

# SECTOR WIDE APPROACHES IN EDUCATION

August 2003



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## SECTOR WIDE APPROACHES IN EDUCATION

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August 2003

### Purpose

The purpose of this report is to provide an overview of key issues in the development and implementation of sector wide approaches (SWAs) in education as a background paper for a workshop on SWAs for UNICEF in East and Southern Africa in August 2003.

The specific aim of the paper and workshop is to assist UNICEF staff in developing a broad understanding of SWAs, with reference to experiences in practice. It is envisaged that this will facilitate more effective strategy development within the context of SWAs.

### Scope and methodology

The paper was produced through desk research, using both generally available documents on education SWAs and country materials specifically obtained for this purpose. The paper primarily draws upon materials from three countries - case studies for Uganda, Zambia and Rwanda are presented as an annex.

There are three caveats about the completeness of this paper:

- The scope of specific country materials obtained was limited, largely due to time constraints. Materials obtained cover a range of issues, enabling analysis of particular aspects of SWAs in the different countries. However information was not available for all aspects of each SWA in each country, so a comprehensive comparison on all issues was not possible. Brief supplementary examples from other countries are included to highlight particular issues.
- Experiences in implementing SWAs are inherently complex and difficult to capture accurately by desk research alone. A more comprehensive study on SWAs in practice would clearly benefit from more sophisticated research methodology, most importantly including surveys and interview techniques with primary stakeholders involved in the process. The complex realities of implementation, and stakeholder views, are not easily gleaned from the 'official' documentation.
- SWAs are developed through an evolving, fluid and dynamic process. Whilst efforts were made to obtain information as up-to-date as possible, it should be noted that experiences will have evolved. There has not been an opportunity to seek feedback on the accuracy or validity of the analysis presented. The paper therefore solely reflects the views of the author and is not based on a shared assessment.

Within this context the paper aims to outline the main theories and discourse surrounding SWAs, highlighting key issues of education SWA development and

illustrated by examples where possible. Where specific examples are not available, commonly agreed 'findings' are included to ensure a more comprehensive coverage of key issues and lessons. Workshop participants will be encouraged to share their own experiences of engagement with SWAp in their particular country context.

### **Definition of a SWAp**

A widely used definition that focuses on the key characteristics of the role of external assistance is as follows:

*All significant funding for the sector supports a single sector policy and expenditure programme, under government leadership, adopting common approaches across the sector and progressing towards relying on Government procedures for all funds. (ODI, 2000)<sup>1</sup>*

Whilst this definition captures the essential elements, it is important to appreciate that SWAp should not be considered as a blueprint. Rather they are a process with different stages of development. A wide variety of definitions of the SWAp exist and the concept and practice of implementing SWAp is not (and cannot be) uniformly prescribed. The approach evolves over time and the pace and depth of the transition towards a 'pure' SWAp is dependent upon highly context-specific factors.

It should be noted that the concept of the SWAp is largely a funding-agency term and there can be a danger of narrowly applying the approach solely to a set of theories and principles associated with aid planning and management. SWAp encompass much more than this. In reality the approach will be more meaningful and effective when it is considered in respect to the much wider context of national development strategies.

### **Stages of SWAp development**

Zambia, Rwanda and Uganda represent examples of three broad stages in the formulation and development of an education SWAp. Uganda is the most advanced, with a relatively 'full' or mature SWAp. Rwanda is in the early stages of SWAp development. Zambia is currently in the transition from a sub-sector development programme to a SWAp. In practice, different country SWAp will be located at different points in the transition through these stages. They may not exhibit all of the characteristics of the stage they largely match and/or may exhibit characteristics of more than one stage.

**Sub-sector 'SWAp':** Many countries have adopted sub-sector development initiatives, as exemplified by the prevalence of basic education support programmes. Strictly speaking, such programmes cannot be considered as SWAp as by their nature they are not sector wide – there is not a coherent and integrated whole sector strategy. The main motivation for sub-sector SWAp is to prioritise and improve the efficiency of resources and external support, usually to pro-poor basic education goals<sup>2</sup>. They usually aim to harmonise external assistance to the sub-sector and may adopt common management arrangements and/or flexible funding modalities. They are often regarded as a 'testing ground' in the transition towards a full SWAp.

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<sup>1</sup> Mick Foster, 2000, "Experience with implementing Sector Wide Approaches", ODI

<sup>2</sup> Whilst the majority of sub-sector 'SWAp' have focused on basic education, they may focus on other sub-sectors. For example, in Zambia, a technical education sub-sector 'SWAp' ('TESSIP') was also developed.

Increasingly, Governments and funding agencies recognise the need to respond to the implications of expanded primary education provision on the demand for lower secondary and in the longer term, post basic education. This implies the need to develop a comprehensive sector strategy framework. There is, however, sometimes a reluctance to address key institutional and financing reforms associated with secondary, technical and higher education, in particular issues relating to public-private partnerships.

The *Zambia Basic Education Sub-sector Investment Programme (BESSIP)* is a good example of a sub-sector 'SWAp'. Institutional arrangements for sector management, aid co-ordination, partnership and (to some extent) the use of common systems have been established. This experience will be critical in the development of the full SWAp. Whilst Uganda has a 'full' SWAp, covering all sectors, it took three years to undertake any significant policy development in post basic education. Rwanda's recently developed whole sector plan acknowledges the need for greater strategic focus on post-basic education.

**'Flexible' SWAp:** This phase, almost inevitable during the early development of a SWAp, can be broadly defined as the existence of a coherent sector strategic framework, led by the Government, under which funding agencies align their support. However this approach allows a flexible mix of external funding modalities, including project support; continued funding agency attribution of their activities; and use of both Government and agency systems for implementation and monitoring.

In *Rwanda* the Government has taken a realistic and practical position. It has clearly articulated the necessity to *move towards* common approaches for external assistance and reliance on government planning, implementation and financing systems. At the same time, the Government recognises that transitional arrangements will need to accommodate a balance between different types of external support on a continuum between traditional and evolving modalities. This is particularly so in respect to the balance between project and budget support.

The Rwandan education ministry appreciates that the move away from project support cannot happen overnight or may not necessarily be advisable in the short term. This applies to ongoing projects and heeds the implications of effectively eliminating a significant source of external assistance. A SWAp should not be narrowly perceived in terms of the need to transform all external assistance to budgetary support modalities in the short term. The negotiating position will be to consider what optimal mix of aid modalities will best sustain the momentum of the education reform and serve the purpose of contributing towards the achievement of sector performance targets. As the confidence and capacity of both funding agencies and Government develop, the conditions for better integrating external assistance should improve.

**'Full' SWAp:** This phase essentially meets the characteristics in the formal definition above. This phase constitutes a mature programme, typically developed over a period of two years or longer. It encompasses a coherent sector strategy, use of Government management and financing arrangements, and jointly agreed strategic negotiation mechanisms. At this stage common systems and partnerships are well-developed; the potential for Government/funding agency and inter-agency tensions should reduce as all partners pursue shared agendas. Transaction costs should

reduce over time. A full SWAp implies a transition from project to direct budget support modalities<sup>3</sup>.

The *Uganda Education Strategic Investment Plan (ESIP)* can be considered a full SWAp. This is not to suggest that there are no problems or challenges - but the fundamental mechanisms for co-ordinating development assistance under a Government-owned and -led strategic framework are well-established.

### **Government Leadership and Ownership**

In broad terms, education strategies (as with any other sector) are more likely to be effective in a strong Government policy and planning environment. A key lesson emerging from SWApS is the critical importance of governments owning and leading the process, alongside clearly articulated vision, comprehensive sector policy and strategy, and capacity for programme management. Strong personal engagement of senior officials (at the level of Minister, Permanent Secretaries and Departmental Heads) is an essential factor in taking forward and sustaining the SWAp process. Furthermore, education ministry leadership without similar engagement and support from other ministries (in particular the Ministry of Finance) is likely to be insufficient. SWApS cannot operate in sectoral isolation, and weaknesses in other key ministries are likely to undermine the effectiveness of reform.

The extent of government leadership and commitment to sector reform will have implications for the process and pace of developing the SWAp. In the early stages of developing the *Uganda ESIP*, government ownership was relatively weak and the process was in danger of being driven by donor agendas. A new Minister was largely responsible for turning this around by leading a process of internalising the SWAp in the ministry and establishing a realistic and sustainable pace for reform<sup>4</sup>. There is common agreement that strong government leadership and ownership of ESIP has been one of the critical factors in its success. This has included high-level political commitment to Universal Primary Education and a strong Ministry of Finance.

Similarly, the development of the *Zambia BESSIP* was initially considered to be donor-led. However the Minister played a key role in providing leadership and encouraging greater national ownership.

It is also widely stated that the development of both *Ethiopia's* and *Mozambique's* education SWApS reflected strong leadership and ownership from government. In the case of Ethiopia, the government strongly resisted funding agency efforts to influence the direction of the reforms. Whilst some agencies found this problematic, there is a responsibility not to 'crowd' the government but to be prepared to step back and allow the government to take control. In Mozambique, the government managed to relatively quickly oversee the co-ordination of 18 different donors in support of a single common sector programme.

Weak leadership and ownership was a major factor in the unsuccessful experience in developing the *Tanzania Education Sector Development Programme (ESDP)* in 1998

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<sup>3</sup> As noted under Financing Modalities below, some agencies are unable to use budget support. Whether or not a 'full' SWAp can accommodate different modalities is a moot point, but if so, it would be envisaged that this would be minimal. Some governments, most notably Uganda, are beginning to reject external funding that cannot be provided through budget support.

<sup>4</sup> Ratcliffe, M and Macrae, M. Sector wide approaches to education: a strategic analysis. DFID, 1999.

to 1999. The Minister's and other senior level staff engagement in the process were very limited, leaving mid-level staff to chair consultative meetings and to deal with funding agencies<sup>5</sup>. After close to two years, much technical assistance support and associated strategy documents, the process broke down. Difficult decisions regarding teacher service rationalisation and secondary education financing were sidelined due to vested interests. Moreover, a programme for facilities investment was presented to funding agencies, outside the budget framework and inconsistent with available resources.

Where government commitment, leadership and management capacity are lacking, it is important that funding agencies resist the temptation to dictate the direction and pace of reform. In such circumstances the rapid development of a SWAp may not be the best way forward. Alternative strategies should focus on creating the conditions for moving towards a SWAp, possibly through piloting less ambitious sub-sector 'SWaps' and building government capacity in strategy development, co-ordination and planning.

### **Financing Modalities and Public Expenditure Management**

The move towards integrating aid financing in government systems poses some difficult questions and presents significant challenges to many funding agencies. In particular, some agencies are concerned with handing over control of decision-making, lack of accountability for funds and lower visibility of their support. They are challenged by the prospect of having to make longer term strategic and financing commitments. Some funding agency regulations prevent them from entering into types of direct budgetary support and pooled funding for fiduciary reasons. Perhaps not surprisingly, whilst donor support is increasingly consistent with sector programme policy, the majority of financing is still channelled through project mechanisms rather than budgetary support.

Whilst not an exhaustive list, the following funding agencies are able to use, and are increasingly moving towards, budget support modalities: DANIDA, DFID (UK), EU, Ireland Aid, Netherlands, NORAD, Sida and the World Bank. France, Italy and JICA (again, not an exhaustive list) are unable to do so. UNICEF is precluded from providing budget support but is able to provide earmarked funding for specific activities through separate accounts managed by government.

The Medium Term Expenditure Framework (MTEF)<sup>6</sup>, a key component of public expenditure management, provides the link between resource availability, policy, planning and budgeting, horizontally across sectors and vertically at different decision-making levels. If all donor (and government) commitments are included within this aggregate framework, then planning and budgeting can be undertaken in a comprehensive and realistic manner. Most importantly, this will allow credible and prioritised policy decisions. Extra budgetary resources through donor financing outside the MTEF will subvert sector policy formulation and decision-making, and undermine government authority and ownership. On-budget financing ensures that all assistance is taken into account in resource allocation and that it supports government-determined strategic priorities.

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<sup>5</sup> Ratcliffe, M and Macrae (DFID), *ibid*.

<sup>6</sup> A basic definition of the MTEF is "a 'top-down' resource envelope consistent with macro-economic stability; a 'bottom-up' estimate of the current and medium-term cost of existing national priorities; and a framework which matches these costs with available resources through an iterative decision making process". (DFID).

The efficacy of the MTEF is intrinsically linked to broader public expenditure management systems for budget planning, disbursements, accounting and audit. A critical step in the transition to increased budget support is the need for assurance that such systems are robust and effective, thus ensuring efficient and transparent financial management.

*Uganda* has a well established MTEF and public expenditure management systems, which have been important pre-requisites for moving towards budget support. The majority of external assistance to education is now channelled through budget support.

The establishment of a MTEF in *Ethiopia* in 1997 was a key factor in bringing donors together to work with the government in the development of the education SWAp. However, due to a lack of donor confidence in government financial systems, the transition to channelling funding through government has been slow. The World Bank has provided support with public expenditure reviews for action planning and capacity building in financial sector reforms.

As noted, the *Rwandan* Government expressed a clear preference for integrating assistance through government systems. However it has adopted a flexible approach with the intention of increasing the use of budget support mechanisms over time.

In *Zambia*, *BESSIP* operates a mixture of modalities ranging from pooled common basket funding using Ministry accounting systems (not through the national budget) to direct financial management by funding agencies that are not willing or able to use pooled arrangements. An important factor in securing support through government systems has been confidence in auditing of government accounts by the Office of the Auditor-General (as is also the case in *Uganda*).

In *Tanzania*, expenditure tracking surveys of the Primary Education Development Programme undertaken in 2003 find large discrepancies in actual non-wage recurrent expenditure at district level with projected budget allocations. Disbursements were only 43% of planned budgets in 2002 and 51% in 2003. This lack of reliable budget management and disbursement is likely to undermine funding agency confidence in providing support through government systems.

### **Mechanisms for Co-ordination and Partnership**

It is important to establish formal institutional mechanisms for co-ordination and partnership, through which different actors will engage in the SWAp. Mechanisms will facilitate dialogue, consultation and negotiation and will aim to foster partnerships, joint responsibility and mutual trust. There are no ideal models for co-ordination and partnership arrangements - they will be subject to negotiation in response to specific context and need. Typical mechanisms include:

- A *Statement of Intent* (to proceed with a SWAp)
- A *Memorandum of Understanding* outlining agreements between Government and funding agencies participating in funding arrangement within a SWAp
- A *Code of Practice* or *Partnership Principles* outlining issues related to behaviours, means of co-operating and information-sharing between partners



- Appointment of a *Lead Agency* (agreed with government) responsible for co-ordinating agencies and presenting a common position in dialogue with the government<sup>7</sup>
- *Forums* for formal consultation between partners. These are usually led by the Government within a sector management structure and range from technical working groups to high level decision-making bodies.
- *Sector Reviews*, usually annually or twice a year.

Negotiating and agreeing partnership principles outlining the rules for engaging in the SWAp may take considerable time, as has been the case in *Rwanda*. This will require consensus between agencies that may have different views or constraints on how they engage.

Whilst the participation of donors in the *Uganda* ESIP's institutional arrangements is extensive, NGOs have limited opportunity for meaningful participation. Whilst there are broad-based civil society consultations in the formulation of the Poverty Eradication Action Plan (Uganda's PRSP), NGOs are largely excluded from strategic dialogue with the Ministry of Education and Sports.

Government-led sector reviews, including all key stakeholders, are vital for partnership-building and strategic negotiation processes, including joint forward planning and agreeing performance targets. These are now commonly established in most SWAps including Rwanda, Uganda and Zambia.

As is the case in the *Zambia BESSIP*, where senior Government officials get together with donors to discuss issues in a relaxed environment, informal mechanisms can provide an additional means of fostering trust, facilitating partnership and dealing with more sensitive issues on a confidential basis.

An interesting innovation in *Cambodia* has been the use of a Donor Co-ordination Adviser, working on behalf of all donors to the sector<sup>8</sup>. The key aims are to facilitate policy dialogue between donors and government, to build donor capacity to engage in the SWAp and to enhance transparency in sharing donor information. A critical aspect is facilitating joint preparations for annual reviews, including the development of a 'donor' report covering key donor policies/strategies, and co-ordinating common donor positions in response to government.

## Poverty Reduction and SWAps

Improving access to education by poor and marginal groups is a strong or central objective of most education SWAps. This is closely linked to strategies for achieving Education For All goals which are now, with few exceptions, either part of or integrated within sector policy frameworks. Primary enrolment rates have substantially increased over the period since the introduction of SWAps.

A critical test of commitment to reduce poverty through education SWAps is the willingness of government to increase the sector share and at the same time to commit increased resources to pro-poor expenditures within the sector. The majority

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<sup>7</sup> Lead Agencies are invariably (and not surprisingly) those which are both able to provide assistance through common and government-preferred modalities, and large funding commitments.

<sup>8</sup> The Donor Co-ordination Adviser is managed by UNICEF (through Sida funding) as part of a programme of technical assistance support to the SWAp.

of education SWApS have significantly increased sector expenditure on primary education.

The education SWApS which have been most successful in benefiting the poor have recognised the need to understand the specific constraints which affect whether children (and adults) are able to access education services.

*Uganda* was the first country to produce a full PRSP (the PEAP) and is widely perceived to represent best practice for reinforcing the poverty focus of sector programmes. ESIP goals are consistent with the wider vision and objectives for poverty reduction established in the PEAP, and sector financing (including almost all development assistance) is channelled through the national budget against agreed PEAP priorities. Financing has been significantly increased to expand primary education; budget allocations are protected from the risk of cuts through a mechanism called the Poverty Action Fund. An important factor in increasing the budget share for primary education has been the development of alternative (private) financing policies for post-basic education. The increase in enrolments in response to the abolition of primary school fees has largely eliminated gender and parental income biases in access. The design of ESIP has been directly informed by poverty analysis from household surveys and participatory poverty assessments.

*BESSIP* forms one of *Zambia's* major strategies for poverty reduction. The design was informed by detailed poverty analysis, through living standards survey data supplemented by qualitative research to determine the constraints in enrolment, attendance and progress in attaining literacy and numeracy. Implementation and management structures include an equity and gender sub-committee, which should ensure that these aspects are addressed in programme components. Specific pro-poor strategies include decentralisation of grants direct to schools, support to locally established community schools, establishment of mechanisms for community participation in decision making, a school health and nutrition programme, and a bursary scheme for girls in rural areas.

### **Education For All Fast Tracking Initiative**

The Education For All Fast Tracking Initiative (EFA FTI) aims to accelerate progress towards meeting EFA targets, in recognition that at current and projected rates of progress many countries will not reach universal primary completion by 2015 without significant additional resources. The initiative was launched in 2002 and is co-ordinated by a consortium of donors. The World Bank acts as the secretariat. The two key criteria for qualification for FTI are:

- A full PRSP in place, so as to indicate that the country's sector strategy is nested in its broader development strategy
- A sector wide plan for education agreed with donors, so as to indicate that education policies have been carefully appraised and broadly consulted.

The initiative identifies additional factors that will facilitate progress towards the achievement of EFA:

- Political commitment and leadership on the part of developing country governments
- Sound national education plans, assessed in relation to a set of policy benchmarks, or indicative framework, backed by adequate domestic resources

- A new partnership between developing countries and donors, based on mutual accountability and responsibilities
- A commitment to increased long-term, effective and flexible external support from donors
- Overcoming deficiencies in data collection; and institutional, monitoring and assessment capacity.

The language of FTI is entirely consistent with the characteristics of education SWAs. The initiative promises to further strengthen national ownership, sector planning, partnerships, reform and co-ordination.

Eighteen countries, including *Ethiopia, Mozambique, Tanzania, Uganda and Zambia* met the criteria and qualified for FTI in 2002. A number of other countries including *Rwanda* are, at least in theory, next in line for FTI status. The intention is that fast tracking will mobilise significant additional external assistance for education.

Progress to date on the FTI has been very limited. Funding agencies have committed and delivered relatively few additional resources. Whilst it is not clear whether resources will materialise, indications are that funding agencies will not meet the commitments made, including the intended expansion in 2003. Furthermore, there has been a lack of transparency in decision-making processes and little communication with governments or other development partners. This can only serve to reduce incentives and erode confidence. Paradoxically, the current experience with FTI would appear to be more likely to weaken than strengthen education SWAs, particularly in respect to Government/agency partnerships. In *Zambia*, the government is reticent about committing to the initiative as there appear to be limited prospects for additional resource allocation.

## Conclusions: key issues, lessons and challenges

The following summary includes both lessons derived from case study examples and other commonly reported lessons from experiences of education SWAs more generally.

| Policy and Strategy  |
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| <ul style="list-style-type: none"> <li>• Development of comprehensive sector policy and strategy is an inherently complex and dynamic process and will <b>take time</b>. SWAs are not a quick fix.</li> <li>• Sector wide means that all areas are covered. However in reality <b>policy gaps</b> are inevitable. Initially, it may be better to prioritise and sequence a set of realistic and manageable targets (possibly focusing on a sub-sector), expanding towards a comprehensive sector strategy over time.</li> <li>• Typically, SWAs have <b>prioritised</b> basic education and it is widely acknowledged that they have contributed to increased access to primary education in many countries. Key ongoing challenges will be to improve the quality of primary education and to develop strategies for lower secondary and post-basic education.</li> <li>• SWAs provide an opportunity for <b>enhanced funding agency involvement</b> and influence in policy dialogue (the 'bigger picture'), however some consider the process a threat to (narrowly focused) influence and control through projects.</li> <li>• The extent to which SWAs have addressed <b>gender</b> issues in education is mixed. Whilst strategies to improve access have usually resulted in greater gender equity, there is often a lack of strategic gender analysis and mainstreaming in sector planning, management and institutional processes.</li> </ul> |

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| <p>There is no guarantee that gender issues will be prominent in SWAp.</p> <ul style="list-style-type: none"> <li>• High priority should be given to the establishment of <b>Education Management Information Systems</b>, focused on monitoring key sector performance outcomes. An effective EMIS at central and provincial/district level is an essential aspect of the planning and decision-making processes.</li> </ul>   |
| <p>Government Leadership and Ownership</p> <ul style="list-style-type: none"> <li>• High-level political commitment, strong <b>government leadership</b> and ownership are essential in underpinning SWAp.</li> <li>• Whilst a small group of 'champions for change' are often a catalyst and an essential ingredient in the development of a SWAp, it is important that broad-based participation and commitment is secured to ensure <b>wider ownership</b> and sustainable reform.</li> <li>• <b>Continuity</b> of key government (and funding agency) staff in the ongoing development of a SWAp is likely to be critical in maintaining the commitment to and momentum of reform.</li> </ul>   |
| <p>Financing Modalities and Public Expenditure Management</p> <ul style="list-style-type: none"> <li>• During the transition to a 'full' SWAp a flexible <b>mixture of funding modalities</b> is inevitable. This should be considered as a means to moving towards channelling all external assistance through government budgets.</li> <li>• The pace of transition will be dependent upon the development of <b>capacity</b> in sector planning and public expenditure management systems.</li> <li>• To date, relatively few education (or other) sector programmes have been firmly embedded within the broader <b>public expenditure framework</b>. However progress towards integration is being made, and there are exceptions to this (e.g. Uganda).</li> <li>• Experiences with <b>budget support</b> modalities are mixed and still at an early stage. Whilst it is not possible to assess budget support as a resounding success, given the 'right' conditions it appears to offer a credible alternative.</li> <li>• Certain <b>funding agencies</b> remain unable or <b>hesitant</b> to use government financing mechanisms. Where funding agencies using projects remain influential, progress towards integrating sector planning and national budget allocations within the MTEF will be limited and is likely to undermine the process of education reform.</li> <li>• Funding commitments and disbursements linked to the achievement of key <b>sector targets</b> outlined in a comprehensive sector strategy will encourage efficient use of resources and provide incentives for good performance.</li> <li>• Systems for <b>expenditure tracking and audit</b> are essential in ensuring that resources are used effectively and efficiently in contributing towards the achievement of planned sector priorities. Effective budget disbursement and spending will encourage funding agency confidence in the use of government financial management systems.</li> <li>• It is important to discuss and agree medium-term agency <b>funding commitments</b> and mechanisms on a regular and timely basis. Predictable donor flows enable government commitment to increased and more sustainable resource allocations.</li> <li>• Effective co-ordination and partnership with the <b>Ministry of Finance</b> will be critical in ensuring fundamental reforms to budget allocation and expenditure disbursement processes at the education sector level.</li> </ul> |
| <p>Co-ordination and Partnership</p> <ul style="list-style-type: none"> <li>• <b>Partnership</b> implies a commitment to explore new ways of working together based on flexibility, trust, transparency, compromise and often a willingness to take calculated risks on both sides.</li> </ul>  |

- A willingness to sacrifice narrow funding agency agendas, to share longer-term vision and to 'sign-up' to **common approaches** will improve the likelihood of success of a SWAp.
- Agreeing co-ordination, partnership and sector management **mechanisms** (following national leadership) is critical but will take time and may not be easy. However a wide range of examples of good practice exist.
- The transition from fragmented project approaches to the use of common systems for negotiation, planning, implementation and review should reduce **transaction costs** on both sides. However this takes time and experience suggests that transaction costs are likely to increase in the early stages of SWAp development.
- Whilst funding agencies usually have a 'seat at the table', **participation** of NGOs, the private sector, and service users has been patchy, particularly in influencing centrally-led policy formulation. Government is often unreceptive and reluctant to concede space in policy dialogue.

#### Poverty Reduction and Wider Initiatives

- SWApS are unlikely to be successful in the absence of a reasonable level of economic and political **stability**, and wider government commitment and institutional capacity. In this respect SWApS cannot be perceived in isolation from wider governance reform initiatives.
- Experiences with **decentralisation** have presented particular challenges. Whilst SWApS invariably 'preach' decentralisation of education planning and management, including an enhanced role for community involvement, the reality is often different. There is a danger that SWApS will encourage greater centralisation.
- **Poverty Reduction Strategies** provide a critical mechanism for linking sector policies and public expenditure allocations to explicit pro-poor goals. The SWAp is a key element in this process.
- **Resources** allocated to education have increased under SWApS, a large proportion of which have been targeted towards pro-poor policy (primarily basic education). This has contributed to improvements in access and equity.
- The SWAp and PRSP provide a comprehensive framework for focusing on the achievement of **wider development initiatives**, most importantly the Millennium Development Goals and Education For All. Funding agency partners are playing an important role in focusing attention on these initiatives and often in undertaking a co-ordinating role.

The transition towards education SWApS will present considerable challenges, but also significant opportunities for UNICEF. Whilst engagement with SWApS necessitates changes to established ways of working and presents considerable challenges in terms of the need to adapt to a new development paradigm, it also offers the potential to enhance the impact of UNICEF policy objectives. Whilst a SWAp will not necessarily fully address key UNICEF goals focused on the rights of the child, gender equity and the promotion of stakeholder participation, these areas are likely to be major aspects, even if at the level of rhetoric. A SWAp will therefore potentially provide a vehicle for enhanced influence and scaling up UNICEF's impact in these key areas. On the ground, UNICEF should aim to assess the stage of SWAp development; the potential and processes for engagement; and how to use its comparative advantage in support of government priorities, in co-ordination with other funding agencies.

## ANNEX

### CASE STUDIES OF EDUCATION SWaps - UGANDA, ZAMBIA AND RWANDA

#### UGANDA

*The Uganda education SWAP is at a relatively advanced stage of development. This case study provides an overview of the key aspects of the SWAp, with particular emphasis on institutional arrangements and financing modalities.*

#### Background

Having emerged in the mid 1980s from years of civil conflict and related chronic under-development, Uganda has achieved remarkable success since the early 1990s, including economic growth rates exceeding 6% per annum. Notwithstanding this, the country is still characterised by declining terms of trade, low tax revenues, large inequities in wealth distribution and high levels of poverty.

In response to this, the Government of Uganda (GoU) developed the Poverty Eradication Action Plan (PEAP). Launched in 1997, this 'homegrown' plan was subsequently adopted as the PRSP. The PEAP, a national development planning framework, focuses on:

- enabling sustainable economic growth
- promoting good governance and security
- increasing economic opportunities
- improving the quality of life for the poor.

The PEAP has been instrumental in establishing strong government partnerships with both civil society and the international community, and has led to substantial increases in levels of external development assistance.

Education is a key element of the PEAP. The high priority and commitment given to education was most significantly demonstrated by the introduction of Universal Primary Education (UPE) in 1997 almost simultaneously with PEAP. UPE was regarded as the second most important initiative (after PEAP) in President Museveni's administration at the time. UPE, which provides 'free'<sup>9</sup> primary education for up to four children per household, almost doubled enrolment - virtually overnight - from 2.9 to 5.3 million. The very positive impact of UPE on increased access to primary education, particularly for the poor and for girls, is undisputed. However it has also resulted in significant challenges, due to the enormous pressure put on the education system. These include:

- over-crowded classrooms
- insufficient learning materials
- limited teacher supply and inadequate qualifications
- poor teacher motivation
- inability to meet the increased demand for secondary education
- overall funding gaps.

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<sup>9</sup> Households meet the costs of meals and uniforms and contribute to school construction costs.

As a result, whilst access has increased, it is widely agreed that quality has decreased.

### ***The Sector Wide Approach***

In the early 1990s external assistance to the education sector was provided through more than 100 different projects, funded by over 20 funding agencies and a large number of NGOs. Almost all of these projects were outside the Government budget and largely implemented outside Government policy, planning and financial systems. The problems associated with the proliferation of externally-led project aid are well documented, and were highly prevalent in Uganda.

The PEAP provided the opportunity and impetus for the development of SWAPs in Uganda. It established a framework for the translation of pro-poor national goals and priorities into comprehensive sector plans, bringing together the government, funding agencies and other stakeholders in a single strategy. Both the PEAP and sector policy frameworks aim to fully integrate with public expenditure management systems. This should ensure realistic and efficient resource planning and allocation, which should in turn provide a sound basis for policy implementation.

Within this context, the Ministry of Education and Sports (MoES) - with the support of a small group of like-minded funding agencies - started to develop a SWAp, which was subsequently formalised under the ***Education Strategic Investment Plan (ESIP) 1998-2003***. The SWAp incorporated alternative methods for aid delivery, with particular emphasis on strengthening Government leadership and ownership; harmonising funding agency interventions; and achieving greater integration of external assistance with government priorities and systems. Initially, six funding agencies (DFID, EU, Ireland Aid, Netherlands, USAID and the World Bank) supported the SWAp.

The main features of the Uganda Education SWAp are:

- it is based on a clear sector strategy and policy/financing framework that is sector-wide in scope (ESIP)
- national stakeholders lead and are responsible for decision-making (primarily the MoES)
- all main funding agencies contribute only to areas identified as priorities within the sector strategy and policy/financing framework
- there is one system of implementation for the sector. All stakeholders share one set of common institutional and management arrangements, including one single source of audit, monitoring and evaluation reports.
- there is a reliance on national capacity, with limited technical assistance and a programmatic emphasis on capacity-building at all levels of the sector.

The ESIP is the furthest advanced SWAp in Uganda. It is relatively mature and is widely regarded as a success. As such it represents a very useful example of the benefits of the education SWAp.

### **Sector Policy and Strategy**

Whilst the need to address whole sector issues was always recognized, the initial stages of developing ESIP focused largely on the primary education sub-sector. This was due to both the pressing need to address critical priorities in this area and the

considerable challenges in establishing the SWAp. After three years the ESIP began to fully take account of other sub-sectors and now covers all areas of the sector.

ESIP focuses on broad policy and strategic objectives and adopts a medium-term strategy with targets focused on pro-poor outcomes. The main priority areas include:

- access - expanding the capacity of the education sector to accommodate expanded enrolment
- equity – eliminate educational disparities between gender, regions, and locations
- quality – enhance quality in all aspects of education at all levels
- promotion of public/private sector partnership
- strengthening central government policy-making and district capacity building.

Within these over-arching objectives, the following broad targets have been set and are implemented under a number of integrated policy frameworks, using government management arrangements and systems.

| Broad Priority                   | Broad Targets   |
|----------------------------------|---|
| Access and Equity                | <ul style="list-style-type: none"> <li>• Universal enrolment of children of primary age, with net enrolment approaching 100% by 2003, including full enrolment of females and those currently disadvantaged by geographical location</li> <li>• Transition to public and private secondary and technical schooling reaches at least 65% of primary completers throughout the plan period</li> <li>• Establishment of skills development opportunities for those primary school leavers who will not have access to secondary/technical institutions</li> <li>• Significant increase in all sub-sectors in the participation of females, disadvantaged groups and children with special educational needs</li> </ul>   |
| Quality Improvements             | <ul style="list-style-type: none"> <li>• Implementation of a system for ensuring sustainable access to appropriate basic textbook requirements in primary education</li> <li>• Rationalisation of teacher training services for greater cost-effectiveness and broadened coverage, and reduction of untrained teachers to a negligible number by 2002</li> <li>• Raising the quality and relevance of programs in higher education institutions and institutionalizing quality assurance mechanisms</li> <li>• A Teacher Training Master Plan developed with projections of teacher and teacher training requirements and detailed pre- and in-service teacher training program reforms</li> <li>• Effective teacher training selection; further refinements to pre- and in-service curriculum, methodologies and school practice</li> <li>• District-level Inspectorate-led in-service teacher development strategies planned</li> </ul> |
| Delivery of Educational Services | <ul style="list-style-type: none"> <li>• Sensitisation of School Management Committees, Board of Governors, PTAs and headteachers in their respective roles and responsibilities. Further improving the</li> </ul>  |



|  |   |
|--|---|
|  | <p>transparency and accountability of school level financial procedures.</p> <ul style="list-style-type: none"> <li>• Devolution of financial and managerial responsibility for educational services from MoES to Local Government and approved agencies</li> <li>• Capacity developed at central, district and school level to reflect the increased demands for accountability, transparency, efficiency and effectiveness</li> <li>• Strengthened role of Government vis-à-vis its enabling role in respect to private sector provision of educational services</li> <li>• Creation of an enabling environment for the establishment and expansion of private higher educational institutions</li> </ul> |
| Capacity Development in Strategic Planning and Programming | <ul style="list-style-type: none"> <li>• Establishment of a system for the broad management and monitoring of the implementation of ESIP</li> <li>• Building capacity for ESIP development, management and monitoring</li> <li>• Improving Government/funding agency partnerships and consultative mechanisms</li> </ul>  |

A key aspect of SWAp has been the development of an Education Management Information System (EMIS) designed to assess whether ESIP priority objectives have been met. It represents a shift from narrow input-based monitoring to integrated outcome-based sector performance assessment and supports decision-making at all levels of education management, including high-level policy analysis and development. EMIS has proved to be invaluable - however it is still young and there is inevitably scope for improving the system. Potential improvements include developing linkages with wider government systems (e.g. Ministry of Finance, Planning and Economic Development) and building greater capacity in the use of EMIS at all levels, particularly districts.

### Education for All

Uganda is committed to the core Education for All (EFA) goals and targets. EFA has been integrated within the ESIP policy and strategic medium- and long-term policy objectives, through EFA assessments. (A specific EFA Plan is not considered necessary.) ESIP presents specific targets, strategies and programs in order to reach EFA goals, which in turn define the scope of ESIP. The priority to increase access to primary education, which has largely dominated sector objectives to date, can be justified due to immediate needs. However there is now an acknowledged need to give greater focus to other EFA-related priorities, in particular those about early childhood development, non-formal education and eliminating gender disparities.

There are plans to strengthen the integration of a non-formal education strategy within the ESIP and to expand program implementation. A Department for Non-Formal Education will be established in mid 2003. Existing donor and NGO supported programs initiated in the mid 1990s (e.g. Alternative Basic Education for Karamoja and Complementary Opportunities for Primary Education) have piloted alternative and innovative approaches and are now being expanded and supported by the MoES, and integrated within ESIP. The recently developed *Policy for Disadvantaged Children* aims to widen access to basic education for those who are disadvantaged and/or may be unable to gain from formal UPE systems.

## ***Gender Issues***

The ESIP Mid Term Review (completed in January 2003) highlights a number of challenges about gender issues within ESIP, suggesting that the intention to 'engender' policy has been 'lost on the way'. Key issues include a lack of gender based indicators, the absence of clear gender policy and strategy, and perhaps not surprisingly, a lack of attention to gender in ESIP Reviews. The report identifies the need to urgently develop a comprehensive program for gender mainstreaming and to formulate a National Education Gender Policy by the end of 2003. However, there is little attention to gender issues in the Aide Memoire of the April 2003 ESIP Review and no reference to establishing a policy framework, strategies or institutional arrangements for gender mainstreaming.

## ***Institutional arrangements, co-ordination and partnership***

An important aspect of the SWAp has been the establishment of intra-sectoral and cross-sectoral management and co-ordination mechanisms, resulting in enhanced policy dialogue, planning, co-ordination and partnership. Broad-based institutional mechanisms for consultation have ensured effective government/funding agency partnership and also inter-ministerial co-operation to take into account critical inter-dependencies and linkages with wider public sector reform initiatives.

The MoES-managed institutional arrangements comprise:

- The **Ministry's Top Management Meeting** (TMM), a high level decision-making body chaired by the Minister and comprising senior government staff
- The **Education Sector Consultative Committee** (ESCC), a consultative body chaired by the Permanent Secretary, including representation from MoES, other relevant ministries, the main educational institutions, funding agencies, NGOs/civil society and the private sector.
- **Education Sector Reviews** held in April and October of each year led by the MoES and involving the participation of all major stakeholders in education.
- **Cross-Cutting Technical Working Groups** (Finance Planning and Management; Monitoring and Evaluation; Sector Policy and Management; and Medium Term Budget Framework) responsible for technical strategy development, with membership from the MoES and relevant agencies represented at ESCC.

The ESCC meets every two months to provide a forum for consultation regarding education policy, strategy and financing – this is based primarily on inputs from Technical Working Groups. The TMM considers the advice and recommendations of the ESCC for policy-making purposes. There have been eight Education Sector Reviews since April 1999.

In order to reduce the transaction costs of the Government of Uganda, and to improve donor co-ordination still further, the local representatives of the relevant funding agencies have formed a body called the Education Funding Agencies Group (EFAG). The Group meets once per month to discuss and agree common positions on education issues to take up with the MoES regarding major policy, strategy and financing - solely through channels agreed with the MoES.

The representatives of the funding agencies have contributed directly to the strengthening of the sector reform process through their participation in policy analysis, monitoring, review and evaluation. An important feature of the funding agencies' participation in the policy development process is their ability to provide attention to the detail of reforms, whilst at the same time keeping in view the wider picture of national reform. These abilities – plus the capacity of the representatives to perform this role (created largely as a result of their no longer having to manage the detail of project implementation) - have contributed greatly to the development and implementation of the successful reforms, and have been highly valued by MoES.

As the process became more mature, it became more evident that the finer points of the relationship between the Government and its partners needed to be clarified. This led to the development of a Memorandum of Understanding in 2002, setting out the principles of aid management and donor co-ordination in education.

It should be noted that whilst MoES partnership and consultation mechanisms with lenders/donors are well established and thriving, the opportunities for NGO/CSO<sup>10</sup> participation in the process are more limited. Consultation is restricted to representation at ESCC through the Forum for Education NGO's in Uganda and whatever ad hoc informal meetings are possible. Some NGO/CSO representatives feel that they are being excluded from participation in policy dialogue and have expressed dissatisfaction with the lack of opportunities for participation. This differs markedly from the extensive civil society consultation processes undertaken for the formulation and monitoring of the PEAP.

### **Financing Modalities and Public Expenditure Management Systems**

The education share of the Government budget has increased steadily since 1990/91, from 12% to a peak of 26.3% in 1999/00. Although the share declined to 24.1% in 2001/02 this still represents a relatively high share, and is greater than for any other sectors. The proportion of the education budget spent on primary education is 67% in 2002/03.

The majority of the external agency funding to the sector is in the form of budget support which channels funds direct to the national treasury to finance government expenditures<sup>11</sup>. Under the budget support modality there have been fewer pre-defined activities agreed between the funding agencies and the Government and a greater focus on outcomes and the strategic frameworks necessary for achieving these. The main funding agencies seek little control over their aid to education and provide budget support linked to a few critical outputs and outcomes related to financial commitment, fiduciary assurance, increased equitable access, improved quality and better service delivery. With the establishment of budget support modalities, many of the traditional problems of donor co-ordination effectively disappeared as only one programme, the Government's ESIP, is supported.

In order to adopt the budget support modality the funding agencies required certain minimum criteria to be met. These were primarily macro-economic stability and a credible budget framework and allocation, including:

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<sup>10</sup> Non-governmental/civil society organization.

<sup>11</sup> Two bilateral projects do still operate, but are entirely consistent with ESIP priorities and closely integrated with Government systems. In 2001 the Government rejected a £20 million education project because it was inconsistent with policy priorities.

- credible revenue and expenditure projections backed by coherent policies
- equitable expenditures, particularly in terms of grants to the districts
- sound analysis underpinning the policies and budget figures
- adequate knowledge available regarding where and how budgets are allocated and spent
- donors' contributions to be taken fully into account in the budget process.

The PEAP and the Medium Term Expenditure Framework (MTEF) provided a credible overarching framework and the dialogue in education regarding the ESIP demonstrated a commitment on both sides to transparency and openness. The MTEF is a national strategic policy and expenditure framework within which line ministries are provided with greater responsibility for resource allocation decisions and resource use. ESIP (and other sector plans) are drawn up within the guidelines set by the Medium Term Expenditure Framework (MTEF) managed by the Ministry of Finance, Planning and Economic Development (MoFPED). The key to the success of the MTEF in Uganda over the past five years has been the strengthening of institutional mechanisms to assist (and require) relevant decision makers to balance what is affordable in aggregate against policy priorities.

Through the process of outcome-focused policy dialogue and development, the GoU and funding agencies agree a set of specific undertakings, the achievement of which triggers the release of budget support for education<sup>12</sup>. Achievements are measured during the Education Sector Reviews and budget support funds are released accordingly.

The modalities for channelling and disbursing budget support funds are well established. Funding agencies release funds into the Education Budget Support Account managed by the Treasury<sup>13</sup>. Funds are then transferred from this holding account to a Consolidated Account alongside other Government funds to be released to specific education budget lines/programs. Disbursements to this account are subject to approved and budgeted workplans, balances of undisbursed funds and financial audit. Procedures outlining the frequency and timing of releases and transfers are strictly controlled. Annex 1 outlines the operation of the Education Budget Support Account.

An important factor in the transition to budget support was the need for funding agencies to be assured that resources were properly used by the Government. In response to such concerns, the Government and funding agencies worked together to establish a Fiduciary Assurance Framework, initially for education and later expanded. The framework comprises expenditure tracking studies, annual reports on Government budget performance and the agreement and monitoring of public expenditure management action plans. Results from tracking studies suggest 90% of budgeted expenditure is now reaching schools, compared to 25% three years earlier. The framework took more than three years to develop and has significantly contributed to improved public expenditure management reforms on a national basis.

The overall education financing mechanism is based on regular and transparent communication between the Government and funding agencies. A critical aspect of this is early agreement on the availability of financing support in the medium term. This feeds into the planning of sector allocations within the rolling MTEF and ensures

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<sup>12</sup> These include progress towards achieving key policy benchmarks - e.g. pupil:teacher/ textbook/ classroom ratios.

<sup>13</sup> This is the procedure for earmarked/program budget support, not general budget support.

predictability of financing. Future agency funding commitments are made at the time of the Sector Reviews, which are integrated with the Government budgetary cycle.

An important broader point is that part of the rationale for moving towards budget support was to focus on the generic cross-cutting issues which needed to be addressed to improve public expenditure management in education: staff recruitment and management, pay reform, decentralization, procurement, financial management and the general effectiveness of the bureaucratic system. These issues were at the heart of the dialogue between the Government and funding agencies providing budget support, in particular DFID and the World Bank. The dialogue has influenced a number of wider public sector reform initiatives - e.g. the development of improved government-wide accounting and financial management systems. One notable achievement has been improved performance in paying teacher salaries, as verified by expenditure tracking surveys.

### **Lessons learned**

- strong **leadership**, high-level political commitment to reform (from the PEAP to ESIP and related initiatives) and ownership are essential — the GoU is convinced of the need for SWAp.
- establishing clear and formal **institutional mechanisms** for sector management, co-ordination and partnerships is critical.
- the move away from projects to **budget support** through government systems facilitates enhanced policy dialogue between funding agencies and government by creating space for genuine dialogue on the highest priorities. Priorities in Uganda include a greater emphasis on achieving key access and quality-related outcomes such as enrolment rates and pupil:teacher/textbook/classroom ratios.
- this transition will also eliminate problems of donor co-ordination and will reduce **transaction costs** on both sides. This takes time: transaction costs are unlikely to be reduced in the early stages of SWAp development – in fact they may increase.
- a willingness to sacrifice **funding agency agendas** is likely to be necessary for the good of the sector and the SWAp process.
- high priority should be given to the establishment of an Education Management **Information System**, which provides the context and basis for the policy dialogue and is an essential part of the means for decision-making.
- **policy gaps** are inevitable given the complexity and challenges of whole sector development and the need to prioritise – strategy and program development should be considered as a rolling process.
- it is important to discuss and agree **agencies' medium-term funding commitments** and mechanisms on a regular and timely basis.
- the **MTEF** is an indispensable tool and necessary for the development of a successful and mature SWAp. It is important to integrate all planning and review activities within the MTEF cycle and to focus dialogue on the performance of the education budgets.
- developing robust and effective systems for **public expenditure management** is an essential pre-requisite for budget support.
- effective co-ordination and partnership with the **wider Government agencies** is essential, in particular the Ministry of Finance.

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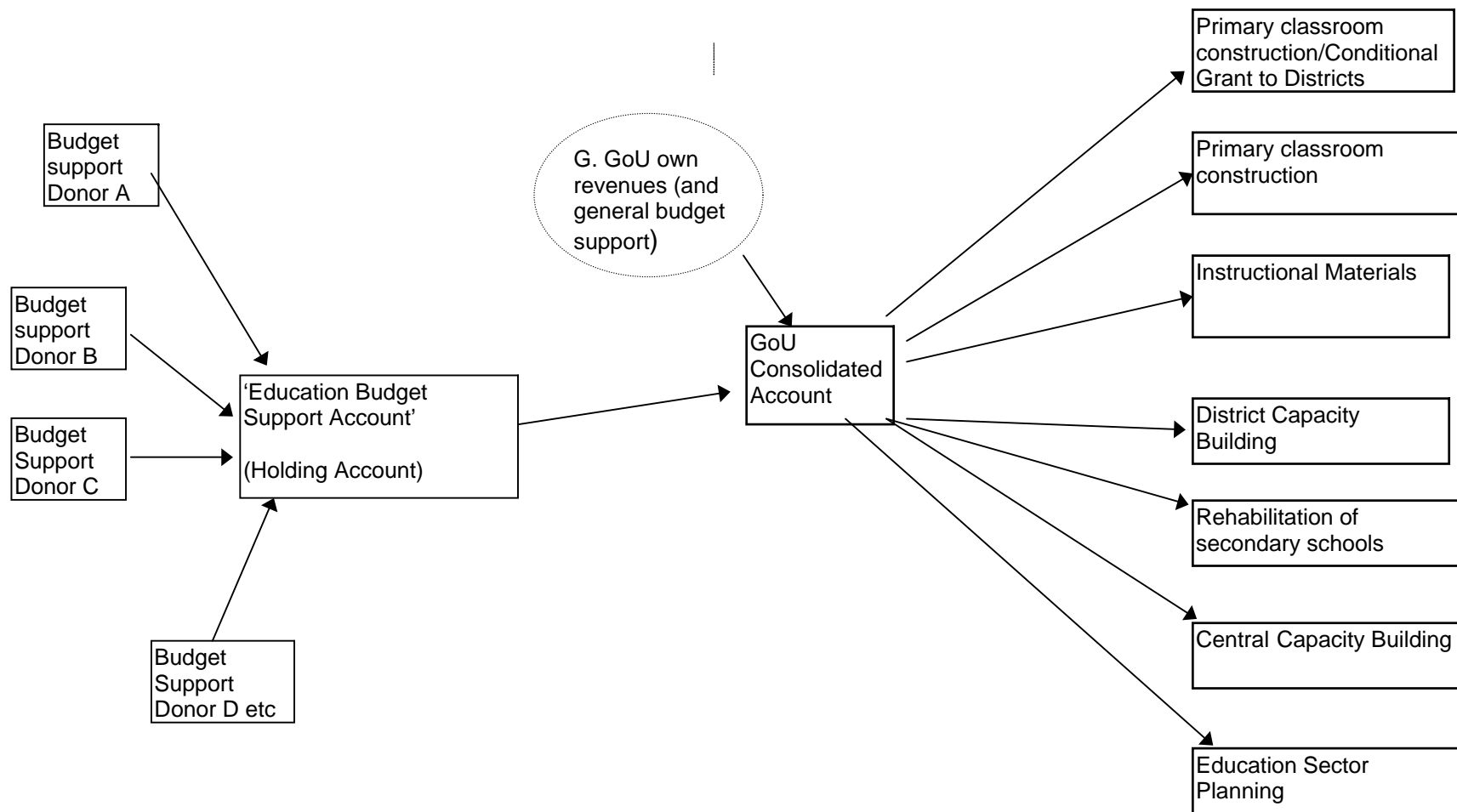
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## Annex 1: Operation of the Education Budget Support Account







## ZAMBIA

*Zambia is in the early stages of developing a full education SWAp - however it has a relatively advanced sub-sector development programme, with many characteristics of the sector wide approach.*

### Background

Zambia was once one of the most prosperous countries in Africa, with a booming economy centred on copper. However the decline in global demand for copper, poor economic management, and a rise in external debt all contributed to Zambia's decline over the past thirty years. The HIV/AIDS pandemic has also affected Zambia particularly badly, with an infection rate of almost 21% in the adult population. As a result, approximately 70% of Zambians live below the poverty line.

In the early years after independence, the Zambian government invested heavily in education and was achieving enrolment rates of 96% in the 7-13 age group by 1985. With the economic downturn and the growing poverty this situation changed - school infrastructure began to deteriorate, teachers' salaries declined in real terms, and the quality of education began to suffer. By 1990, the education sector was described as being "in crisis", with falling enrolment rates; dilapidated facilities, materials and equipment; a serious morale problem in the teaching profession; and a loss of public confidence in the value of education. The national average attendance rate in primary school in 1998 was 66%, of which only 50% progressed to grades 8 and 9. Attendance rates in rural areas were lower than in urban areas. In 2001, it was estimated that 620,000 children of basic school age were not in school, with children aged 7 years accounting for over 190,000 of this figure<sup>14</sup>.

### Sector Policy, Strategy and Management Arrangements

Following a change of government in 1992, priority was once again given to education and a new national policy on education was finally published in 1996 after a lengthy process of consultation. '*Educating Our Future*' gives priority to basic education, which is defined as the first nine years of school. This policy is consistent with the commitments entered into at the Jomtien Conference on Education for All in 1990.

The publication of *Educating Our Future* coincided with a growing interest within the donor community in the sector wide approach and a desire to see the establishment of such a process in the education sector in Zambia. However, there were practical problems in initiating a comprehensive sector wide approach that would have necessitated bringing together four separate ministries responsible for education. Hence, the decision was taken to focus on the basic education sector. The foundation for the establishment of the **Basic Education Sub Sector Investment Programme (BESSIP)** was a joint appraisal carried out in 1998 by the Zambian government and the donor community. A programme implementation plan covering the four-year period 1999-2002 was presented at the appraisal and a preparatory fund was established to pay for the initial set up costs of BESSIP.

As with most SWAps or sub-SWAps, the process leading up to the eventual launching of BESSIP was fraught with challenges. One of the main problems was a lack of confidence on the part of the donor community in the Ministry's capacity to handle a programme of this size. There were particular concerns about the weakness

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<sup>14</sup> Or almost 56% of all seven year olds in the country.

of the financial management system in the Ministry<sup>15</sup>. Another concern was the lack of re-structuring at the Ministry, which ultimately resulted in the separation of BESSIP activities from the mainstream Ministry activities.

Whilst decentralization and re-structuring were priorities in BESSIP (consistent with wider Government public service reforms), progress in the first few years was slow. Lack of progress on decentralisation meant that the planning, budgeting, procurement and management of all activities remained at the Ministry headquarters in Lusaka, rather than being devolved to the districts<sup>16</sup>.

Perhaps the biggest challenge of all was to build a culture of trust between the Ministry and donors. A great deal of time and energy was spent by both parties on developing a partnership of trust and in reaching agreement on a way forward. A number of consultancies were commissioned and formal and informal meetings were held on a regular basis between the Minister and donor representatives.

BESSIP was formally launched in 1999 with support from the World Bank and a number of bilateral donors, some of which entered into a pooling arrangement at the outset. All those which pooled continued to maintain separate programmes within the education sector, although they initially intended to integrate these gradually into BESSIP. Other donors which were unsure of their position regarding pooling decided to continue in project mode within the BESSIP framework and adopt a 'wait and see' approach. Those which were precluded by agency policy or legislative restrictions continued to operate in project mode, again within the context of the BESSIP plan. The main donors in BESSIP are the World Bank, DFID, Norad, the Netherlands, Development Co-operation Ireland (formerly known as Ireland Aid), Danida, Finnida, the African Development Bank, USAID, CIDA and JICA.

BESSIP will formally come to an end this year, as it will be subsumed into the new Ministry of Education Strategic Plan for 2003-2007 (discussed further below). It is envisaged that this whole sector plan will benefit from institutional arrangements and capacity built through BESSIP, taking into account key lessons learned.

***The overall goal of BESSIP*** was to improve access, quality and equity in basic education through (a) increasing enrolment to 100% in Grades 1-7 by the year 2005 and (b) improving learning outcomes. In order to achieve this, the programme had nine components<sup>17</sup>:

- School infrastructure
- Teacher Development, Deployment and Compensation
- Educational Materials
- Equity and Gender
- School Health and Nutrition
- Curriculum Development
- Capacity Building and Decentralisation
- HIV/AIDS
- Programme Management

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<sup>15</sup> But this needs to be put in context. BESSIP was a very ambitious programme and one European Ambassador who was actively involved in the initial discussions leading up to the launch commented that if such a programme existed in his country, he doubted whether the Ministry of Education there would have the capacity to implement it.

<sup>16</sup> This was not confined to the Ministry of Education. In spite of promises to do so, the government had not published its policy on decentralisation.

<sup>17</sup> HIV/AIDS was originally designated as a cross-cutting issue, but was subsequently added as a separate component in 2000.

**The Overall Co-ordination of BESSIP** has been a collaborative process, involving Ministry of Education personnel and donor representatives who are members of the various committees that make up the management structure. A *Joint Steering Committee (JSC)* - which meets twice yearly - has been responsible (among other things) for:

- overall policy formulation, approval of annual work plans and budgets
- providing leadership in the implementation and supervision of BESSIP programmes
- co-ordination of donor funds
- receiving and reviewing reports.

The committee is chaired by the Minister of Education and also includes senior management personnel in the Ministry of Education; donor representatives; and on occasions officials from the Ministry of Finance and Economic Development. This is effectively a high-level committee that engages in dialogue at a political level.

The most important of all the committees has been the *Programme Co-ordinating Committee (PCC)*, which meets every two months, and has been responsible for:

- co-ordinating annual work plans and budgets
- monitoring the Management Implementation Team
- co-ordination of technical assistance
- commissioning annual audits
- resolution of issues forwarded from the JSC.

The PCC was chaired by the Deputy Minister of Education and included BESSIP management and donor representatives.

A *Management Implementation Team* comprising senior management personnel at the Ministry of Education used to meet on a weekly basis and was responsible, among other things, for:

- supervision of all BESSIP activities
- preparation of reports and budgets
- organising semi-annual and annual reviews, PCC meetings, workshops and seminars.

This team has since been disbanded as it was seen as a parallel structure that contributed to the separation of BESSIP activities from the main Ministry. BESSIP responsibilities are now being integrated into the re-structured Directorates within the Ministry.

Two other committees reported directly to the PCC, the *Financial Technical Committee*, which was responsible for overseeing financial management issues and the *'4+4' task team*<sup>18</sup>, a committee comprising Ministry personnel and donors that assisted with practical issues such as the preparation of annual reviews. An equity and gender committee has also met occasionally.

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<sup>18</sup> The '4+4' owes its name to the composition of the group of four Ministry personnel and four donor representatives. It has since expanded and was renamed the '6+6'.

An *Annual Review* was held towards the end of each year to look at the impact of the programme during that year. It also discussed the proposed annual work plan and budget for the coming year, identified priorities and set realistic targets for achievement<sup>19</sup>.

The main method of *monitoring* was through quarterly progress reports that were eventually consolidated into an annual report presented at the review. A BESSIP accounting unit was established within the accounts unit of the Ministry, headed by a senior accountant. Two accounts experts were supplied to the unit under technical assistance arrangements. One of these experts, the BESSIP finance manager, has played a particularly important role in ensuring good accountability and helping to maintain the confidence of the donor community. The unit was directly responsible to the Chief Accountant in the Ministry. An internal audit department in the Ministry was responsible for auditing all BESSIP transactions at least twice yearly and reported to the Permanent Secretary at the Ministry, as well as the Programme Co-ordinating Committee.

The Auditor-General has been responsible for audits of BESSIP and his report is usually presented at the annual review. Donors involved in the pool have been happy to date with the quality of the Auditor-General's work. Up to now, accounting and auditing procedures have been felt to be satisfactory and there have been no problems with financial mismanagement within the central Ministry to date. There have been some concerns about mismanagement at local level – however when problems have arisen, the Ministry, through the Permanent Secretary, has taken decisive action to deal with them.

An *evaluation* of BESSIP was conducted in 2002 by a team of local Zambian consultants but was felt to be unsatisfactory and was rejected by Government and donor partners at the annual review. Also in 2002, a joint evaluation of external support to basic education in developing countries was conducted by a team of international consultants in four countries, one of which was Zambia. A separate country study report on Zambia was produced as part of the evaluation. This was a substantive piece of work and has been more acceptable to all stakeholders. The final report is due shortly.

### **Financing and funding modalities**

The original aim of the Ministry was that BESSIP would be financed through common basket funding. This basket of Government of Zambia and donor funds was to be managed by an agreed system of accounting and reporting. In this scenario, it was hoped that all donors would pool their funding in a single account to be managed by the Ministry, with these funds being available for all components in BESSIP. This is known as *case 1* - four bilateral donors opted for this modality at the outset. However, others were unable or unwilling to do so, either for legislative or policy reasons.

A number of other options were therefore allowed. In *case 2*, funds could be allocated to a donor programme account managed by the Ministry and these could be used for all components. In *Case 3*, funds could be allocated to a donor account managed by the Ministry but available for specific components. Finally, in *Case 4*, funds could be controlled by the donor and be available for specific components.

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<sup>19</sup> There were originally two reviews per year, one to look back at progress over the previous year and the other to look mainly at the year ahead. Under the new arrangements in the SWAp, there will once again be two reviews per year.

For the Government of Zambia, the priority is to encourage as many donors as possible to move towards pooling. In 2002 one other bilateral donor began to contribute to the pool, while another is likely to do so in 2004. This reflects a growing level of confidence and trust on the part of donors in the capacity of the Ministry to manage the programme and to ensure accountability and transparency. At the same time, most donors have also been keen to maintain their links with projects operating within the BESSIP framework, seeing this as an opportunity to obtain feedback on progress directly from the ground and to inform policy at national level. However these are much more streamlined with the Ministry's plan, with a major emphasis on capacity-building for decentralisation.

### **Partnerships and co-ordination mechanisms**

From what was initially seen as a World Bank led process with limited real ownership by the Government of Zambia, BESSIP has now evolved into a Ministry of Education led programme, with good donor co-ordination and a positive working relationship between donors and the Ministry.

A *Joint Memorandum of Understanding* was signed between the co-operating partners and the Ministry in February 2003. This is a key document that sets out the Ministry's perspective on how the future SWAp should be run, discourages non-pooled funding, and expresses a preference for pooled technical assistance. It is now becoming a model for use in other countries that are engaged in SWApS. There has also been a growing representation and participation of NGOs and other civil society organisations in BESSIP. Over time, the role of the World Bank has tended to diminish and leadership within the donor community has been assumed by the bilateral donors, especially the poolers.

*Donor co-ordination* meetings take place on a regular basis, with information being shared between agencies and substantive discussions taking place on policies and progress within the education sector. Having started on an informal basis, these are now highly structured, minuted meetings, with clear themes agreed in advance. There has also been a move towards a more harmonized approach to the working relationship between donors and the Ministry of Education. This is part of the '*Harmonisation in Practice*' initiative being implemented in Zambia following the visit of a number of Director Generals of the bilateral agencies to Lusaka in 2003. Within the donor group however, there is a feeling that the 'poolers' have more influence than other agencies, especially in view of their presence on both the PCC and the 4+4 committee. This perception is probably valid and is possibly a reflection of the desire within the Ministry to encourage more donors to enter the pool.

In addition to formal mechanisms, the Ministry introduced an informal system of meetings/get-togethers with donors to discuss issues in an easier and more confidential manner. Both the Minister and Permanent Secretaries often participated and it served to build trust and address more sensitive issues.

### **Budgetary and Financial Issues**

The budgetary amount allocated by the Government to education in Zambia is just over 20% of the disposable budget in 2001, compared to higher figures of around 24-30% in Malawi, Kenya and Uganda. This amounted to US\$210 million or approximately 2% of GDP, compared to 5-6% in neighbouring countries. Moreover, the percentage allocation to education out of the *actual* budget available in 2002 was

14.8%<sup>20</sup> while *expenditure* has only amounted to 60% of this figure. Over the next five years, the Government plans to increase the budget for education to 3.5% of GDP and to 25% of the disposable budget.

70% of the education budget is allocated to lower and middle basis education, mainly because of the support provided by 15 donors to BESSIP. (In 2000, basic education accounted for 56% of all expenditure in the education sector.) The total budget for BESSIP for the period 1999-2002 is approximately US\$340 million, of which 50% is financed by the Government. Most Government expenditure is on recurrent costs such as salaries and recurrent departmental expenditure, as well as a small amount on educational materials.

Public expenditure and budget management systems within the Ministry of Finance and Economic Development have been weak, due mainly to limited capacity. This has been a major obstacle to the movement towards direct budget support by the donor community.

### **The Wider Context**

Zambia finalised a *Poverty Reduction Strategy Paper* in 2002. The PRSP covers the period 2002-2004 and identifies education, health and HIV/AIDS as priority areas for social investment. The strategic plan for education incorporates the major PRSP strategies into its goals and objectives but extends the timeframe to five years.

Zambia has also been involved in *public service reform* for a number of years through the Public Service Capacity Building Programme. This is a long-term programme aiming to rationalize and re-structure the civil service, including decentralisation and the development of capacity. Progress has been slower than anticipated, but re-structuring within the Ministry of Education has taken place and a number of senior management appointments were made towards the end of 2002. These have facilitated the integration of BESSIP into the mainstream of activities at the Ministry.

The *decentralisation* process is ongoing and focused on the districts, as opposed to the Provincial offices. Districts have now begun to take on more responsibilities for procurement, disbursement of some funds and for supervision through the inspectorate. However, the newly appointed district education boards are still unclear of their roles and responsibilities and capacity is still weak. Training has taken place for the districts and planning capacity has been strengthened through their involvement in the preparation of the Annual Work Plan for BESSIP in 2002 and the Education Sector Strategic Plan.

### **The Strategic Plan for 2003-2007**

The movement towards a *full Sector Wide Approach* took a step forward with the development of a new strategic plan for education, following extensive consultation with stakeholders. The plan, which was approved at the end of 2002, covers the period 2003-2007 and envisages an overall increase in expenditure on education, with at least 48% of the budget being allocated to lower and middle basic education. A number of future scenarios were initially presented in the draft plan - the one chosen on the basis of affordability focuses on achieving the Education for All goals by 2015, although with a slightly higher pupil to teacher ratio.

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<sup>20</sup> The disposable budget excludes foreign aid, debt servicing, other statutory requirements and contingencies. The actual budget includes these items.

The main priorities in the plan will be:

- improved access to basic education (grades 1-9) in terms of equity and gender, consistent with the BESSIP plan
- improved quality and efficiency in high school and tertiary education
- development of relevant skills and enhanced learning achievement by all learners
- effective devolution of decision making, procurement and financial management to districts and schools
- management and mitigation of the impact of HIV/AIDS.

Most of the committees established under BESSIP remain, with some under new names. The most important one, the Programme Co-ordinating Committee, has now been renamed the Strategic Programme Co-ordinating Committee and is chaired by the Permanent Secretary. This committee is only open to those who are signatories to the Memorandum of Understanding. 2003 has been designated a transition year - BESSIP effectively comes to an end as a sub-SWAp in December and will be subsumed into the Strategic Plan.

## **Performance**

When BESSIP started, there was a strong desire to have some visible improvements quickly, especially at the level of the school. This was seen as important in order to generate confidence in the Ministry's capacity to deliver on the programme. It did not happen immediately, but this is not unusual in the early phase of a SWAp process. Implementation of BESSIP activities was slow in the initial stages with expenditure against budget very low. However by the year 2001, expenditure had increased substantially and progress had been made in a number of areas. There is general agreement that BESSIP is now beginning to deliver results, albeit modest in some cases.

By the end of 2002, enrolment and retention rates had increased, as had progression rates from grade 7 to 8. The pupil:teacher ratio has begun to fall; the textbook:pupil ratio has improved; and performance rates in English and Mathematics have shown modest improvements<sup>21</sup>. The gender gap has begun to narrow, especially in the urban areas where it is now almost at parity. 52 new schools have been built in the country in the past two years. There has been no improvement in the drop-out rate.

*Capacity* in the Ministry has also improved, although many challenges remain. There are continuing concerns around re-structuring and decentralisation, while capacity in policy analysis, strategic planning and information management is still weak. Planning and information functions in the central ministry are not well co-ordinated with the provinces and the districts. At the moment, important statistics on enrolment rates, drop-out rates, educational materials and teachers are not up-to-date or accurate. In general, monitoring and evaluation systems in the Ministry are weak.

The efficiency of the *procurement systems* in the Ministry has been a particular problem – procedures need to be streamlined and simplified. In some cases donors have decided to use their own procurement to speed up purchasing materials.

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<sup>21</sup> Albeit from a low baseline.

The pace of *decentralisation and re-structuring* in the ministry has been too slow, with the result that districts and local education boards still do not have a great deal of power.

Early *reporting* systems within the Ministry were weak, but the quality of reports has now greatly improved.

### **Key lessons, challenges and risks**

BESSIP was an ambitious programme, conceived against the background of extreme poverty, a growing HIV/AIDS pandemic, a serious crisis within the education system in Zambia, and weak capacity within the Ministry of Education. The *preparatory process* that preceded the launching of BESSIP was an important period in its development. Despite many difficult negotiations, the process resulted in the establishment of a trusting, businesslike relationship between the Ministry and the co-operating partners. There was a willingness to take calculated risks and to believe that the necessary capacity within the Ministry would develop as the programme got off the ground.

The consensus, borne out by the annual reviews and the evaluations, is that the Ministry of Education has done a good job to date in implementing BESSIP and there has been an increasing confidence in its capacity to manage and account for this large programme. The growing willingness on the part of donors to contribute to the pool and the movement towards a full SWAp are evidence of this. At the same time, BESSIP has been able to accommodate other donors which are not travelling down that route, even though it is the preferred direction of the Ministry.

One of the critical success factors in BESSIP has been the *degree of local ownership* of the process. This can be attributed to the leadership and direction given by the Ministry, and especially a core group of senior officials who have been involved with the process since the beginning. The original BESSIP co-ordinator, who is now the Permanent Secretary at the Ministry, has played a particularly important role in the development of BESSIP. However, this could also be considered a potential weakness as it raises questions about what will happen when she retires.

There is also a sense of *genuine partnership* between the Ministry and the donor community, and civil society representatives are now beginning to identify their role in the process more clearly. While civil society has had limited involvement in the committees and review processes in the past, they have been much more actively involved in the preparation of the strategic plan.

There are also challenges. A major one is *decentralisation* and ensuring that there is ultimately real change at the level of the classroom. Increasing *access* to basic education and improving *quality* are still major obstacles to be overcome. There are not enough places in schools, especially now that the Government has introduced free primary education. The problem is worse in the urban areas. Over 25% of classrooms in the country are temporary or in poor condition and 30% of children of school age are not enrolled in school. There is still a major shortage of textbooks throughout the country, which has not been helped by the procurement problems within the Ministry and logistical difficulties in getting them into the schools. Although there has been some improvement in the supply of teachers, the numbers still remain low and it has been hard to attract people to work in rural areas. Morale in the teaching profession is poor, one reason being the poor conditions of service.



The strong donor focus on primary education has been at the expense of second- and third-level education: this is why the new strategic plan, which will cover the three levels, is now so important. Other important priorities - such as early childhood education, functional literacy and alternative basic education - have also been neglected. This has implications for Zambia's attempts to achieve the *Education for All* goals. Despite the long-term aims of the Strategic Plan, Zambia has been identified by UNESCO as one of the countries that is unlikely to achieve the goals.

*HIV/AIDS* presents a major challenge to the education sector. The loss of teachers and Ministry personnel, the impact of sickness, the time taken up in attending funerals and the increasing number of orphans have had and will continue to have a serious impact on the education sector. The Ministry has put a lot of effort into addressing the problem, especially through the use of well-managed technical advisors.

The Ministry of Education is the largest and most widely spread Ministry in the Government of Zambia, with a workforce of approximately 45,000 teachers and lecturers, along with 4,400 administrative and other support staff. This represents a *major challenge in management terms*. Poor remuneration remains a big issue, even though there have been some pay increases. The highly centralised nature of decision-making within the Ministry, along with the bureaucratic procedures and the inertia among some staff, makes it difficult to implement change in the education sector. There is also a need for *greater co-ordination between the various providers of education* in the country, such as the line Ministries, the private schools, the NGOs and the churches<sup>22</sup>.

*Sustainability* could become an issue in the future. Progress in the basic education sector is highly dependent on donor support, which accounts for 65% of all financing. But, while donors are currently prioritising basic education, there are no guarantees that this level of support will continue in the long-term, which is what is needed in the sector.

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<sup>22</sup> The community school sector (schools established by communities, mainly in poorer areas, for children unable to access government schools) receives grants and has some representation in BESSIP. The provision of private sector education is not well integrated into BESSIP.

## **RWANDA**

*The Rwanda education SWAP is at an early stage of development. This case study provides an overview of the rationale for the SWAp and sector policy/strategy development, before examining in more detail the ongoing process of developing mechanisms for aid co-ordination.*

### **Background**

The 1994 war and genocide in Rwanda devastated human resources and the socio-economic infrastructure and previous development achievements were largely reversed. The aftermath of 1994 was characterised by social, political and economic problems, and associated chronic under-development.

The initial international response during the first phase of reconstruction (1994-8) was characterised by humanitarian emergency assistance to address problems caused by the displacement and movement of millions of people inside and outside the country. In the second phase, a more stable socio-economic and political situation and strengthened Government institutional capacity enabled a transition from emergency relief to development assistance. Rehabilitation of development programmes was pursued and new initiatives to address the development priorities were undertaken.

Rwanda's Poverty Reduction Strategy Paper (PRSP) was finalised in November 2001 following extensive stakeholder consultation. The PRSP goals are guided by the overall vision for Rwanda's development set out in Vision 2020. This document identifies the key objectives that need to be attained for Rwanda to become a middle-income country by 2020. Education is a key priority within the PRSP, in particular the targets to achieve Universal Primary Education by 2010 and Education For All (EFA) by 2015. The broad aims are to increase access and equity at all levels of education, coupled with quality and relevance. This should contribute to economic growth and poverty reduction.

A key aspect of the Government approach to development planning and aid co-ordination is the development of comprehensive sector strategies, using the sector wide approach under the guiding policy framework of the PRSP. It is envisaged that the revision of the PRSP in two years time will be largely based on the sector strategies themselves.

The development of SWAps is currently at an early stage. The move towards SWAps is considered essential for the effective planning, co-ordination and implementation of strategies to achieve poverty reduction goals – but the Government recognizes that this will take time and that a flexible and incremental approach will be necessary. In order to achieve this agenda, it will be essential to strengthen institutional capacity in sector planning and management; establish effective mechanisms for aid co-ordination; and improve public expenditure management systems. The Government has expressed a clear preference to move away from externally-supported projects towards budget support. However a period of transition will accommodate project support, provided that assistance is consistent with sector priorities and is, as far as possible, implemented within government systems.

### **Sector Policy and Strategy**

The Ministry of Education, Science, Technology and Scientific Research (MINEDUC) is committed to the development of an education SWAp in partnership with other ministries, government agencies, funding agencies and civil society. Sector policy and strategy within the emerging SWAp is articulated through the **Education Sector Strategic Plan (ESSP), 2003–2008**. The first draft was issued in April 2003; it is currently in the final stages of approval following recommendations from the first Joint Review of the Education Sector held in April/May.

The specific objectives of the ESSP are as follows:

- to ensure that education is available and accessible to all Rwandese people
- to improve the quality and relevance of education
- to promote the teaching of science and technology, with a special focus on ICT
- to promote trilingualism in the country
- to promote an integral, comprehensive education, orientated towards the respect of human rights and adapted to the present situation of the country
- to inculcate in children and sensitise them to the importance of environment, hygiene and health and protection against HIV/AIDS
- to improve the capacity for planning, management and administration of education
- to promote research as a mobilising factor for national development and harmonise the research agenda.

The planning framework established to achieve these objectives focuses on the following sub-sectoral and cross-cutting frameworks, with particular areas of focus:

|                               | <b>Strategic Frameworks</b>         | <b>Areas of focus</b>  |
|-------------------------------|-------------------------------------|--|
| Delivery Areas (Sub-Sectoral) | 1. Basic Education                  | <ul style="list-style-type: none"> <li>• Early Childhood, Care and Development</li> <li>• Access and Retention</li> <li>• Quality</li> <li>• Disparity Reduction</li> <li>• Vocational Training in BE</li> <li>• Adult Literacy &amp; Education</li> <li>• HIV/AIDS</li> </ul> |
|                               | 2. Secondary Education              | <ul style="list-style-type: none"> <li>• Access and Equity</li> <li>• Quality</li> <li>• Science and ICT</li> <li>• Technical and Professional Training</li> </ul>   |
|                               | 3. Higher Education                 | <ul style="list-style-type: none"> <li>• Access and Construction</li> <li>• Quality and Accreditation</li> <li>• Finance and Cost Sharing</li> <li>• Staff Development</li> </ul>  |
|                               | 4. Science, Technology and Research | <ul style="list-style-type: none"> <li>• Science and ICT</li> <li>• Technology Transfer</li> <li>• Development of Research Centres</li> <li>• Research: Strategies and Finance</li> </ul>  |
| Service Area (Cross Cutting)  | 5. Planning and Management          | <ul style="list-style-type: none"> <li>• Sector Strategic Planning</li> <li>• Financial Management</li> <li>• Education Management Information System</li> <li>• Monitoring and Evaluation</li> </ul>  |

|  |  |                               |
|--|--|-------------------------------|
|  |  | • Education System Management |
|--|--|-------------------------------|

Each strategic framework includes indicative performance targets and outlines the types of strategies and sub-strategies necessary to achieve them. As would be expected at such an early stage of developing a comprehensive sector strategy, many areas of focus have only recently been identified and/or defined. A critical challenge will be to translate strategic focus into detailed, realistic and affordable implementation strategies.

Particular challenges include the following - these are illustrative of the scope of required policy/strategy development and are by no means an exhaustive list:

- develop strategies to reduce drop-out and repetition at primary level
- develop a Special Education Needs Policy
- expand primary and lower secondary school facilities
- increase access to Early Childhood Care and Development
- facilitate greater community participation in school management
- reform the primary and secondary school curriculum
- develop strategies for encouraging girls and disadvantaged children to enter and stay in secondary schools
- increase and strengthen HIV/AIDS awareness in schools
- develop ICT policy and build capacity for ICT at school level
- develop a Higher Education National Policy, including a financing framework
- develop an effective Education Management Information System at central, provincial and district level
- develop a strategy for rolling out ESSP to districts
- build capacity for financial planning and management at district level
- develop strategies for gender mainstreaming and undertake a thorough gender analysis of ESSP to be followed up in policy/strategy development.

A comprehensive Education For All Plan of Action was finalised in June 2003. The plan is subsumed into the Basic Education Framework of the ESSP that outlines the medium-term priorities and strategies for moving towards the achievement of EFA goals in the longer term. The Secretariat of the EFA National Committee is located within MINEDUC. It will be important to ensure that EFA planning, implementation and monitoring are undertaken through existing and established Ministry structures and systems.

### **Progress towards Aid Co-ordination**

The Government has taken a proactive approach to promoting aid co-ordination in Rwanda. The Ministry of Finance and Economic Planning (MINECOFIN) manage the aid co-ordination agenda at a national level. Key initiatives have included proposed guidelines issued in November 2001 and a Framework for Aid Co-ordination in November 2002. The Government makes a strong case for the use of the PRSP, SWAp and the MTEF as instruments for co-ordinating external assistance.

The framework takes an open and frank approach in highlighting the constraints to aid co-ordination, both on the funding agencies and Government side. Funding agency mechanisms and procedures are often complex and inflexible; insufficient national partnerships are established; programmes are not always aligned with national priorities; and planning is too short-term. On the Government side, there has (until recently) been a lack of coherent medium- and long-term development

vision; limited institutional capacity for policy and program development; and little reliable statistical and financial information. The framework suggests that Government/funding agency dialogue has been poor and that if external assistance is to have an impact on poverty reduction, then it is necessary to get out of 'business as usual' and to establish better aid co-ordination mechanisms.

Within this context, and with the proliferation of externally-funded education projects<sup>23</sup>, MINEDUC developed its own framework and proposals for improved co-ordination. These were to be agreed and adopted with the finalisation of the ESSP following the Joint Review in April 2003. A formal institutional framework for SWAp management was proposed. An important function of this framework will be to facilitate co-ordination and dialogue between partners. This will incorporate broad participation in consultative forums and a donor representative will be invited as a member of the high-level Education Sector Steering Group. The Joint Review recommended that consensus on institutional issues is reached as soon as possible. At present there is no regular forum to bring Government and partners together. Consultation is informal, usually between individual agencies and Government. The framework is provided in Annex 1.

Other key proposals first raised in December 2000 and subsequently re-issued in 2002 (with some revisions) as a set of formal Partnership Principles can be summarised as follows:

- Funding agencies will honour the national vision for education within the ESSP.
- MINEDUC will lead Joint Education Reviews which will satisfy funding agency review requirements – they will not request separate reviews.
- Funding agencies will commit to ensuring that their structures and procedures will comply with those of MINEDUC and its co-ministries.
- Funding agencies will harmonise their inputs through the Lead Agency mandated to represent the donor group.
- Funding agencies will present policy statements for the development of education in Rwanda.
- Funding agencies will commit to undertaking joint strategic negotiations and planning.
- All relevant information will be made available to all partners in both English and French.

In this context, the funding agencies convened a retreat prior to the Joint Review to discuss aid co-ordination and to consider how best to respond to the MINEDUC proposals. Following extensive discussions, two broad options for co-ordination were identified:

1. *co-ordination to harmonize different development partners' operations in order to facilitate joint support of Government strategy and policies, while retaining the respective mandate, policies and implementation modalities for donors not yet working under direct budget support to Government, or which would have constraints in doing so*

Co-ordination would promote complementary operations and improved consultation would hopefully minimize duplication at the level of different agency programmes. Co-ordination efforts would focus on harmonizing

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<sup>23</sup> In April 2002 there were over 55 education project components in progress supported by 12 funding agencies.

between development partners while using the Government strategy, policies and priorities areas as the reference point for their respective support. Agencies would interpret their role in the strategy along their mandates, policy orientation and operating procedures but would support inter-agency action plans and co-ordination, including co-financing of programmes. Implementation would therefore continue to be primarily through individual agency systems but would be co-ordinated to minimize creation of parallel structures. Some agencies would continue to use their own procedures for operations, financial management, programme reviews and monitoring.

2. *co-ordination to facilitate development partners to operate fully within Government systems, without creating parallel designs or priorities based on respective mandates, policies, decision-making systems or preferred implementation structures.*

All development assistance would be mainstreamed into Government systems, including financing and operating procedures. Funding would be provided in direct support of Government sector financing, either through direct budget support or sector-level basket funding. Where projects/programmes continued, they would be mainstreamed and implemented directly by Government as part of its programmes. They would utilize its operating procedures, including review and reporting systems. Agencies would support Government as a consortium - and would not have separate projects implemented by individual agencies.

The retreat recognised that though the second model was the ideal approach it was not yet feasible. It was therefore recommended that in the interim, co-ordination would be aimed at supporting development partners to align their development assistance to Government strategy and policy. It would not be aimed at changing their funding modality or operating procedures. It was however agreed to examine the potential for transition to the first option over time. Agencies agreed on the need for improving transparency and information-sharing.

The Government and funding agency positions clearly diverge on the critical principles related to the use of Government versus agency systems – a fundamental characteristic of aid co-ordination within SWAPs. The Government recognizes that there is a clear commitment from agencies to align assistance with ESSP priorities, but that certain agencies' procedures restrict the use of government systems and budget support modalities. The Government is prepared to allow flexibility in modalities and systems, at least in the short- to medium-term. This is on the understanding that agencies are committed to pursuing strategies for better integration in the future. The extent to which such a transition can be realized will be a critical factor in the ongoing development of the partnership between the Government and funding agencies.

## **Key lessons**

Lessons from the Rwanda experience include:

- the development of a comprehensive **strategic framework** will take time. It will not be possible to simultaneously develop program strategies for all areas – this is an ongoing process.
- it is important for the key partners (primarily the Government and funding agencies) to discuss and agree formal co-ordination and **partnership principles**

- getting the institutional architecture right for the co-ordination, consultation and dialogue - and the SWAp more generally - takes **time**
- reaching consensus on these **key 'rules'** of the SWAp requires high degrees of flexibility, mutual trust and often compromise – again, it will take time for partners to adapt to the new forms of negotiation (both Government/agency and inter-agency)
- disagreements and/or **tensions** are inevitable and often not easily resolved. (The issue of using new modalities and Government systems are common examples in SWAp development.) Open and frank discussion is important to foster the common understanding necessary to take things forward.
- notwithstanding the above lessons, it may be important to agree a **timeframe** for agreeing formal co-ordination and partnership mechanisms to avoid protracted delays that will impede progress.

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## Annex 1: SWAp MANAGEMENT AND IMPLEMENTATION

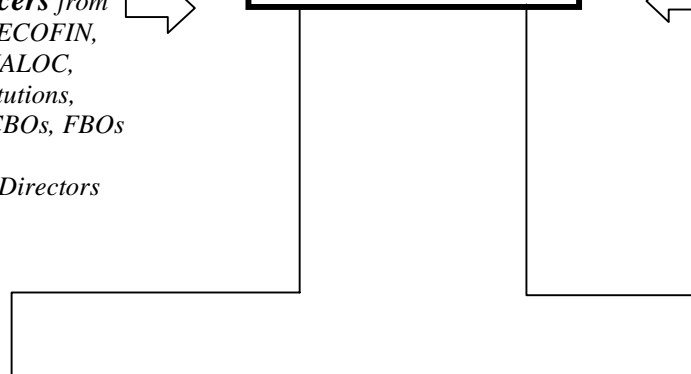
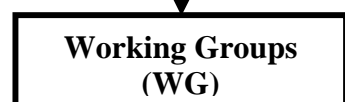
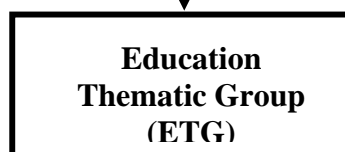
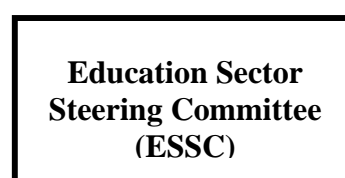
### Membership

#### **Policy team**

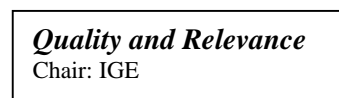
State Ministers (Ed),  
SG (Ed and relevant ministries),  
Donor representative (1)  
Chaired by Honourable  
Minister of Education

**Senior technical and  
planning personnel** from  
MINEDUC, MINECOFIN,  
MIJESPOC, MINALOC,  
Educational Institutions,  
Donors, NGOs, CBOs, FBOs  
Chaired by Honourable  
Minister of Education

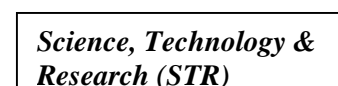
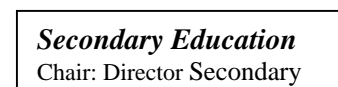
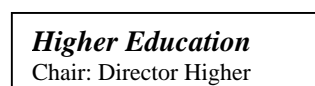
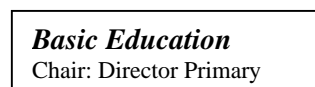
**Technical officers** from  
MINEDUC, MINECOFIN,  
MIJESPOC, MINALOC,  
Educational Institutions,  
Donors, NGOs, CBOs, FBOs  
as appropriate  
Chaired by Lead Directors



#### **Two Cross Cutting Units (CCU)**



#### **Four Sub Sectoral Groups (SSG)**



### Activity

#### **Policy assurance**

- Monitors education performance
  - Advises ETG
- [Meets at least once in each 1/2-year]



#### **Sector Guidance and Supervision:**

- Advises on programme planning
- Monitors sector development
- Supervises, co-ordinates and guides the Working Groups;
- Ensures Donor liaison
- Reports to ESSC



#### **Sub Sector Strategy and Action Planning**

- Makes proposals on subsector policies, targets and strategies;
  - Produces planning outputs, including work plans;
  - Monitors subsector progress;
  - Ensures information exchange and compliance through cross-membership between the CCU and SSG;
  - Reports to ETG
- [Meets monthly (minimum)]



### **Abbreviations (some explained within the diagram)**

|           |  |
|-----------|--|
| CBOs      | Community Based Organisations                                      |
| FBOs      | Faith Based Organisations  |
| IGE       | Inspectorate General of Education                                  |
| MIJESPOC  | Ministry of Youth, Sport and Culture                               |
| MINALOC   | Ministry of Local Government, Social Affairs and Information       |
| MINECOFIN | Ministry of Finance and Economic Planning                          |
| MINEDUC   | Ministry of Education, Science, Technology and Scientific Research |
| SG        | Secretary General  |