

Foreword

Emerging Landscape of Ideas around GRA: Notes on Going Forward

Introduction

This note sets out the emerging landscape of ideas on the Global and Regional Activities (GRA) program led by the Education for All (EFA) Fast Track Initiative's (FTI) Secretariat's Global Good Practice Team (GGP), resulting from the first round of consultations in June of 2011. It summarizes the results of that first round, the state of the discussion, and also provides some background history on the GRA that seems to have been missing from the perceptions of some commentators, and how the activities are integrated with each other and with the other priorities of the FTI Secretariat as endorsed by its Board of Directors.

Background of the GRA

The GRA program was approved by the FTI Board of Directors, as a type of successor to the EPDF. The program will function under the unified Education for All Fund. The GRA program will provide support for initiatives and programs that address thematic areas and demonstrate their ability to enhance the capacity of country and international/regional level institutions/organizations to support EFA FTI country partners to meet their education goals.

Global and regional initiatives are intended to address the following development objectives:

- Strengthen capacity of country and regional level entities to develop, implement, and/or monitor sustainable national education sector programs.
- Enhance understanding of key priorities through research and practice and increase the impact of investments in education, drawing on innovations, evidence, and global good practices in these areas.
- Improve knowledge sharing between and among EFA FTI partners through the systematic provision of services and products that enlighten, engage and energize partners to apply new knowledge and evidence-based good practices to resolve education challenges.
- Improve Partnership accountability by strengthening availability and quality of data.
- Strengthen South-South networks and partnerships.

The three thematic areas for the GRA program cycle 1 (2011-2013) are:

- Learning outcomes
- Out of school children
- Education financing

Eligible activities to be funded by the program are:

- Research and dissemination
- Technical workshops
- Development of innovative partnerships and networks
- Technical assistance
- Study tours
- Interventions to inform scale up

Summary of Thematic Papers and the Role of EFA FTI Partners

Out of School. This paper concerned itself with gaps in Data, Policy, and Management (or Implementation) in terms of identifying and counting children, assessing the reasons for non-enrolment and non-attendance, addressing out of school issues via improved policy-making and sector planning, and, finally, by developing more effective models of implementation to address issues related to getting children into school and keeping them there. The overall aim is to provide improved tools and guidance as well as documented examples of good practices in all these issues.

Quality and Learning Outcomes. This paper noted the need for an entry point into quality, and argued that early literacy (soon followed by mathematics) represents a good entry point for two reasons: a) because it is chronologically and pedagogically fundamental to accessing all other forms of knowledge at later points in the school system, and b) because in improving learning in these areas one can provide entry points or object lessons in how to improve other subjects, later in the system. The paper called for small amounts of knowledge compilation, and larger amounts of knowledge dissemination based on existing knowledge and experimentation.

Finance. This paper called for work in a) improved reporting and monitoring of finance flows, including analysis of efficiency and equity issues, b) tools for assessing fiduciary risk in the sector, particularly in view of sector and general budget support and other modalities deemed to be more effective than projects managed by donors and NGOs, c) experiences with types of financing that can more directly stimulate or support results, d) Development of integrated funding approaches for equity in education, and e) innovative financing sources.

The three thematic papers have been revised through a consultative process with FTI partners, seeking to enrich the understanding of the thematic areas and to determine an agreed way for the GRA program to help move the out-of-school, education financing, and quality agendas forward.

The papers provide a framework for activities to be developed with members of the FTI partnership, and do not attempt to catalogue the out-of-school, education financing, and quality issues. Elements of the discussions may remain unaddressed, since these thematic papers are only meant to create an overall framework for action, but this does not mean that any specialized considerations cannot be integrated in the activity proposals by partners. In fact we hope they will be, as proposals are elaborated in the coming period.

FTI and Implementation

Given the vastness of the issues, and the requirements of specialization, it is clear that the FTI Secretariat cannot “implement” solutions to these issues. There are plenty of partners, including developing country partners, who are already doing a great deal of work in these areas. The FTI Secretariat, through the GRA activities, hopes to create an opportunity for all partners to take systematic re-look at how these issues relate to each other, and expand the dissemination of knowledge and experiences that can further achievement in these areas.

At the same time, whenever, acting in concert with particular partners, the FTI Secretariat itself can give a short-term boost to a particular area that has gone un-attended, we believe someone has to step in and provide that boost. In most cases the FTI Secretariat will stimulate others; in a limited number of cases we will kick-start a relatively specialized or small area, in the hope of turning it over to others as soon as possible.

Thus, most (90% to 95%) of the implementation of this work is expected to take place through transfer agreements from the FTI Secretariat to various Supervising Entities who have the fiduciary controls needed to supervise funding usage. At the same time, actual implementers may be countries, NGOs, the Supervising Entities themselves, etc.

While the FTI Secretariat hopes to stimulate others in certain areas, and also to encourage clear agreements as to what results are expected, similarly FTI does not intend to issue competitive requests for proposals (RFPs), nor does it see itself as a “client” with “suppliers.” If the term “RFP” sent the wrong message, we propose to re-label these as Requests for Results Partnerships (RRPs). Formal relationships with the Supervising Entities will still need to exist, of course.

Select Comments from Stakeholder Consultation 1

During the first phase of the consultation process, two aspects of the whole process have become increasingly clear: a) areas that were missing in the original formulation, which partners have pointed out and b) partners pointing out their history and ongoing willingness to address some of these areas as well as pointing to other experiences. This section summarizes those reactions. Only main lines of discussion, common to several commentators, are summarized here. More specific comments were too numerous to summarize succinctly, but have influenced the overall tenor of the FTI Secretariat response. These have found their way to the concept notes for round 2 of consultations, most often in the language used throughout. We created new activities or sub-activities in cases where there were comments in common to many partners, especially if the comments clearly implied a “proposition” with regard to a concrete activity that could be said to be missing from the GRA.

Missing areas or general comments included the following, in no particular order. Some are oriented at substance, others at process. Some of these areas were indeed noted in the Concept Notes, but perhaps in too muted a fashion, so they are re-stated here as comments.

1. Naïveté with regard to the political economy and institutional aspects of change or lack of change (e.g., in why certain OOS issues are not addressed in countries' plans, why learning outcomes are so hard to improve, etc.). As well as reform implementation. This was mentioned by many partners and in regard to a variety of areas. This was perhaps one of the most remarked-upon issues.
2. Lack of tie-in to curricular definition of early literacy in countries, in a practical manner, and with possible "hooks" to assessment and learning materials, in an integrated fashion, in the quality area.
3. Need to further emphasize and support country-based planning processes, and to work within the context of country plans and policy dialogue as much as possible. In all areas.
4. The need for both systemic frameworks for quality and broader sense of quality. Focus of learning outcomes on early literacy is too tight. Mostly in quality area.
5. In quality, the whole issue of attitudes, value and culture as motivators of behavior and determinants of quality, especially when it comes to teacher motivation.
6. Promotion of single approach as a solution to key problems, particularly in early literacy, is not sufficiently cognizant of others' efforts and the variety of approaches others have tried.
7. More emphasis on the local (school or village), especially on the use of data for localized management and accountability, not just policy-setting. Mentioned mostly in the context of OOS. Could tie into concept of political economy, already noted.
8. With regard to some of the concept notes and reviewers who reviewed only one, some of their concerns are actually noted in other concept notes that they may not have reviewed (e.g., the issue of pro-poor financing as a way to deal with OOS or Learning Outcomes is dealt with in the Finances concept note; it was dealt with already, but it has now been made more explicit).
9. Limited recognition of and/or linkage to on-going efforts and initiatives by partners already addressing the identified gaps. Here it is important to note that the GRA does not intend to duplicate but to support the efforts of members of the FTI partnership, while contributing to linking together various efforts for a more comprehensive global approach. The concept notes generally aim to fill gaps in knowledge and practice, but not to be a catalogue of good practices. That will come later, as part of the work itself. For now, however, if a partner feels a set of available knowledge products or practices are so well-evaluated and definitive that further work is not at all necessary, then this would be an important thing to note.

Partner Interest

Partner interests have been expressed in various aspects of the GRA agenda, based on the various partners' work histories and comparative advantage. These are presented in tabular format. In further rounds of discussion we hope to further refine and, at the same time, make this knowledge more explicit. The table is presented in alphabetical order. Some agency commentators made extremely diverse, in depth, and very engaged comments. However, they did not always express ways in which they themselves could proactively engage in a follow-up. We have read the intensity and engagement of comments as suggesting some institutional interest in follow-up (e.g., in being a Supervising Entity in at least some aspects of their comments) but that is, in some cases, only an assumption on our part. In

other cases, partners were quite “propositional” and therefore their interest was more likely to be digestible and presentable in tabular form. In general, our summaries below are very telegraphic statements of groups’ interests, as we cannot reproduce the richness of everyone’s comments in a table. All comments are posted on the webpage as noted, and, also, each thematic paper now reflects commentators points more completely, particularly when commentators were “propositional.”

Countries	<p><i>General note: there was not as much commenting from countries as from agencies (at most 5% of comments came from countries). This is something that will hopefully be dealt with in the second round. One understands that countries’ officials are under time pressure with urgent tasks, but an effort will be made to seek further involvement.</i></p> <ol style="list-style-type: none"> 1. In Ghana, the School Performance appraisal Meeting (SPAM) is a multi-stakeholder forum used to promote the use of data for managing enrolment and attendance. Moreover, the Ministry of Education has developed a draft complementary basic education policy (emphasizing State-Civil Society joint implementation) to address OOS children. However, implementation faces budget and cost-efficiency challenges. 2. Honduras will be experimenting with results-based financing as part of its own policies and would welcome support and collaboration with FTI-S. 3. Mozambique suggests the possibility of making better use of both exams and assessment systems and appreciates help in this area. Calls for common benchmarks in public exams. In general the use of public exams for quality assurance, not just filtering, is under-explored. Also express interest in measurement of more basic skills and in mother tongue and in effective remediation approaches (already included in the note on Learning Outcomes) for children falling behind and under difficult conditions.
IBE	<ol style="list-style-type: none"> 1. Interest in helping with curricular agenda as it pertains to early literacy, and tie-in between curricular agenda and assessment and learning materials. Can bring in important academic actors.
IIEP	<ol style="list-style-type: none"> 1. Interest in finance agenda, capacity-building around finance 2. Also possible role convening work on written assessment in early grades, networking PASEC, SACMEQ, LLECE, other efforts.
ILO	<ol style="list-style-type: none"> 1. Interest in helping with linkages between child labor knowledge base and education (OOS) through ILO IPEC program/better connection between analysis of child labor data and education planning.
UIS	<ol style="list-style-type: none"> 1. Ongoing measurement agenda key to all reporting. 2. Work on data issues particularly as they pertain to OOS. Particular attention to issues of absenteeism, in-and-out-of-school phenomena. 3. Work on oral assessment based on existing technical experience. (Convening experts to set standards, compare experiences, etc.).
UNESCO	<ol style="list-style-type: none"> 1. Mutual mandate-setting through common commitment, and agreement generation amongst technical leaders and countries around EFA goal 6, as a starting point. 2. Quality frameworks and agreements to try, use, document. 3. Institutionalizing support to quality enhancement via local knowledge providers (universities and think tanks within countries). 4. UNESCO with UIS expressed its interest to carry out the development of a methodology to improve national reporting systems on financial flows.

	<ol style="list-style-type: none"> 1. Interest in various aspects of data, policy, and management of OOS agenda, including measurement of causes, management of enrollment, experiences and dissemination of practical approaches to OOS. Ongoing history of OOS work with UIS. Experience in household surveys that can identify causes. 2. Interests and comments expressed in mother tongue, multi-grade teaching, production of texts in mother tongue, PPPs in textbooks, and a great variety of topics that would need to be provided in integral form. This suggests roles in piloting of integrated approaches or very country-based partnerships.
Various bilateral agencies	<ol style="list-style-type: none"> 1. Interest in FTI Secretariat's technical recommendations on key issues such as norms around learning outcomes (e.g., Dfid, USAID). 2. Interested in commenting on and supporting FTI via their own work in countries, convening regional efforts (e.g., AFD around PASEC and learning outcomes, as PASEC one of few experiences in early learning assessment in writing). 3. GIZ has expressed particular interest in collaborating on dissemination and knowledge-sharing of particular products, particularly in quality area. Experience of former InWent is mentioned. GIZ expressed interest in collaboration specifically in mother tongue, ECD, and some other specific areas which would be quite country specific (see UNICEF comments). 4. JICA has worked on learner-centered approaches in Math and Science which could be further supported/networked with others. MOFA in Japan will make available lists of good practices based on recent MDG meeting in Japan. 5. Dfid has noted an interest in focused approaches in early learning including assessment of early skills. 6. USAID is already modeling many of the Learning Outcomes approaches noted here, often in rigorously evaluated contexts, and their experiences will inform work going forward. FTI will support these processes particularly if/as USAID links with other donors with a very close interest such as Dfid. 7. AFD provided extremely extensive and engaged commentary but it was unclear whether there was a desire to possibly serve as an SE or some sort of coordinating agency except in the area of PASEC which was clear. Their commentaries have otherwise been introduced into the discussion in the concept notes. (As noted above this was also the case with other agencies: extensive and interesting commentary but not clear interest in an SE role.) Further discussions will be warranted as the process unfolds. 8. Similarly AUSAID and CIDA seem to have particular interest in various areas and submitted many comments but it is unclear how they themselves are proceeding in ways that can link with some of these initiatives or possible role as SE partners.
Various civil society organizations	<ol style="list-style-type: none"> 1. CGE has signaled willingness to work on political economic and accountability issues with respect to access, learning outcomes, and finance. May need a Supervising Entity. 2. The Brookings Institution has issued a Global Compact on Learning which itself encompasses key FTI partners (Dfid, CIDA, USAID, elements of civil society constituencies, for instance), and which addresses itself at the Learning Outcomes / Quality agenda including but not limited to early literacy.

	<p>a. In collaboration with others, possible work on finance agenda including National Education Accounts.</p> <p>3. Various NGOs such as Save-the-Children with its Literacy Boost approach, Pratham in India, IEP in Mali (and others), have already been demonstrating approaches that tie in to the efforts noted in the Learning Outcomes concept note.</p>
World Bank	<p>1. Ongoing work on impact evaluation of various kinds of interventions.</p> <p>2. Ongoing work on quality and benchmarking frameworks (e.g., SABER, work on teachers, assessment, etc.).</p> <p>3. Work on improved financial analysis and reporting (e.g., ongoing work on Country Status Reports).</p> <p>4. The role of health factors in both OOS and Learning Outcomes.</p>

Way Forward

In the second consultation, starting mid-July 2011, we propose to further refine interest of groups. It is important to note that the activity descriptions up to now do not attempt to match the richness of the comments received. They simply attempt to create a telegraphic placeholder for the areas commentators said were missing, as a basis for an overall portrait. Details and nuance can be put back in as we progress towards defining these activities more specifically, to generate RRP as the basis for agreements on the results expected.

Instructions for Second GRA Consultation:

1. Review the revised thematic papers according to your expertise.
2. Provide concrete comments/suggestions/edits on the activities, and not on the background/text. We are very interested in concrete aspects of partnership. Because we are not aiming to implement much of this, the key is to assess partner interest in concrete, implementable activities that your organization would like to be involved with. Please let us know if you are interested in implementing some of these activities.

Please send all comments by August 8th.

Once we receive your feedback, we will finalize all papers and post the 3rd drafts on our webpage. Then, we will prepare the Requests for Results Partnerships (RRPs) (note we have changed the language from away from “RFPs”) and send them by mid September to those institutions which expressed their interest. These RRP will be posted on our webpage so that other potential Supervising Entities will be able to make proposals.

We thank you again for your participation and look forward to your inputs to this important program.

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Global and Regional Activities Program

Thematic Area: Education Financing

Version 2

July 2011

1. BACKGROUND

Education represents a substantial, if not the largest share of public expenditures in many low-income countries. Governments in those countries made significant efforts over the past decade to increase their national budgets for education. The EFA 2011 Global Monitoring Report shows that education spending as a share of Gross Domestic Product (GDP) increased from 2.9% in 1999 to 3.8% in 2008 in low-income countries. But it is widely agreed that levels of domestic financing and external funding are not the only pressing issue when it comes to provide equal educational opportunities to all children.

The concerns addressed in this paper are (a) how to make domestic education finance systems more effective to ensure efficient, equitable and transparent education spending in EFA FTI developing countries; and (b) how to make external funding more effective in terms of consistency with national education priorities and how to increase its predictability, specifically through innovative financing. But also, how to develop methods to induce results through external funding, i.e., results-based funding. The paper suggests five priority activities and approaches for filling the existing knowledge gap in these areas. The identified activities are in support to achieving EFA FTI's objectives and to achieve sustainable progress over the years on the indicators agreed-to in the EFA FTI Results Framework.

Efficiency of public expenditures. The issue of efficiency addresses the use of resources allocated to an education system as regard to its cost-effectiveness. In other words, what is the value for money? What can be observed in terms of expenditures in relation to enrolment, gender parity and long-term learning achievements for children? Are there wastages in terms of public expenditures, and how can they be identified and dealt with? Although in some countries insufficient domestic funding levels remain a major challenge, in others, sub-optimal use and allocation undermine the efficiency of education expenditures. Some countries achieve better results with less money than others with a higher volume of available funding. But also countries with similar levels of public spending for the education sector achieve very different results.

The efficiency of public expenditure in education is dependent on the efficiency of public expenditure in general. It cannot be isolated from the larger public expenditure context. In the education sector, efficiency depends on the available education sector data to inform the decision making process and transparent monitoring of the flow of funds. It also depends on structures of demand or social pressure, within the society (and in the interaction between the local society and external agencies) for efficient spending. This may relate to pressure from civil society or pressure from one state institution on another. However there are also instances where the local values may result in resistance to the most effective strategy.

Equity of resource allocation. In many low-income countries governments do not make equitable allocation decisions, in particular with respect to the following variables: geographic, social and gender disparities. Inefficient allocation of resources becomes evident in the disparities between urban and rural areas, for example regarding investments in school infrastructure, which limits the chances (especially for girls) to go to school. This is usually a result of a lack of incentives for teachers to work in the rural areas and a bad budget decision to not make rural schools more attractive places to work, or of the lack of transparent, fair, and enforced staff allocation mechanisms. Concerning the social disparities, the 10 percent most educated in low-income sub-Saharan African countries benefit from 43 percent of public spending on education. The public education finance mechanisms and structures a government applies should promote equal educational opportunities. This aspect also relates to the measure of the private costs for schooling. Parents, and especially poor parents, pay a significant share of the costs in primary education, especially in rural and remote areas. Parents, for example, make direct investments for their children's education when they decide to establish a community school in the absence of the state providing a public school, or one the parents consider good enough. Furthermore, if school fees have been largely abolished in the past decade, hidden costs, either direct or indirect, remain important for families, as well as opportunity costs. Household cost-barriers to education continue to constitute a, if not *the*, major barrier to education access, especially within the present context of chronic economic and food crises. There is a need to maintain the focus on such barriers and on the continuing creeping of multiple costs and burdens on poor families for the education of their children.

Sufficiency of resources for education. This issue concerns the amount of funding, domestic and external, and whether or not it is sufficient for implementing the set education policies. A couple of questions relate to this issue: What is the funding gap and how does the government plan to fill it? Do existing plans provide information on credible multi-year financial resource requirements for educational development? What is the role of the private sector and external donors in the financing of education?

External resources are an important way of financing the education sector in low-income countries. However, we need to ascertain the extent to which donors have effectively delivered on their financial commitments. In addition at the country level, external support, when delivered, remains disconnected from the budget planning and broadly unpredictable.

Comment [kam1]: I do not think there is much evidence linking teacher incentives with decreased teacher shortage/quality issue to rural areas. It is more about a system equitably placing teachers (like ROK) or an empowerment plan within the rural community working over the long term to cultivate quality teachers from community members already living in and attached to the rural area

In this respect, innovative financing mechanisms, which are supposed to be more sustainable and more predictable, will have to be thoughtfully investigated.

2. Proposed Activities

The following sections will present the knowledge and activities gaps in the field of the education financing in the EFA FTI partnership. These activities concern regional and global issues in the sector and need to be addressed by partners to ensure acceleration results achievement.

If effectively undertaken, these activities could put policy makers in the field of education in a position to implement five processes: i) to know what the costs of education are and to analyze them, ii) to be able to design funding policies and define the role of each stakeholder, iii) to anticipate financial consequences of education reforms or development objectives, iv) to articulate policy, planning and management and v) to be able to follow-up and monitor policy objectives.

The five proposed activities in this paper are:

- 1. Development of a methodology to improve national reporting systems on financing flows.**
- 2. Development of a tool to assess the fiduciary risk in the education sector.**
- 3. Development of financing initiatives tightening resources to results.**
- 4. Development of integrated funding approaches for equity in education.**
- 5. Development of innovative financing mechanisms to increase financial resources in education.**

Activity # 1 ~~Development of a methodology to improve~~ improvement of national financing policies and mechanisms reporting systems on financing flows

Comment [GC2]: The title of this activity is misleading.

FTI countries are responsible for developing and implementing an education sector plan (ESP), comprehensive or interim. The government, ~~works~~ with support from the Local Donor Group and Civil Society Organizations (CSOs), ~~will to ensure~~ the design and efficient monitoring of the implementation of the credible and coherent plan. ~~International partners will contribute to through local~~ capacity-building ~~of and Joint Sector Reviews conducted with~~ government officials and institutions for them to lead this process.

The development of an ESP requires having a clear understanding of issues and challenges ~~and issues~~ of the education sector. One of the most critical issues is information gaps concerning ings the financing flows in the sector; including issues of efficiency and equity of public expenditures. As discussed above, an increase of the financial resources for the sector is not sufficient to achieve better results either in access or in student learning - and to decrease inequality. It is important for the government to ~~understand how to improve the~~

effectiveness of the expenditures and to ensure a basic education for all of good quality; even in remote areas and for the marginalized children. Therefore, the development and implementation of an ESP requires having access to produce good quality data on financing flows in the education sector in order to understand how funds are disbursed, who are disadvantaged in access to funding the main beneficiaries, where are the potential source of leakages and savings and what could be done to improve the cost efficiency and effectiveness. This will also enable to identify the unit costs by expenditure item for both recurrent and capital expenses.

However, the production of complete statistics on education financing and expenditure is the weak in point of many education statistical information systems. Education Management Information Systems (EMIS) provide rarely information on education cost and financing. The reason for the weakness of the statistics on education financing and expenditure comes from the weak capacity, governance and accountability of many education systems, compounded by the complexity of many of the financing mechanisms of schools, with various partners contributing to it and on the fact that the knowledge on financial data is split between various places, and the flows arrive in many forms and from many sources within the Ministries, including, of course, often in in-kind form. Thus, data on what schools spend are often hard to obtain.

A costing exercise, using a projection model, is ~~one~~ the only way to estimate the financial requirements of the sector development and also identify ~~alternatives~~ sustainable scenarios for the evolution of the sector in the future. This exercise should be undertaken in close cooperation with ~~the local donors and~~ the Ministry of Finance, and with support for the local donor where local capacity is weak, to ensure financial affordability and consistency with the overall budget planning process, as well as any existing EMIS. This process should lead to the production of a Medium Term Expenditure Framework (MTEF) for the sector approved by the Ministry of Finance.

Comment [s3]: Efforts should be made to include other ministries involved in education where responsibilities are divided (e.g., Ministry of Education and Ministry of Higher Education) to understand the full cost of education

Proposed activity #1:

- The EFA FTI Partnership should ensure that all EFA FTI developing country partners can implement ~~solid good reporting on~~ financing policies and mechanisms flows. This should:
 - ✓ Be consistent with the technical capacities of the individual country, especially fragile states and include capacity development measures
 - ✓ Enable an overall estimation of the resources (public, private and external) available for the sector including at the decentralized, local, and school levels;
 - ✓ Identify the inefficiencies in the resource allocation and utilization;
 - ✓ Analyze the equity of the resource allocation;
 - ✓ Analyze the incentives effects of the mechanisms of within-country resource transfers (are they incentivizing results or are they incentivizing input expenditure only?), such as funding and physical resource allocation formulas versus ad hoc allocations, or the linking of

Comment [GC4]: Not clear

	<p>funds transfers to an examination of results such as in MTEF processes</p> <ul style="list-style-type: none"> ✓ Enable the Ministry of Education to develop a costing of the ESP that will lead to the development of an MTEF when the Ministry of Finance already uses a programmatic approach for the national budget; ✓ Enable the Local Education Group to support in <u>monitor the efficient</u> resource allocation and <u>effective</u> execution (especially at the local and school level) during the implementation of the ESP mainly through the Joint Sector Review Reports. ✓ FTI Countries should be encouraged to publish key education finance statistics in their annual yearbooks along with other education statistics. This increases transparency and makes the data available to all national and international stakeholders (civil society, members of parliament, etc) and at the same time increases the expertise of national staff in education finance data
Type of activity	<ul style="list-style-type: none"> • Research and basic knowledge • Technical workshops for and knowledge transfer <u>dissemination</u> • Technical assistance • <u>Intervention to inform scale up</u>
Link with Results framework indicators	<ul style="list-style-type: none"> • Output 1: FTI partner countries develop and implement sound sector policies in education
Proposed approach #1:	<ul style="list-style-type: none"> • The proposal for activity #1 should be based on the existing tools already in place in the sector such as: country status reports <u>education sector analyses</u>, public expenditure reviews, public expenditure tracking survey, cost projection models. <u>It should take into account the project undertaken by the World Bank on benchmarking: System Assessment and Benchmarking for Education Results (SABER).</u> <u>It could involve civil society organizations interested in the tracking of public expenditures.</u> • The support proposal should be <u>given tested</u> in at least 5 EFA FTI developing country partners that will develop or update their ESP in the coming two years (2012-2013). • The proposal should take into account that the EFA FTI Partnership wants to improve the accountability at the global level to ensure that EFA FTI partners reach meet their commitments. <u>UNESCO institute for Statistics (UIS) has the mandate to collect and disseminate data on education.</u> <u>The reporting developed at the country level will have to allow dissemination of the financing data at the global level through UIS.</u>
Expected Deliverables #1:	<ul style="list-style-type: none"> • An <u>approach</u> for assessing the quality of reporting on education financing flows, <u>including indicators.</u> • A package of capacity building for improving <u>the design and implementation of reporting on solid</u> education financing <u>policies and</u>

Comment [GC5]: ???

Comment [s6]: Not entirely convinced how SABER can be relevant for this specific purpose at this pilot stage.

Comment [GC7]: INDEED, kindly note that UNESCO Bangkok is pilot testing the framework with WB in East and Southeast Asia; we understand this reference may be out of context at this stage.

Comment [GC8]: For comparison purpose

Comment [s9]: Methodology? Framework?

	<p>mechanismsflows.</p> <ul style="list-style-type: none"> • A pilot intervention in at least 5 countries which will consist in: <ul style="list-style-type: none"> ○ Implementing capacity development, policy dialogue, and planning support activities to foster the implementation of improved financial analysis particularly in the context of ESP development, and its understanding by the local education group; ○ Targeting capacity building with civil society to enhance their understanding of financial issues and their capacity to demand accountability; ○ Building joint capacity building for improving relationships between Ministries of Education and Ministries of Finance and/or Planning. • A series of international/regional workshops with representatives of donors, government, and civil society to build capacity and share experiences. • The development of Education Sector Annual Financial Performance Reports which: <ul style="list-style-type: none"> ○ provide essential timely information on education financing to identify key achievements and critical problems; ○ allow government, donors and communities to have a common detailed understanding of how much is spent and where; ○ hold government at a national level and below to account for expenditure that is less than required or promised, or is inefficient even if sufficient.
Timeframe #1:	<ul style="list-style-type: none"> • The work will start in January 2012 and deliverables will be operational by the end of June 2013.

Comment [GC10]: Why?

Activity #2 - Development of a tool to assess the fiduciary risk in the education sector

The implementation of activity #1 will lead to an improvement of the information on the execution of the budget. However, a specific analysis may be required to better assess the fiduciary risk at the country level. It will help the donor partners to choose the optimal modality for delivering aid.

The existing Public Expenditure and Financial Accountability (PEFA) Program enables to assess the fiduciary risk at the national level. It aims at strengthening the ability of partner countries and donor agencies to: (i) assess the condition of country public expenditure, procurement and financial accountability systems, and (ii) develop a practical sequence of reform and capacity-building actions.

Proposed activity #2:	<ul style="list-style-type: none"> • The EFA FTI Partnership should ensure that EFA FTI developing country partners can implement a tool to assess the fiduciary risk in the education
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	<p>sector. This tool will have to :</p> <ul style="list-style-type: none"> ✓ Be consistent with the international criteria for fiduciary risk analysis; ✓ Identify the capacity development needs for implementing fiduciary risk analysis and for lowering fiduciary risk; ✓ Make proposals on the best modalities for delivering aid even in situations of high fiduciary risk, including for fragile states, and to recommend means of lowering fiduciary risk so that low-transactions-cost aid modalities can be implemented without unduly increased risk. The role of public transparency and accountability ought to be highlighted; ✓ Score the fiduciary risk to enable international comparisons and monitoring improvement.
Type of activity	<ul style="list-style-type: none"> • Research and basic knowledge • Technical workshops and knowledge dissemination • Technical assistance • Intervention to inform scale up
Link with Results framework indicators	<ul style="list-style-type: none"> • Indicator 3: Variation between education sector plan allocation and actual budget expenditure in FTI countries.
Proposed approach #2:	<ul style="list-style-type: none"> • The activity should be tested in at least five EFA FTI developing country partners that will develop, update or implement an ESP in the following two years. Some of the countries should be judged likely to have high fiduciary risk ex ante, and some should be judged to have lower risk. Some should be relatively more fragile states, others may be less. So, the performance of the approach should be assessed in a variety of conditions. The activity needs to be explicitly and concretely aimed at improved ESPs. • An adaptation of the PEFA methodology to the education sector should be investigated.
Expected deliverables #2:	<ul style="list-style-type: none"> • An operational tool to assess the fiduciary risk in the education sector. This tool will have to be flexible and implemented in various environments such as fragile states and/or weak technical capacity; • A pilot intervention in at least 5 countries which will consist in testing the tool, implementing capacity development activities to allow the implementation of this tool and its understanding by the local education group; • A series of international/regional workshop with representatives of donors and government to present the new methodology; • A write-up documenting lessons learned, ready for further dissemination.
Timeframe #2:	<ul style="list-style-type: none"> • The work will start in January 2012 and the deliverables will have to be operational and validated by the FTI board by the end of June 2013.

Activity #3 - Development of financing initiatives tightening link of resources to results

It is EFA FTI's core mission to empower its partner countries to achieve results linked to the broader MDG agenda and to its own education development goals. There are initiatives that put results in the focus of development financing and there is a need to learn and share among the partners the knowledge and experience of what works best under which country circumstances. The EFA FTI Partnership offers a platform to share this specific knowledge.

EFA FTI has shifted from an input-oriented approach to a results framework as the main mechanism for tracking progress and determining success of the in-country programs it supports. It is critical to promote approaches to link the EFA FTI results/objectives stated in the EFA FTI Results Framework with financing levels to enforce accountability within the EFA FTI Partnership.

Existing results-based mechanism that link results with external financing are (a) output-based aid approach implemented by the AusAid, DfID, World Bank and others, (b) conditional cash transfers (among others World Bank), (c) cash-on-delivery proposed by the Centre for Global Development, and (d) general and sector budget support implemented by many agencies in various countries. Work on output based aid for delivery of basic services has been promoted through the Global Partnership on Output-Based Aid.¹

The purpose of this activity is to provide evidence regarding what mechanisms work best to link resource investment with defined educational results.

Proposed activity #3 :	<ul style="list-style-type: none"> • The EFA FTI Partnership should promote effective and adequate use of results-based financing mechanisms. This activity will have to: <ol style="list-style-type: none"> 1. Compare existing mechanisms and modalities that are results-focused with regard to country circumstances such as quality of national systems, donor dependency, degree of government ownership, available capacities, etc.; this will include <ul style="list-style-type: none"> • Giving specific attention to needs and circumstances of fragile states; • looking at similar mechanisms in other sectors and learn from their experience; • <u>analyzing contexts and processes in which results-base financing mechanisms were implemented;</u> • identifying the pros and cons of each mechanism also based on consultations with partner country governments and Local Education Groups who have experience with results-focused financing mechanisms; • identify the implications of such mechanisms on country ownership and donor behavior (including increased aid predictability) • looking at how results-based financing links with the aid effectiveness principles • specifying the risks and difficulties of each mechanism • point out clearly the challenges and limitations of results-based financing mechanisms • Identify required capacities of a country to successfully meet the requirements of a results-based financing mechanism and give recommendations how to built these capacities 2. Based on the comparison make a proposal what the most effective results-focused mechanisms (if necessary suggest modifications) are for the education sector and propose how to implement them in EFA FTI countries 3. Outline the expected implications on the Education for All Fund
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¹ <http://www.gpoba.org/gpoba/>

Type of activity	<ul style="list-style-type: none"> • Research and basic knowledge • Technical workshops and knowledge dissemination • Technical assistance • Intervention to inform scale up
Link with Results framework indicators	<ul style="list-style-type: none"> • Indicator 2: – FTI countries meeting their EFA FTI (re)endorsement target • Indicator 7: Paris Declaration Indicators in the education sector
Proposed approach:	<ul style="list-style-type: none"> • Desk review and evaluation on existing studies, reports and technical papers in the field of output-based / results-based financing mechanisms in the education sector at the global and national level by multilateral and bilateral donors such as the World Bank and DFID but also with partner country governments, analyzing strengths and weaknesses of each mechanism in specific contexts ; • Based on a review of evidence, three pilot projects will be tested in FTI partner countries.
Expected deliverables:	<ul style="list-style-type: none"> • Comparison of different existing results-focused financing mechanisms with recommendations on how to use them in the education sector, taking into consideration different country circumstances such as fragile states. • A methodology / project paper presenting the practical conditions and steps to implement a results-based financing in education. • Convene and facilitate an international workshop with representatives of donors and government to present the methodology. • Three pilot projects will be tested in EFA FTI partners countries based on consultations with the partner country government and the Local Education Group.
Timeframe :	<ul style="list-style-type: none"> • The work will start in January 2012 and the methodology will be presented by the end of June 2015

Activity # 4 - Development of integrated funding approaches for equity in education

To be equitable, education systems need to allocate additional resources to address poverty, social barriers and the integration of students with disabilities. Promoting equity in education requires appropriate analysis and integrated funding approaches that are sustainable and able to be applied over the medium and longer terms to effect meaningful changes.

Equity analysis needs to consider public and private sectors of schooling. This is especially important in countries with a significant share of children enrolled in private schools (or where the poor are overly represented in private schools).

The proposed activity could focus on five (5) different countries with different equity challenges (remote communities, ethnic minorities, students with disabilities, gender imbalances, large income inequalities, or education systems known to be very inequitable) and use seed funding as well as capacity development activities to support medium to long term structural changes in education funding. These changes in the use of domestic and complementary donor funds can sustain meaningful improvements in the commitment and use of resources for equity improvements. It could study countries, even if middle income, which have actively set up pro-poor funding such as Chile or South Africa.

The proposed activity should support the development of appropriate diagnostic tools that cover areas such as the following:

- **Funding for poor and remote areas** to ensure that adequate resourcing goes to highly needy areas. Unit costs for providing education in remote areas are often much higher than other locations because of lower pupil-teacher ratios and the need to provide boarding facilities, school feeding programs and housing for teachers. Average expenditure per student in remote areas less than or equal to the national average usually indicates an inequitable resource allocation.
- **Non-salary shares of expenditure** for poor and remotes areas is very important because these are usually the least able to provide private sources of funding for classroom materials, equipment and school maintenance.
- **Targeted funding for students with disabilities** helps track the annual amount of operational expenditure and capital investment that is available to meet the specific needs of this group.
- **Formula based approaches** should apply the above considerations in a manner that is as transparent and predictable as possible.

Comment [s11]: Also for ethnic and linguistic minorities, since additional cost of multilingual education could be substantial

Proposed activity #4 :	<ul style="list-style-type: none"> • The EFA FTI Partnership should ensure that EFA FTI developing partner countries can implement diagnostic assessment and integrated funding approaches for equity in education, which will have to: <ul style="list-style-type: none"> ○ Be consistent with the ESP and budget approach of each country; Identify the capacity development needs for implementing an integrated funding strategy; ○ Propose an assessment tool for rapid diagnostic assessment of the financing status for education equity and associated funding gaps; <p>Make a proposal on the best modalities for integrated funding approaches, including for fragile states, and to recommend means of enhancing the sustainability and domestic ownership. The role of public transparency and stakeholder support ought to be highlighted. These may include funding formulas.</p>
Type of activity	<ul style="list-style-type: none"> • Research and basic knowledge; • Technical workshops and knowledge dissemination; • Technical assistance; • Intervention to inform scale up.
Link with Results framework indicators	<ul style="list-style-type: none"> • Indicator 2: Percentage of endorsed ESPs that include effective strategies to achieve equitable access and that target children with special needs and the prevention and mitigation of the effects of HIV/Aids.
Proposed approach:	<ul style="list-style-type: none"> • The activity should be tested in at least five EFA-FTI developing county partners. Countries will develop or update education equity assessment tools relating educational participation, education outcomes and processes to financing for education. The assessment

Comment [s12]: ESPs themselves may have to be revised if financial equity was not properly reflected. Evaluation of the current ESP and budget approach from equity perspective could be part of the diagnostic assessment.

	<p>should consider not only the quantum of funds but also the equity impact of the allocation and use of funds;</p> <ul style="list-style-type: none"> • Based on the equity assessment and funding gap analysis, countries will develop and then implement an integrated equity funding strategy; • Some of the participating countries should be judged likely to have high fiduciary risk ex ante, and some should be judged to have lower risk. Some should be relatively more fragile states, others may be less. All of the countries should have significant difficulties to enroll poor children especially in remote and rural area. So, the performance of the approach should be assessed in a variety of conditions. The activity needs to be explicitly and concretely aimed at improved ESPs.
Expected deliverables:	<ul style="list-style-type: none"> • An operational tool to assess equity in education and adequacy of existing resourcing strategies in the education sector; • The design of integrated equity funding models that lodge targeted funding strategies within mainstream government education financing including the possible of use of funding formulas or similar mechanisms that alter the incidence of public spending in a clear and quantifiable way; • A pilot intervention in at least 5 countries which will consist of testing the diagnostic operational tool and equity funding models, implementing capacity development activities to support design and implementation of this tool by the local education group; • <u>At least 5 countries will revise the ESPs to improve equity in funding</u> • A series of international/regional workshops with representatives of donors and government to present the new methodology; • A document detailing lessons learned, ready for further dissemination.
Timeframe :	<ul style="list-style-type: none"> • The works will start in January 2012 methodology will be presented by the end of June 2015

Comment [s13]: Not sure if we need to produce another separate strategy. Maybe “revise the ESP with an integrated equity funding strategy”?

Activity #5– Development of an approach for implementing innovative financing for education

Though there is no internationally agreed definition of innovative financing, and definitions can vary from an actor to the other, it is generally admitted that innovative financing efforts have four characteristics: a) they complement traditional ODA, b) they are sustainable, predictable and stable, c) they involve the public sector at some point and d) they involve cross-border resource transfers.

The international Task force on Innovative Financing for Education met for the first time in May 2010 in Paris. The meeting brought together some twenty-five countries and organizations. The main objective of the Task Force, which is part of the Leading Group on Innovative Financing for Development, is to increase the financial resources available for education by identifying new ways of raising funds. In this sense this activity is different from others considered in the broad rubric of

“education finance”: this activity relates directly to innovative *sources* of funds. Naturally, there is some overlap with other finance activities, as some innovative sources of finance may insist that the funds be transferred only in particular ways, if they are to find the funds. For example, innovative financing sources may be much more results-oriented than more traditional funding sources and may be relatively impatient with highly bureaucratic mechanisms of funds transfer, though, at the same time, their definition of “results” may be more flexible than that used in more traditional mechanisms.

The other objective of Innovative Financing for Education, as explained in the report produced by the Task Force², is to raise awareness among the general public on the importance to achieve the goal of Education for All. Nowadays, indeed, education is not as high in the international development agenda as it used to be one or two decades ago, and is facing increasing competition from media-friendly sectors such as health or climate change. Given the centrality of education and its impact on development outcomes, such an approach appears necessary.”

In its report, the Task Force on Innovative Financing for Education also stated out that a close link should be made between innovation in financing and innovation in Education: “Innovative financing should help bring innovation at all levels: at international level in the financing and delivery architecture, but also at national level through educational reforms, and at local level through teacher training and pedagogical improvements.”

The EFA FTI Partnership should support the discussion in this field to ensure that education is at the top of the agenda of innovative financing.

Proposed activity #5:	<ul style="list-style-type: none"> • Develop an approach for implementing innovating financing for education. This activity will have to: <ul style="list-style-type: none"> ✓ Support the next phase of the Education for All Fund replenishment that will take place in 2013; ✓ Go with a communication strategy to raise the profile of education and EFA FTI in particular. Suggest a marketing narrative for the education sector according to different kind of funders ✓ Suggest an adaptation of the EFA partnership organization to attract new funders whose contribution could be smaller but the impact on the profile of education may be consequent. ✓ Work with different partners to investigate ideas and participate in the implementation of sustainable mechanisms
Type of activity	<ul style="list-style-type: none"> • Research and basic knowledge • Technical workshops and knowledge dissemination • Technical assistance • Intervention to inform scale up
Link with Results	<ul style="list-style-type: none"> • <u>Output 2: Adequate and sustainable domestic and external financing</u>

² http://www.leadinggroup.org/IMG/pdf_Innovating_in_Financing_Education_BAT.pdf

framework indicators	<u>for education in FTI countries is mobilized</u>
Proposed approach #4:	<ul style="list-style-type: none"> • Desk review of existing literature; • Discussion with EFA FTI partners – donors who have the political mandate and space to push the innovative financing agenda forward, and NGOs/ CSOs (such as GCE) who are an important lobby and advocacy voice on this field – to inform this activity. Other potential sources of financing should be investigated: private philanthropies, corporate social responsibility funding, possible direct fund-raising for education in special segments of capital markets, tapping of public-private partnerships (of various degrees of formality) as a source of capital. The activity should also include lessons learned from other sectors such as health; • Approach at least three potential funders (validated by the EFA Secretariat) interested by the sector and reach a financial deal or to understand the constraints to reach it.
Expected deliverables #4:	<ul style="list-style-type: none"> • A detailed road map to approach funders for education; • To test this road map with at least three funders To be part of an existing mechanism by 2013.
Timeframe #4:	<ul style="list-style-type: none"> • The work will start in January 2012 and the deliverables will be operational by 2015.

Comment [s14]: It will be useful if this can be linked to reviving the existing EFA mechanisms, such as EFA HLG.