. The parties are hereby deemed to have **mutually agreed** upon the said payments as genuine pre-estimates of the Grant/Loan sustainable by the Bursaries Committee in the events referred to and to have been stipulated for their payments of the Grant/Loan.

11. **GENERAL INFORMATION**

(a) Note that the Grant/Loan does not cover all your educational requirements and you will be expected to **supplement** from your own resources.

(b) Should you **find alternative sponsors** during the course of the academic year/semester please inform the Bursaries Committee immediately, failure to which **legal action** shall be taken against you to recover the monies disbursed to yourself.

(c) All correspondence concerning the financial and other administrative arrangements in connection with the Grant/Loan should be addressed to the Secretary, Bursaries Committee, P. O. Box 50093, Lusaka through the Registrar of your respective university.

IN WITNESS WHEREOF the parties have set their hands on the dates shown:

……………………………..............................

Secretary, Bursaries Committee

For the Government of the Republic of Zambia

A…………………………………………………………………in ………………………………………..............

this……………………….day of ………………………………………20……………………...............

Name of student.......………………………………………………… Signature …………………..............

At …………………………… in ……… this ……….. day of ……… …………. 20………......................

Name of Parent/Guardian/Guarantor…………………… ....Sex: ……………….................

Nationality……………..……………………NRC NO: …………..……………….............................

Relationship: …………………………………………………………………………….......................

Residential Address: ……………………………………………………………......................................

Town: ……………………………District: ………………………………………......................................

Province: ………………………………………………………………………………….........................

Postal Address: ……………………………………………………………………….............................

Telephone/Fax No: …………………………………………………………………..............................

Signature of Guarantor: ………………………………… Date: ……………………………………..

12. **DECLARATION:**

I………………………………………………………………………………….........understand that this is a

A). Grant and that I must abide by the agreement governing the receipt of the educational financial support.

B). Loan and not a Grant and that I have to pay back at the prevailing government rate of interest on the loan paid out to me and I undertake to abide by this agreement and hereby agree that the loan shall be paid by me in order to ensure the continuity of the loan scheme for the benefit of others.

To the best of my knowledge, the information I have given is the absolute truth. I also understand that any false information on this form will lead to immediate forfeiture of the Grant/Loan and possible prosecution.

Signature of Student: ………………………………………….. Date: ………………………

Appendix M: Loan or Grant Renewal Agreement Form

Receipt number

BC/GRZ/SL/FORM 3/2010

Passport Size Photograph

REPUBLIC OF ZAMBIA

Distribution

MINISTRY OF EDUCATION

BURSARIES COMMITTEE

Copy- Student

Copy-Student File

Copy- Student Finance

Programme of Study……………………………………………........

Current Year of Study……………………………………..............

University student identity No

SL/No……………………………… ………………….............

NRC/No……………………………………………………..........

Name of Bank:..

Name of Account:..

Name of Bank Branch:..

Bank Account No:...

STUDENT LOAN OR GRANT RENEWAL AGREEMENT FORM

This renewal of financial support from the Bursaries Committee is in the form of Grant/Loan *(Delete inapplicable)* at ………………per cent. This financial support was first awarded to me in the year…………………………………...

An agreement made and entered into by and between…………………… ……………………in his capacity as Secretary, Bursaries Committee, for and on behalf of the Bursaries Committee (hereinafter called the Government) of the first part; and ……………………………………………. (hereinafter called the Student) of the second part; **WHEREAS** the student wishes to pursue a course of studies at ……………………………………….........................

(Hereinafter called the Institution) for the purpose of acquiring the qualification of ……………………………………… in the School of …………………………………………………...…………

AND WHEREAS the student has applied to the Bursaries Committee for a financial assistance to enable him/her to attend the Institution for that purpose:

NOW THEREFORE in consideration of the undertaking by the student herein contained, the Bursaries Committee grants to the student such financial assistance by making payment for the following:

(i) A stipulated amount of tuition fees paid directly to the University

(ii) A stipulated amount of accommodation fees paid directly to the University

(iii) A fixed amount towards student support paid directly to the student through a Bank Account

NOTE: The amount towards student support is determined by the Bursaries Committee at the time of application, and is not negotiable by the student or student s' union.

CONDITIONS OF THE LOAN AGREEMENT

1. (a) The Grant/Loan is only valid for one academic year/semester but **may be** renewed on application after production of satisfactory academic results;

(e) Part of the Grant/Loan due to the student is paid to the beneficiary through a bank account as **funds become available**.

(f) Students awarded the Bursaries Committee Grant/Loan are expected to **meet any shortfall** not covered by the Grant/Loan;

(g) Students in receipt of the Bursaries Committee Loan, Grant or Scholarship will not qualify for any other offer at the same level of qualification.

NOTE: **The Bursaries Committee will only effect the loan if the student shows evidence that he/she has paid his/her obligatory fees to the University and has a valid bank account.**

2. In consideration of the Grant/Loan the student undertakes;

(e) To **attend** the institution for an academic year/semester as may be approved by the Bursaries Committee;

(f) **Not to change** his/her course of studies without the consent of the Bursaries Committee;

(g) To exercise **due diligence** in his/her course of studies during the whole of the period specified in paragraph (a) of this clause and to exercise his/her best endeavours to pass within that period, the final examination at the institution entitling him/her to the award of a degree in respect of the profession for which the course of studies was undertaken (hereinafter called the qualifying examination);

(h) Upon completion of his/her course of studies at the institution, he/she shall be required to complete a **trace document** from Bursaries Committee before a transcript of results/certificate can be issued by the institution;

3. The **Loan** repayment procedures shall be as follows:

(e) With a one year grace period after completing studies, the loanee shall commence the repayment of the loan at a minimum rate of 15% interest. However, the loanee is free to repay the loan earlier than the stipulated period;

(f) The loan shall be repaid at the rate of 25% of the loanee's basic salary;

(g) In the event that the loanee is not in formal employment, the recovery period shall be ten years;

(h) The loanee shall make the repayment of the loan:

(i) In person to the managing financial institution,

(ii) Through selected banks on the advice of the managing financial institution, or

(iii) Through employers to the managing financial institution.

4. The obligations of the Loanee's Parents/Guardian and Guarantor are to ensure that:

(d) The Bursaries Committee is informed of the Loanee's current address and occupation,
(e) All repayments of the loan are accompanied with the name and the Student Loan Number, and
(f) The Loanee repays his/her loan.

5. The Bursaries Committee shall cancel, alter and/or recover the whole or part of the Grant/Loan:

(a) When a student is **referred to part time**;

(b) When a student **fails some course and is required to repeat** the whole academic year/semester;

(c) When a student **fails to complete the programme of study** within the stipulated period.

Note that **no extensions** are permitted without the express permission of the Bursaries Committee.

(d) When a student is **excluded or redirected from a programme** or school and is later on **readmitted** on application into the same or different programme in the same year or semester of study.

(e) When a student **withdraws from or changes the programme** of study without a valid reason to the Bursaries Committee. Any withdrawal on medical grounds shall be **certified** by a Government medical doctor;

(f) When a student **withdraws** from studies and later is **readmitted** and is required to **repeat except** on medical grounds;

(g) When a student is **involved in unsatisfactory** conduct such as prolonged and unjustified absenteeism from tuition, class boycott, inciting students, unlawful demonstration, riotous behaviour or criminal activities;

(h) In the event of the student being **suspended** or **expelled** by the University, notwithstanding any court proceedings this may be commenced subsequently by reason of the suspension or expulsion;

(i) When a student **finds alternative sponsors** during the course of the academic year/semester;

(j) For any reason which the Bursaries Committee, **in its absolute discretion**, may consider good and sufficient;

The Bursaries Committee may **defer the repayment** of any amount due from the Student/Loanee in terms of this agreement for such a period or periods as it may deem necessary and the granting of further time for repayment or of any other relief or indulgence by the Bursaries Committee, shall not be construed as a waiver of its rights to enforce the provision of this agreement.

7. The Bursaries Committee Student loan/Grant awarded to the student shall not be extended to the spouse, children or any other dependant..

8. Nothing contained in this agreement shall be **construed as imposing any liability** on the Bursaries Committee to settle any debts incurred by the student for any particular period or any particular capacity.

9. All the amounts paid to or on behalf of the student in terms of this agreement or such

proportion thereof as the Bursaries Committee may direct shall become immediately **repayable on demand** by the student who is deemed to have accepted the calculation of the monies recoverable as genuine pre-estimates or the damages to which the Bursaries Committee is entitled in the event of the breach of the agreement leading to the right of the Bursaries Committee so as to demand recovery, repayment, cancellation or alteration of the Grant/Loan or any part thereof.

10. The parties are hereby deemed to have **mutually agreed** upon the said payments as genuine pre-estimates of the Grant/Loan sustainable by the Bursaries Committee in the events referred to and to have been stipulated for their payments of the Grant/Loan.

11. **GENERAL INFORMATION**

(a) Note that the Grant/Loan does not cover all your educational requirements and you will be expected to **supplement** from your own resources.

(b) Should you **find alternative sponsors** during the course of the academic year/semester please inform the Bursaries Committee immediately, failure to which **legal action** shall be taken against you to recover the monies disbursed to yourself.

(c) All correspondence concerning the financial and other administrative arrangements in connection with the Grant/Loan should be addressed to the Secretary, Bursaries Committee, P. O. Box 50093, Lusaka through the Registrar of your respective university.

IN WITNESS WHEREOF the parties have set their hands on the dates shown:

…………………………………………………………….......................

Secretary, Bursaries Committee

For the Government of the Republic of Zambia

At …………………. ……………………………………………in …………………………………….........

this ………………………. day of ……………………………………….20………………………….........

Name of student.......……………………………………………… Signature ………………………......

At …………………………… in ……………….. this ……….. day of ……… …………. 20……….....

Name of Parent/Guardian/Guarantor…………………… ....Sex: ………………………...

Nationality…………….……………………… NRC NO: ………….……………………..........................

Relationship: ……………………………………………………………………………......................

Residential Address: …………………………………………………………………......................

Town: ……………………………………District: ………………………………................................

Province: ………………………………………………………………………………........................

Postal Address: ………………………………………………………………………..........................

Telephone/Fax No: ……………………………………………………………………........................

12. DECLARATION:

I…………………………………………………………………………........understand that this is a

A). Grant and that I must abide by the agreement governing the receipt of the educational financial support.

B). Loan and not a Grant and that I have to pay back at the prevailing government rate of interest on the loan paid out to me and I undertake to abide by this agreement and hereby agree that the loan shall be paid by me in order to ensure the continuity of the loan scheme for the benefit of others.

To the best of my knowledge, the information I have given is the absolute truth. I also understand that any false information on this form will lead to immediate forfeiture of the Grant/Loan and possible prosecution.

Signature of Student: ………………………………………….. Date: …………………………..

Appendix N: Data Collection Permission Letter from the Ministry of Education

All communications should be addressed to:
the Permanent Secretary, Ministry of Education,
Science, Vocational Training and Early Education
not to any individual by name.

Telephone: +260 211 250855/251315/251283
251298/251318/251291
251306/251319

In reply please quote:

No.:..........................

REPUBLIC OF ZAMBIA

MINISTRY OF EDUCATION, SCIENCE, VOCATIONAL TRAINING AND EARLY EDUCATION

MOE/101/38/15

P.O. BOX 50093
LUSAKA

7th February, 2014

Mr. Kapambwe Mwelwa
C/O Department of Educational Administration & Policy Studies
School of Education
University of Zambia
P.O. Box 32379
LUSAKA

Dear Mr. Mwelwa

REQUEST TO COLLECT RESEARCH DATA FROM OFFICERS AT THE DIRECTORATE OF PLANNING AND INFORMATION AND BURSARIES COMMITTEE: YOURSELF

I refer to your letter dated January, 2014 on the subject above.

I wish to inform you that permission has been granted; you may therefore proceed with your data collection. The Director – Planning and Information will provide you with the necessary assistance.

It is also my hope that once the research has been concluded, the Ministry will be availed with research paper and/ or findings.

Yours Sincerely

Chishimba Nkosha
Permanent Secretary
MINISTRY OF EDUCATION, SCIENCE, VOCATIONAL TRAINING EARLY EDUCATION

Appendix O: Data Collection Permission Letter from UNZA

THE UNIVERSITY OF ZAMBIA

Telephone: 291777
Telegrams: UNZA LUSAKA
Telex: UNZALU ZA 44370
Fax: + 260-1-253952

OFFICE OF THE REGISTRAR

PO BOX 32379
Lusaka Zambia

Your Ref:

Our Ref:

27th January, 2014

Mr. Kapambwe Mwelwa
C/o Department of EAPS
School of Education
University of Zambia
P O Box 32379
LUSAKA

Dear Mr. Mwelwa,

RE: REQUEST FOR PERMISSION TO COLLECT RESEARCH DATA FROM SENIOR MEMBERS OF STAFF AND STUDENTS AT UNZA

Reference is made to your letter dated 22nd January, 2014 on the matter captioned above.

This serves to inform you that your request to collect research data from University senior members of staff and students has been granted. This is to enable you complete your research for your Masters studies entitled **'Perceptions and Implementation of the Student Loans Scheme as a Viable Cost-Sharing Measure in Promoting Equitable Access to Higher Education in Zambia'** which you are currently undertaking here at UNZA.

Mubanga G. Mulenga (Ms)
ACTING REGISTRAR

c.c. Acting Vice-Chancellor
Deputy Vice-Chancellor
Director, DRGS
Assistant Dean (PG), School of Education
Acting Deputy Registrar (Administration)

Appendix P: Data Collection Permission Letter from CBU

THE COPPERBELT UNIVERSITY
OFFICE OF THE REGISTRAR
P O BOX 21692, Jambo Drive, Riverside
KITWE - ZAMBIA

Your Reference: **Tel: 260-02-223012/227307/222932**
Fax:260-2-222469/228319
Our Reference: **E-mail:** registrar@cbu.ac.zm
Website: www.cbu.edu.zm

17th January 2014

TO WHOM IT MAY CONCERN

Dear Sir

RE: INTRODUCTORY LETTER – MR. KAPAMBWE MWELWA

The above mentioned is a bona fide student of the University of Zambia in the School of Education.

Mr. Mwelwa has been granted permission to collect Research Data to Senior members of staff as well as Copperbelt University students.

Kindly assist him in any way possible.

Yours faithfully

Kufanga Mate
ASSISTANT REGISTRAR (ADMINISTRATION)

Copy: Registrar
Deputy Registrar (Establishment)

Appendix Q: Copy of Recommendation Letter from MCDMCH

Telephone: 04-370308

In Reply Please Quote No.....................

REPUBLIC OF ZAMBIA

MINISTRY OF COMMUNITY DEVELOPMENT AND SOCIAL SERVICES

DEPARTMENT OF SOCIAL WELFARE
P.O Box 450062
MPIKA

27th February 2007.

The Secretary
Bursaries Committee
P.O. Box 50093
Lusaka

Dear Sir.

RE: <u>KAPAMBWE MWELWA COMPUTER NUMBER 27020070</u>

The above named client is a double orphan who lost both parents. His mother passed in 1989 and his father in 2001, regrettably. Since then, the client was being assisted by my department throughout his secondary education till the time he is admitted to the University of Zambia.

I strongly recommend him for 100% sponsorship in terms of Government loan to enable him to pursue his programme satisfactorily. Given an opportunity, the nation will benefit from his contribution because he is a very hard working boy whom I have no regret of whatsoever.

I herewith attach the Photostat copy of the death certificate of his late father as evidence of his vulnerability, while his mother passed away in the village with no death record.

I will be very grateful if my letter meets your favourable consideration. Thanking you in advance.

Yours faithfully,

C. MWANZA
District Social Welfare Officer

DEPARTMENT OF SOCIAL WELFARE
28 -02- 2007
SOCIAL WELFARE OFFICER
P.O. BOX 450062
MPIKA