

## Developing More Effective International Assistance

ADB documents describe a commitment to a sector approach. This approach includes an emphasis on capacity building, a focus on basic education, and encouragement of multiple delivery systems, including NGOs and private deliverers. ADB also claims to be increasing its focus on process, and fostering participation. Such statements suggest the direction of ADB and can be interpreted as a policy commitment to flexibility and responsiveness to the preferences of the recipient countries.

Information from the country sector studies commissioned by ADB in 1997 in eight DMCs (PRC, Indonesia, Kyrgyz Republic, Nepal, Pakistan, Papua New Guinea, Philippines, and Viet Nam) reveals the importance of many of the projects and programs supported by ADB. All eight countries, including those in which ADB has been involved for only a few years, observe that ADB has contributed to positive changes in education, particularly in poverty reduction projects and programs to increase opportunities for girls' access to schooling. Moreover, all these countries are anticipating increased ADB support in the future. At least some of the positive contributions attributed to ADB, e.g., female education in rural Nepal, have been made in areas where government programs were nonexistent or inadequate.

These country studies also conclude that there is room for significant improvement in the sensitivity of ADB operations to country priorities, and in the effectiveness of project implementation. The issues identified by these cases revolve around:

- the relationship between ADB and governments in choice of projects;
- problems of implementation;
- difficulties of sustainability; and
- the long-term impact of extensive involvement by external agencies on the credibility of the education bodies in recipient countries.

Within ADB's general policy and commitments to improving the delivery of assistance, the following sets of strategies are discussed.

### ***Strategy 1. Improving Operational Coordination between ADB and DMC Governments***

Governments have not yet fully learned how to work with international agencies, and vice versa. The government bodies established or designated as responsible for donor coordination, some of which have been created

recently, have not always been effective. At times several bodies are negotiating separately with ADB, thus reducing the power of the central coordinating body. Moreover, there may be individual motivations in the form of additional income and other perquisites that influence the intracountry competition for ADB projects. As one government official told the author, "You are nobody unless you are participating in an internationally funded project." The following quotations taken from the country sector studies commissioned by ADB in 1997 are indicative of this concern:

- (i) *Nepal*. "Although the Ministry of Education is supposed to take up the role of coordination of donor contributions, there is no mechanism and process that ensure that the coordination is taken up effectively and efficiently" (Shakya et al. 1998, 42).
- (ii) *Philippines*. "Often project proposals are seriously debated within the donor agency even before the Philippine government has fully considered their merits. The bottom line is that it is seldom the government pushing for the projects" (Manugue et al. 1997, 46).
- (iii) *Papua New Guinea*. "Donor funding in education could be made more effective if policy priorities and needs of the department are defined more clearly. In this way, any donor funded initiative can be driven by the needs of government and not as a donor-driven initiative. It is beholden on the recipient to put all aid to productive use in its development efforts" (Papua New Guinea 1997, 62).
- (iv) *PRC*. "If a project is implemented to solve key issues and weak links in education in China, international organizations [should] adopt the assistance strategy suited to China's actual conditions and if assistance effectiveness is relevant to education, the efficiency will be high. The coordination and active support among the relevant government departments is a basic guarantee for success in the project" (Zhou 1997, 3-4).
- (v) *Pakistan*. "Donors and the government officials, in general, agree [on priorities and strategies]." However, "greater coordination is needed at the provincial level where schools are managed and operated" (Mahmood 1997, 51-2).
- (vi) *Viet Nam*. "There is a difficulty in combining objectives identified by international donors and the objectives of development of Viet Nameese education" (Viet Nam 1997, 66).

## **Strategy 2. Monitoring Program and Project Implementation**

Project implementation and sustainability apparently are ubiquitous problems with new projects and programs in all DMCs and perhaps worldwide. All the eight country studies identified weaknesses in capability to carry projects through successful implementation. The Papua New Guinea sector study (Papua New Guinea 1997, 64) pointed out that:

Large donor projects tend to lose, in their grandness, the smaller community development and community involvement components, and result

in the alienation of the very communities and people that need and must feel involved.

The sector study from the Philippines noted (Manugue et al. 1997, paras. 2.49, 2.50) that:

The project proposal may have been designed by the consultant with impressive technical precision; however, local capacities may not be fully prepared to implement the project. The donors [should] also [be] active in the area of technology transfer with the technical guidance and expertise that they provide.

The sector study from the PRC emphasized government involvement (Zhou 1997, 4):

The role of the government is the essential factor. It is hard to implement the project without the government support.

### ***Strategy 3. Improving Program and Project Sustainability***

Sustainability goes well beyond usual definitions of implementation by implying a long-term continued development of the initiated education changes. Lack of sustainability of assistance projects and programs appears to be a common concern among DMCs. The Papua New Guinea sector study, for example, provided two examples of agency-supported projects that may not be sustainable once external funding ends (Papua New Guinea 1997, 64):

The World Bank textbook printing project is behind schedule and indeed in danger of lapsing because of the government's inability to meet the cost of the recurrent component. There must be a change in donor and government thinking on this issue if progress is to be made. Without support to government recurrent counterpart funding implementation of many projects will not occur. Donors currently show little enthusiasm for such a change but the impasse must be solved. Perhaps donors should move more to *sectoral investment* instead of looking at specific projects, thus allowing the financing of recurrent costs and ensuring the implementation of projects.

The Port Moresby National High School [assisted by Japanese aid] is an example of a negative effect of donor assistance as it is a very expensive exercise that has left government with unacceptable maintenance and recurrent costs. It is an example of the monument-building approach to aid which not only leaves large recurrent costs but also raises expectations to a level way beyond the realms of reality. The argument that such projects cost government no money is not acceptable. Similar problems face government with the proposal to build a K15 million high school at Kiunga in the Western Province.

As the two cases cited above suggest, long-term program development is often constrained by the recurrent costs. Adequate recurrent budgets are crucial both in support of ongoing investments, e.g., salaries for teachers in additional schools, and to implement and sustain new investments, e.g., development of viable new training and research institutions. Thus projects and programs related to education expansion or reform may be generated by an investment budget heavily reliant on external loans without careful consideration given to future demands on recurrent budgets.

#### **Strategy 4. Continuing Dialogue on Long-Term Dangers of Extensive ADB Assistance**

Linked to the worry about sustainability is an overall concern for the potential of international assistance creating a dependency of countries on external moneys. The Pakistan sector study (Mahmood 1997) notes that:

After the evaluation of SAP-1 [Social Action Programme] and other ADB funded projects, there is a growing concern about the sustainability of education expenditure for the enhanced education network, in particular, nondevelopment and recurring costs. The government has limited resources and budget for education and other social sectors, and it seems difficult to manage huge expansion of the education sector by the government sources alone.

The Papua New Guinea sector study observes (Papua New Guinea 1997, 64) that:

It is becoming evident that government is becoming increasingly dependent on external donor assistance to fund the investment component of the budget. There is also evidence that an increasing proportion of recurrent costs of the development budget is now being taken up by donors.

In agreement, the Philippines sector study explains (Manugue et al. 1997, para. 2.46) that:

One of the issues against relying on Overseas Development Assistance sources for funding is the *perception* that it fosters dependency.... Moreover, asking assistance from foreign donors offends the sensibilities of some Filipinos who believe that it builds an image of the Filipinos as mendicants.

The sector studies offer several suggestions for making international assistance more effective. In short, the country analyses conclude that the receiving country must:

- clearly identify and make available its own priorities;
- maintain a central coordinating body which enforces policies and regulations related to external assistance; and
- require more planned communication and collaboration between aid agencies.

Concerning the last of these, the country sector studies generally agree that communication among aid agencies over the past few years has improved, but argue that the level of coordination remains inadequate. The condition sought is for what the Pakistan country sector study calls a more "effective partnership" between government and ADB, and a relationship in which, in the words of the Papua New Guinea study, "the donors become partners in development reacting to government initiatives, not the other way around."