



DEPARTMENT OF HIGHER EDUCATION, RESEARCH, SCIENCE AND TECHNOLOGY

Press Release

HIGHER EDUCATION LOANS PROGRAM (HELP)

On Tuesday 21st January 2020 at the University of Papua New Guinea the Prime Minister, Hon James Marape MP, addressed Higher Education leadership from across Papua New Guinea including, University Vice Chancellors, Higher Education Institution College Principals, Academic Registrars and representatives from DHERST.

The Prime Minister re-stated and re-affirmed his Government's commitment to ensuring HELP loan funding availability for the Academic Year 2020.

The Prime Minister's commitment follows NEC Decision NG179/2019 to establish a Higher Education Loan Program (PNG-HELP) aimed at increasing the number of young men and women entering and graduating from our higher and technical education institutions with a quality education.

Following the Prime Minister's Address earlier this week, DHERST wishes to advise students, parents, guardians and the general public of the following important information:

HELP Loan support will commence in 2020:

HELP is an income-contingent Loan and is therefore **repayable** once students graduate and commence paid employment. HELP Loans will be interest free with loan balances adjusted annually for inflation. It is important to remember that HELP is a Loan; and no one is being forced to sign up for HELP.

Scholarship Awards TESAS will continue:

The support previously and currently provided by the Government to higher education students is in the form of TESAS (Tertiary Education Student Assistance Scheme) Scholarships. Scholarship Awards TESAS will continue.

TESAS Awardees may also apply for HELP loan support

A TESAS award covers only a portion of the total cost required for higher education. TESAS is a merit-based Award and therefore non-repayable and will continue alongside HELP. TESAS Awardees may also apply for HELP loan support.

HELP loans and the existing TESAS awards providing financial support and greater access to higher education.

- TESAS will be awarded to high achieving students as per past criteria already established. TESAS however covers only a portion of total cost.

- TESAS students will therefore be eligible to apply for HELP to cover the gap in the total cost of their higher education.
- TESAS students choosing to take out a HELP loan will repay the HELP component and not the TESAS Scholarship component.
- Those students who miss out on TESAS will be eligible to apply for HELP on condition that they enrol in a registered university or college and undertake an accredited program.
- All students awarded HELP loans will sign Contract Agreements to repay the loan.

WHY HELP AND WHY NOW?

In 2019, there were approximately 25, 000 students enrolled in **registered higher education institutions** - the Universities, Teachers and Nursing Colleges, Technical and Business Colleges and a small number of Specialist Colleges. Of the approximately, 25, 000 higher education students, 11, 981 received TESAS Scholarships while 12, 510 had to find their own financial support. In 2019 less than 50% of students in registered higher education institutions received financial support from the TESAS award.

The figure of 25, 000 is not the total figure of all higher education students. There are actually more higher education students out there who are studying in the TVET sector and other Colleges that are **not yet registered**. These students are mainly Self and Family Sponsored students.

In the next few years, more Colleges will be registered and the number of higher education students will exceed 40, 000. This figure will keep growing in future years. The Government clearly cannot give all students a TESAS Scholarship. The TESAS Scholarship will continue to be awarded to outstanding students who have done very well in their studies. Currently that is about 12,500 students.

For all other students who are not eligible for TESAS Scholarships but need financial support, the Government's Higher Education Loan Program Policy paves the way for their support to meet the upfront costs involved in obtaining a higher education qualification and repaying the loan overtime and once they are in paid employment.

ELIGIBILITY & AVAILABILITY OF HELP LOANS FOR 2020

HELP will be available in 2020 for the first semester to support students who need financial support,

those who are not eligible for TESAS and cannot fund themselves. HELP is there for these students in the form of a student Loan.

In the coming weeks DHERST will be provide you with more details on the rollout of HELP as the policy approved by NEC is legally, financial and structurally established in consultation with key Central Agencies and also in accordance with specified criteria in the NEC Decision.

In summary to be eligible to apply for HELP loan support:

- a Student must first be eligible for enrolment (or already enrolled) in a registered University or a College.
- the academic program selected for study must be a program that has been formally reviewed and accredited by the NHTEB.
- A Student's Grade Point Average (GPA) is NOT a pre-requisite for HELP. GPA remains a pre-requisite for TESAS Awards only.

WHAT HELP APPLICANTS NEED TO KNOW IN THE SHORT TERM

Potential HELP applicants will need to make themselves aware of developing information as HELP is rolled out in the coming weeks and months.

Students should proceed with the necessary enrolment procedures currently underway through their chosen Higher Education Institution.

An application for Student HELP support will be available as soon as all legal and financial arrangements are in place as per the NEC Decision NG179/2019.

Once a HELP loan application is approved, Students will sign a Loan Agreement acceptance.

DHERST will liaise directly with all Higher Education Institutions on approved Loan Agreements to release HELP funding directly to the Universities and Colleges on a Semester by Semester basis.

DHERST will keep prospective applicants and their families progressively informed via press and media statements; as well as through student NOAS accounts and regular updates on the DHERST website.

Professor Fr. Jan Czuba
Secretary