

Executive Summary

The Education and Training Sector Strategy for the Pacific provides a framework for Asian Development Bank (ADB) support to education development in its 14 Pacific developing member countries (PDMC). It reviews the implications of the “Pacific Strategy (2005-2009): Responding to the Priorities of the Poor” for the education sector and proposes to sharpen the focus and enhance the effectiveness of ADB support to education in the region.

PDMCs have come a long way in their education development. Most are close to achieving universal primary education and universal literacy. Access to secondary education has increased remarkably in several countries. Many countries eliminated gender disparities at the primary level, and the gap is narrowing at the secondary level. PDMC governments have consistently sought improvements in their education systems. There is strong regional collaboration through meetings of the Pacific Islands Forum Ministers of Education.

Yet, achievements are uneven. In the larger Melanesian countries, issues of access still loom large. They, as well as several Micronesian countries, also need to address problems of dropping out and of retention. All PDMCs are deeply concerned about the low quality of instruction and learning outcomes in many of their schools. Important and urgent questions are being asked about strategies for skills development at secondary and tertiary levels that can help support policy to further private sector development and to spur economic growth.

When the quality of education is substandard, the poor are affected more. Hence, the poor should be the primary focus of education policy and public action. Their children should have an equal opportunity to complete the basic education cycle with mastery of the curriculum. It is not surprising that where education is of poor quality, expensive, and far from home, demand is low. Access to high quality basic education will go a long way toward resolving demand problems and disengagement from education among disadvantaged groups.

But even a high-quality basic education will not suffice to support national development aspirations, especially not in middle-income

countries. Students who complete basic education seek opportunities for further learning and skills development. Many will want to continue their general education in upper secondary schools. Others want to enter skills development programs. All should be ready to pursue their education throughout their working lives and beyond. Providing these opportunities in a way that is financially sustainable and responsive to national development needs and to personal aspirations is a goal of education policy that few countries will be able to ignore.

Policy reform is often at the heart of education development. Where governments have implemented the right policies, performance is better. Where strong institutions support these policies, progress will be continuous. Where resources are allocated efficiently and used effectively, the results can be sustained. Designing and implementing an appropriate national sector policy framework and investment program, monitoring progress toward development objectives, and evaluating the lessons of experience are essential elements of successful education development. Small countries with few education specialists often find this difficult to accomplish. PDMCs are fortunate that they can call on significant support from development partners as they tackle this task.

Effective education service delivery requires policies that ensure that resources are used efficiently and are deployed equitably. This is especially important in those PDMCs where high levels of expenditure have not resulted in improved student performance. Progress in education development will depend on the implementation of policies that:

- confront the challenges of equitable access and quality;
- transform resources into results;
- strengthen capacity to manage and deliver the education service;
- improve relevance and responsiveness of sector development processes.

ADB is committed to supporting PDMCs in their efforts to improve the supply of and demand for high quality education services. ADB recognizes that it is only one of several development agencies that actively support education development in the Pacific region, that its

financial contribution is modest, and that its lending terms are not particularly attractive for a number of PDMCs. At the same time PDMCs and other partners recognize that ADB can bring valuable contributions to education development as an independent agency with a strong economic and social policy focus, broad experiences throughout Asia, and a capacity to tap experience from other regions.

Lending levels, therefore, may not be the appropriate yardstick for measuring ADB performance in the education sector. Instead, the results of ADB's work in the education sector should be assessed by the extent to which it has been able to (i) help PDMCs deal more effectively with key policy challenges of education development, and (ii) contribute to improvements in the effectiveness of external support.

The overall goal of this strategy is to improve learning outcomes for the poor and disadvantaged in the Pacific. ADB support is expected to result in enhancing the supply of and demand for equity, quality, and relevance of education services. To realize these outcomes, it has three interlinked strategic objectives: (i) education strategies that are relevant and responsive to national development objectives and client needs; (ii) demonstrably more effective public, private, and development partner resource allocations for basic education; and (iii) enhanced capacity of the PDMC to manage and deliver a quality basic education service.

The strategic objectives of ADB assistance to education and training in the Pacific are closely related and mutually reinforcing in support of increased national capacity to use resources effectively and to deliver a high quality education that responds to national needs and objectives. The implementation will be country specific through sector work, dialogue, and program design. Until recently, ADB support to the education sector has often been opportunistic rather than strategic. There have been few follow-up investments, even though completion reports emphasize the need for long-term involvement. Four countries (Papua New Guinea (PNG), Solomon Islands, Fiji Islands, and Timor-Leste) comprise more than 90% of the population of the PDMCs. Three of these (PNG, Solomon Islands, and Timor-Leste) are off-track for the education Millennium Development Goals (MDGs). ADB has not been active in the education sector in Timor-Leste and Fiji Islands and has only had a single technical assistance operation (for nonformal vocational education and training in 2003) in the Solomon Islands.

There is thus a strong case to strengthen the strategic focus of the education program by:

- concentrating ADB support on basic education and skills development;
- planning a sustained involvement in selected countries through a long-term program of lending and technical assistance support and follow-up operations;
- increasing engagement with the larger countries that are off-track for the education MDGs;
- providing technical assistance to enhance the capacity for analysis of education financial management to countries where improvements in the efficiency of resource allocation is the dominant priority.

ADB will also intensify its support for regional studies on key issues in education development in the Pacific, particularly for:

- a review of skills development issues, including an assessment of the experience with different strategies to date, a summary of international experience, and a framework for investment in skills development in the Pacific;
- investigating key areas of concern in basic education, particularly those relating to the prevalence, nature and causes of educational disadvantages.

The agenda in this strategy paper is ambitious and presents a significant increase in ADB involvement in the Pacific education sector. Even if a significant increase in ADB administrative budgets were possible, it would allow only very selective implementation of that agenda. To implement the proposed strategic agenda with broader country coverage, ADB's Pacific Department (PARD) intends to explore possibilities to collaborate more closely with regional organizations and to reduce the transaction costs of its support.

How far and how fast ADB can move in this direction will depend on the readiness of each country to implement the strategies to achieve the desired outcomes. Another important factor is the commitment of

the regional institutions and external funding agencies to work together to achieve the best possible education outcomes for each PDMC. ADB will explore with the Pacific Islands Forum Secretariat and the Pacific Regional Initiatives for the Delivery of Basic Education (PRIDE) the needs for additional support especially in countries where ADB and other partner agencies want to move to sector programs. ADB will also review with the Pacific Islands Forum Secretariat, PRIDE, PDMCs, and partner agencies the need to intensify and expand PRIDE activities and ways to do so. This will require the readiness of the most important development agencies active in education in the Pacific to take concrete steps to further develop the framework for cooperation and policy dialogue between agencies and senior policy makers in the region that currently function as part of the Pacific Islands Forum.

Implementing the Pacific education and training sector strategy proposed in this paper will be possible only on a very limited scale with only one education specialist in PARD. A high priority is to assign other staff to complement the work of the education specialist and strengthen ADB's capacity to contribute to the improvement of education resource allocation policies in the region.