



MINISTRY OF EDUCATION & SPORTS  
**SLS Information Paper**  
**(1/13)**

Students' Loan Scheme

Volume 1, Issue 1

Date: July, 2013

# Students' Loan Scheme (SLS) Fact Booklet

## Overview

The NRM government under the leadership of the President of Uganda seeks to ensure equal opportunities for all Ugandans to attain higher education through the introduction of a students' loan scheme for higher education. The Government of Uganda through the Ministry of Education and Sports seeks to introduce the students' loan scheme.

Higher education in Uganda was originally free covering tuition and living allowance but the growth of student numbers has meant that the government of Uganda can no longer afford to pay tuition and personal needs for all the students that qualify to join tertiary/ higher institutions. It has overtime offered bursaries to highly qualifying students at higher institutions but with the growth in student numbers due to UPE and USE support from the Government, many qualifying students have missed the chance to join universities and other tertiary institutions on government assistance.

The funding of public universities and other higher learning institutions largely depends on Government subvention which in most cases is inadequate. Thus, the financing and affordability of higher education is currently a top agenda of the Government. With the increase in population and number of students completing advanced secondary education, it has become a burden for the government to provide free quality education, and hence the intended introduction of loans to students. It is apparent that the cost cannot be borne by many parents as evidenced by many students who drop out of the universities because of lack of fees. To a large extent, brilliant students from poor families are not able to access higher education and therefore the NRM government is committed to fulfilling its manifesto by ensuring that there is equitable access to higher education.

## Introduction

The Uganda Students' Higher Education Financing Scheme (Students Loan Scheme) is a fund intended to provide financing to Ugandan students who have qualified for higher education in recognized institutions of higher learning but are unable to support themselves financially.

The 1995 Constitution provides for protection and promotion of fundamental human rights and freedoms particularly under Chapter 4. Article 30 provides that all persons have a right to education and this is expounded in the preamble to the Constitution which provides for the National Objectives and Directive Principles of State Policy that directs the State to take appropriate measures to afford every Ugandan citizen equal opportunities to attain the highest educational standard possible. The essence of the higher education financing scheme is to support the sector policy objective of increasing access to quality education in view of the large number of brilliant but needy students who are not among the 4,000 students sponsored by government and cannot raise fees for self sponsorship. In this regard, Ministry of Education & Sports formed a Taskforce to put into place mechanisms that are going to kick start the activities for implementation of the student loan scheme.

## Eligibility Criteria

The scheme is for Ugandan students seeking to pursue higher education in an accredited institution of higher learning recognized by the National Council for Higher Education and also pursuing an accredited programme. The applicant MUST have been admitted to an accredited Higher Educational Institution. The applicant will be required to make a written application to the Students Loan Scheme by filling in a required form and submit it within a specified timeframe.

## KEY HIGHLIGHTS

1. The Loan & Scholarship Scheme is meant for Ugandan scholars ONLY.
2. The Loans shall be disbursed to the Universities
3. The Loan shall cover Tuition and Functional fees ONLY.
4. The Loan will attract an Interest determined by the Board and approved by the Minister.
5. The Loan will initially benefit **1,000** Students (brilliant but needy students) to pursue Science related programs in both Public and Private Universities (Chartered universities)
6. Different stakeholders have been consulted on this matter and these include among others (All Public Universities, All Private Chartered Universities, Solicitor General's Office, Local Government Administration, Ministry of Finance, Planning and Economic Development, Parliament and International bodies that have implemented the Students' Loan Scheme.



# SLS Information Paper (1/13)

## Objective of Students Loan Scheme (SLS)

The introduction of the Students' Loan Scheme will serve the following objectives;

1. To increase equitable access to technical and higher education in Uganda;
2. To support highly qualified Ugandan students who may not afford higher education;
3. To ensure regional balance in higher education services in Uganda;
4. To develop and support courses critical to national development and to ensure quality education in public institutions through quality assurance and supervision.
5. To ensure sustainable revolving loans fund.

## Vision & Mission of SLS

*"Give me where to stand,  
I will move the  
mountains" Archimedes*

### Vision

Access to higher education for all Ugandans

### Mission

To provide student loans to eligible citizens of Uganda to enable them access higher education at affordable rates and increase equitable access to higher education in the country.



The electric car recently made by Makerere University that reflects the innovations at higher institutions of learning

## Core Values

In pursuing these objectives, the taskforce will abide by the following core values:

- The taskforce will exercise fairness, transparency and high level of integrity in serving its stakeholders.
- The taskforce will strive to be courteous, exercise utmost competence by ensuring timely outputs.
- The taskforce will exercise team work spirit and encourage open communication in carrying out its work.



Quality Education and Sports for All.

Mbarara University of Science and Technology [MUST] on its graduation ceremony





## Students' Loan Amount

Initially the loan amount is put at a capping of a weighted average Unit cost of Ugx. 4 Million to cater for the pedagogical component while the non pedagogical component such as accommodation, meals, transport costs etc will be cost shared by the students.

## Loan Disbursement

The Board in respect of each student, shall disburse the tuition fees, functional fees, and research fees directly to the University or other tertiary institution, in the manner determined by the Board. This is to ensure that funds are not delivered to any other use rather than the intended use.

## Loan beneficiaries

The Students Loan Scheme will initially offer loans to students pursuing their first degrees in local public and private chartered universities pursuing shown in Table 1 overleaf. Over the following years the loans shall be extended in the ratio of 3:2 Humanities to Science programmes. The programs to be awarded loans will be decided upon by the Board with the approval of the Minister.

## Loan Coverage

In the interim, there will be cost sharing between the government and the students whereby the Student loan Scheme shall cover **tuition fees and functional fees only** and will consider payments for accommodation charges; meals; books and stationery in future depending on the availability of funds. This is because of the limited capitalization of the loan scheme and therefore students will not be awarded adequate loans to cover all the pedagogical and non pedagogical expenses. Besides, cost sharing will lead to a reasonable number of students to access loans. Provision of tuition and functional fees will enable the beneficiaries to meet the critical pedagogical expenses critical to facilitate completion of academic programmes.

## Application for the Loan or Scholarship

- (1) An eligible student may apply to the Board for the loan or scholarship.
- (2) Every application shall be accompanied with
  - (a) a copy of an admission letter from the institution of higher education.
  - (b) A copy of a document identifying the applicant:
  - (c) Copies of academic results slips, certificates or transcripts.
  - (d) Three recent passport photographs.
  - (e) Prescribed fees.

In the interim, students will apply for the Loan after being admitted at the University.

## Student Loan Identification

The Board shall allocate a student loan identification numbers to each approved applicant, who has entered into an undertaking with the Board.

The Board shall issue a student loan card to each approved applicant containing:-

- a) the name
- b) a photograph
- c) The student loan identification number

## Pre- Loan Award Sensitization

All the beneficiaries of the loan will be sensitized on the financial implication of taking a loan and their obligation as loan beneficiaries (loanees).

## Conclusion

The Ministry of Education and Sports under its mandate plans to implement a Students Loan scheme for students in higher institutions of learning beginning Financial Year 2013/14. The objective of the loan scheme is to increase equitable access to higher education in Uganda and also support qualified students who may not afford higher education. Therefore the loans shall be made accessible to the poor and these will be identified using the means test.

The proposed Students Loan Scheme (SLS) has been well tarred and developed to address the problem of inequitable access to higher education given the large number of dropouts due to inability to meet the costs of funding education by many of the Ugandan citizens.

A number of policies and other instruments have been developed to guide all the stake holders and the taskforce to help in the effective management of the scheme and the eventual attainment of its objectives while in its implementation.

**Table 1: Approved Courses to be granted Students' Loans FY 2013/14**

S/No.	Programmes/ Courses	S/No.	Programmes/ Courses
1	B. Medicine & Surgery (MBChB)	16	B.Sc. Agriculture Mechanization
2	B. Pharmacy	17	B.Sc. Water Resource Eng.
3	B. Nursing	18	B.Sc. Agro Processing Eng.
4	B. Dentistry	19	B.Sc. Animal Production and Management
5	B. Medical Lab. Sciences	20	B.Sc. Mining
6	B. Medical Lab. Completion	21	B. Agriculture & Entrepreneurship
7	B. Clinical Medicine & Comm. Health	22	B. Voc. Studies in Agric. with Educ.
8	B. Community Health	23	B.Sc. Electrical Engineering
9	B.Sc. Medical Radiography	24	B.Sc. Civil Engineering
10	B. Veterinary Medicine	25	B.Sc. Mechanical Engineering
11	B. Nursing Completion	26	B.Sc. Petroleum Engineering
12	B. Pharmaceutical Sciences		
13	B. Physiotherapy		
14	B.Sc. Education		
15	B. Agriculture		

### **Official Address:**

Students' Loan Taskforce,  
Department of Higher Education,  
Ministry of Education and Sports  
Plot 14-16 Parliamentary Avenue  
Jubilee Insurance Centre/IPS  
P. O. BOX 7063, KAMPALA-UGANDA.  
TEL: +256(0)414-255-300