KEY INSIGHTS

- **The Custodian of the Two Holy Mosques Overseas Scholarship Program incurs high costs, covering a range of expenses for Saudis studying abroad and their companions.** These include living, language learning, and tertiary education expenses.

- **Funding for language programs is expensive.** All scholarship recipients through the primary channel are eligible to enroll in preparatory English training abroad for up to 18 months at the government’s expense prior to beginning their tertiary studies.

- **Requiring scholarship recipients to have English proficiency prior to traveling abroad would be more cost-effective for the government,** and help students benefit more from their experience abroad.

WHO IS TAKING ENGLISH CLASSES AT THE GOVERNMENT’S EXPENSE?

The Custodian of the Two Holy Mosques Overseas Scholarship Program (KASP) funds Saudi university students’ tertiary education in top international universities. The aim of the program is to develop a skilled workforce that can contribute to a 21st century economy.

There are two channels to receive a KASP scholarship. Saudi students interested in studying abroad can apply for the KASP scholarship through the regular channel. The Ministry of Education (MOE) then screens candidates based on several factors (GPA, field of study, etc.). Beginning in 2015, most applicants are required to have a job guarantee upon graduation from a Saudi government or semi-government agency. Awarded students can use their scholarship to pursue an approved program of study in one of the MOE-approved international universities. Alternatively, students who initially self-finance 30 credit hours of their studies abroad in one of 100 MOE-approved universities can apply for KASP to fund the remainder of their education. Recipients’ family members qualify for a Companion scholarship to enroll in English language and other non-degree programs while abroad (see Figure 1).

**Figure 1 | Channels to Study Abroad**

- Self-financed
- KASP
  - Primary Scholarship Holders
    - Regular Channel (Apply from w/in KSA)
    - Alternative Channel (Formerly Self-financed)
  - Employer-financed
    - Companion Scholarship Holders
Primary KASP scholarship recipients accounted for 70 percent of Saudi students abroad between 2005 and 2017. Employer-financed and self-financed students accounted for 18 percent and 9 percent, respectively, of all international Saudi students during the same time period (see Figure 2).

To improve English proficiency, KASP recipients can participate in 12- to 18-month intensive English programs abroad, during which their living and language education expenses are covered by KASP. Researchers examined the language training program segment of KASP to provide insights into its cost-effectiveness and efficiency.¹

A high proportion of KASP recipients take advantage of the language training program. Almost one in four Primary scholarship holders whose awards began in 2017 and 2018 are enrolled in English as a Second Language (ESL) classes.²

Introduction of stringent requirements for receiving scholarship through the alternative channel has significantly reduced the proportion of scholarship holders on ESL. Despite the decreasing trend, Saudi students still constitute a disproportionate share of English learners in the United States, largely at the Saudi government’s expense. In 2016, Saudi students represented only 5 percent of international students in the United States; however, they constituted 23 percent of intensive English program participants. Primary scholarship holders accounted for the majority (53 percent) of all Saudi ESL students abroad between 2005 and 2017 (see Figure 2).

More stringent language competency requirements and their strict enforcement could help achieve the objectives of the KASP program in a more cost-effective manner. Conditioning scholarship eligibility on English proficiency will improve the pool of scholarship applicants. Students who are able and motivated to study abroad will make additional investment in learning English. For promising applicants with English proficiency scores below the acceptable level, they could be awarded the scholarship conditional on improving their English proficiency up to a minimum acceptable level by taking fully subsidized ESL classes within Saudi Arabia. Students’ achieved level of proficiency may still be lower than the minimum level required by the foreign institution. In such cases, students may be allowed to continue advanced ESL studies abroad for a very short period of time (up to a semester) to meet the institutional requirement.

In addition to improving the pool of applicants, requiring English proficiency will ensure KASP students enjoy the full educational experience of studying abroad, resulting in a more skilled workforce. Finally, MOE can reallocate language training funds to higher-priority needs, such as improving the quality of English education at pre-tertiary levels within Saudi Arabia.

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**Figure 2** | Share of all Saudi students abroad and ESL students by scholarship type (2005–2017)

<table>
<thead>
<tr>
<th>Share of All Saudi Students Abroad</th>
<th>Share of ESL Students Abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Self-financed</strong></td>
<td>9</td>
</tr>
<tr>
<td><strong>Companion Scholarship Holders</strong></td>
<td>3</td>
</tr>
<tr>
<td><strong>Primary Scholarship Holders</strong></td>
<td>70</td>
</tr>
<tr>
<td><strong>Employer-financed</strong></td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

PERCENTAGE (%)

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¹ About 85 percent of KASP recipients currently studying abroad pursue their studies in a country where English is a native language, and predominantly in the United States. For the 15 percent of students abroad in a non-English speaking country, English remains the medium of instruction in many of those countries (e.g. Malaysia, India, and Singapore).

² This is likely to be an underestimate as available data does not always allow identification of students in regular academic programs who had previously participated in an English learning program.