



Potential for Education Sector Wide Approaches (SWAs) in East Asia

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in East Asia**

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FOREWORD

Education is a well recognized cornerstone for human development. Yet the challenges to ensure that every child has their right to quality education met remain. Over the last decade many successful initiatives to improve the quality of and access to basic education have been initiated in countries across Asia. Governments, UN agencies, donors, and NGOs have all been part of identifying ways to strengthen the education system. Often though, donor programmes have been designed and funded within a country in a parallel, project fashion, limiting their potential impact on the education sector in its entirety.

From the 15-17 November, representatives of donor agencies and education specialists met in Hanoi, Viet Nam to begin a conversation on how to use the potential of sector wide approaches (SWAp) to enhance education in Asia. The participants represented UNESCO, UNICEF, Asian Development Bank, World Bank, AusAID, NZAID, DFID, JICA, EU, SIDA, the Governments of Belgium, Brazil and Portugal, and NGOs. The meeting was convened by UNICEF and the Asian Development Bank and involved participants from East, Southeast and South Asia with specific focus on five countries: Cambodia, Indonesia, Lao People's Democratic Republic, Timor-Leste and Viet Nam.

As you will read in this summary of the proceedings, the meeting was an important step in how to use SWAp in education to achieve better results. Participants were able to share experiences, understand different organizational perspectives, build rapport and confidence as partners, and explore ways that in the future, the potential of SWAp can be further enhanced within the region. There are many other initiatives and efforts at the national and regional level which are helping to support SWAp and PBA processes in the education sector. This workshop, organized for members of the donor community, has helped to build common understanding between partners from the five participating countries. It is hoped that this document will be of use to other readers in examining the potential benefits, issues and processes to be expected in working with Education SWAp.

Financial support to host the meeting was provided through UNICEF by the UK Department for International Development (DfID) under the Capacity Building for Effective Partnership project.



EXECUTIVE SUMMARY

Representatives of donor agencies and education specialists gathered for the Potentials for Education Sector-Wide Approaches (SWAps) in East Asia Meeting in Hanoi, Viet Nam on 15-17 of November 2004. It was convened by the United Nations Children's Fund (UNICEF) and the Asian Development Bank (ADB) and involved participants from East, Southeast and South Asia, with specific focus on five countries: Cambodia, Timor-Leste, Indonesia, Lao People's Democratic Republic (PDR) and Viet Nam.

The meeting aimed to review the current state of SWAps in Education in Asian countries, to identify achievements and difficulties, to spotlight progress on implementing SWAps and to determine how to advance SWAps where they are appropriate in the region. Stated goals of the meeting included promoting the fulfilment of the education rights of all children, ensuring complementarities, coordination and synergy, and identifying concrete follow-up actions. The meeting was limited to participants representing donor agencies, including bi-laterals, multi-laterals and international funding institutions. The rationale for this was to ensure an open and candid environment where participants could lay the groundwork for follow up meetings at the national level with full government participation.

In opening remarks, Vice Minister for Education in Viet Nam, Prof. Tran Van Nhung said that SWAps are the most comprehensive means of ensuring that governments can take a leadership role in national development in clear partnership with the donor community. He added, however, that there were still areas of contention between donors and governments, most notably on strategic focus and priorities, and as far as access to information.

In the first presentation of the meeting, UNICEF Education Chief Cream Wright noted that SWAps are just beginning to be analyzed and studied. Problems and concerns associated with SWAps are that they don't involve all stakeholders and don't take account of good programmes outside the system, such as informal education and training. He also stressed that the key change involved in SWAps is a change of mindset: primacy has to be given to national leadership, and external help should be given in the context of helping governments carry out their own programmes and policies.

Robert Schoellhammer of the Asian Development Bank followed with a presentation that emphasized the importance of the Rome Declaration on Harmonization. He said the main fundamental characteristics of SWAps are: leadership by the host country; a single programme and budget framework; donor coordination and harmonization of procedures; and efforts to increase the use of local procedures over time.

Mr. Schoellhammer also made the distinction between SWAps and Programme-Based

Approaches (PBAs). SWAs are often associated with 'basket-funding' mechanisms, whereas the term PBA is much more flexible and can be applied to sub-sector plans (i.e., limited to primary education) and a wide range of joint programming linked to government plans and leadership. Both terms, however, are inventions of donors and are rarely part of government jargon. Governments usually prefer to speak in terms of Sector Development Plans, though have rarely used these as a means of coordinating donor assistance under a single framework.

Dr. Michael Ward of the United Kingdom's Department For International Development stressed that SWAs is an approach that is still relatively new. SWAs were developed because other interventions ultimately proved unsatisfactory. As an approach, SWAs can incorporate any number of mechanisms and there are over 100 SWAs in place globally today. While there are excellent models in existence, it was too soon to say which models and approaches have the greatest potential for success. A lot of evidence does exist to show that sector budget support maximizes benefits, empowers governments to spend rationally and encourages transparency and openness as far as the way governments' budgets are formulated. Dr. Ward also stated that SWAs can help make EFA Plans more credible by giving them a more realistic approach linked to budgets.

In the group work and country presentations that followed, several common themes emerged despite the developmental, geographic and cultural differences of the various nations. All said their governments were committed to improving education and reducing poverty. All were in early stages of SWAs or PBAs, and most believed the approaches were generally positive and had improved trust and communication between donors and governments. Nonetheless, all cited ongoing difficulties and concerns such as lack of coordination between donors, and between donors and governments, the very real potential for increased transaction costs and fears that resources were not reaching some disadvantaged groups. It was also recognized that recipient governments do not necessarily recognize or fully understand SWA terminology or purpose and may be suspicious of the real intentions of donors 'ganging up' on government.

During the second day of the meeting, some participants raised concerns that with all the talk of funding, the whole point of SWAs was being lost: to see that all children get a quality education. Participants also concurred with the view that with all the talk efficiency, it's easy to lose sight of the issue of quality of education. One reason for that is donors have more experience measuring efficiency as opposed to quality. Many are not clear on what the baseline for measuring quality is, and so fall back to gauging efficiency. Measuring quality, however, is difficult, especially if the donor staff involved in SWAs are economists or social sector generalists and lack educational expertise. Most agreed that education specialists also need to have a better understanding of financing to work more effectively. On the government side, involving not just the Ministry of Education, but the Ministry of Finance and other relevant planning ministries in the SWA process would make the approach more effective.

Donor groups also concluded that they have had some difficulties adjusting to SWAs. The initial reaction at most agencies was that it was not legally possible for them to

participate in a SWAp, but those within donor agencies who believed in the process were always able to find a way to bring their organization around. If there is a mind-set that “we can’t” than 2,000 reasons can be found why we can’t. But if there is a mind set of “we can”, 5,000 ways will be found to do something to overcome impediments.

Not every country present has started a SWAp or is SWAp-ready. All, however, said they had existing mechanisms that could be built on in the process leading to a SWAp. The best way to prepare for a SWAp, it was agreed, was to begin by using the approach at the subsector level and work up to a full-fledged SWAp. In Cambodia, the process of SWAp readiness has been on-going for three years, during which funds must be maintained to ensure continuity in the education system and to maintain government-donor relations.

Increased complementarity between existing government Sector Development Plans, EFA National Plans of Action, and SWAp preparation need to be made more explicit. SWAps can help to make EFA planning more credible by giving them a more realistic approach linked to budgets, by prioritizing projects and sub-sector support, by placing government in the lead. Viet Nam and Lao PDR are good examples for the strong foundation which credible EFA plans can build for SWAp. In Viet Nam the National EFA Plan is the reference framework for SWAp. EFA drives SWAp; not the other way round. In Lao PDR the EFA Plan will provide the core of the sector plan on which donor coordination can be built. These two EFA Plans integrate in a coherent framework all policy goals, strategies and action programmes for ECCE, primary and lower secondary education. This framework includes all Government plans and programmes relevant to education, including purely national ones as well as international ones such as MDGs, Poverty Reduction and Growth Strategy goals, and of course the Dakar EFA goals.

There is a useful distinction between SWAps and PBAs, in that where SWAps involve ‘entire’ social sectors, PBAs can focus on sub-sectors and other forms of joint programming by groups of donors who agree to follow government plans and leadership. It was clearly agreed that PBAs can build confidence of partners in each other and in SWAp processes.

Coordination amongst the donor community also requires assigning recognized focal points from amongst the donors specifically for this purpose. Establishing clearer donor protocols for raising issues, for agreeing on ‘non-negotiable’ conditions for fund release, or for negotiating joint positions on specific issues also requires additional staff time. Such mechanisms are best dealt with before entering a SWAp, as was done in Bangladesh and is currently happening in Cambodia, where issues of corruption and joint responses to this are best determined beforehand. Donors inevitably have falling outs with each other or with government at some point, and having clear mechanisms for airing grievances and coordinating responses helps ensure that these do not disrupt programme implementation or break the trust between partners required for success.

Many questions were raised about such issues as how procurement, one of the biggest hurdles for SWAp negotiations, was handled, how donors can audit the governments work and how the auditing system works. Examples from countries where SWAps have been initiated showed lead agencies having their rules be adopted by all agencies (i.e.,

World Bank in Nepal or ADB in Bangladesh), so that a single set of rules for procurement and audit are adopted by all partners. Examples were also sought for mechanisms for ensuring greater stakeholder involvement in the SWAp process, especially from civil society and NGO partners. In Bangladesh, government has come to accept educational data from NGOs for non-formal primary education while in Cambodia, the NGO Network, composed of nearly 50 international and National NGOs, is a key partner in the Education Sector Working Group and in SWAp planning and review processes.

Donors also noted that it wasn't easy to step back and let governments shoulder more responsibility on tasks such as monitoring outcomes. Nonetheless, it was essential they do so to allow governments to build their own capacities – a key goal of SWAps. In this respect, donors need to adjust their expectations and be realistic about financial management and reporting, especially when initiating SWAp processes with governments. Participants suggested that 'capacity building' efforts should be more clearly defined along with their link to existing government systems and donor intentions for technical assistance.

This is linked to the realization that SWAps do require additional human resources from the donors involved to manage the extra work of joint reporting and sector plan preparation, with the tremendous documentation and preparation entailed. The need for government ownership in the process often adds extra time for review and consultation. It was agreed that transaction costs are not necessarily reduced in SWAp mechanisms, especially in the early years. In Bangladesh, Uganda and Nepal, staff consultancies increased, as did donor participation and time. Under the issues of technical assistance, earmarked funds and special activities, extra funds were required.

Some donors also don't have enough resources in terms of funds or staffing to participate in anything but a limited number of SWAps globally at one time, even though they have the desire to contribute more. Mechanisms have been developed by some donor nations to channel funds for SWAps through like minded donors, thereby eliminating the need for placing staff in-country to monitor progress and ensure oversight. Governments also complained that sector wide programming required additional human resources and time for planning and reporting, though when compared to the efforts required to manage individual donor projects, reports and missions separately, the potential for reduced transaction costs is recognized.

As the meeting drew to a close, several themes recurred. Chief among them was the need for greater coordination among donors, allowing governments to take the lead in policies and programming and putting the education needs of children first. It was agreed that donors individually or collectively can do more to advance donor harmonisation and to constructively address some of the (perceived) obstacles to advancing donor co-ordination in their respective countries. Lessons learned included: SWAps is an approach – a means to an end; donor trust is a real prerequisite; and bringing governments on board by giving them a sense of ownership in the plans and programmes is essential. It was agreed that, as SWAps are still in their infancy, a similar workshop again in the future to measure progress and learn from the experiences of others would be very useful. It was also planned in three of the countries (Cambodia,

Indonesia and Lao PDR) to hold follow-up SWAp planning meetings at the country level with government in early 2005.

SESSION 1

OPENING REMARKS

“SWAps are the most comprehensive means of ensuring that governments can take a leadership role in national development in clear partnership with the donor community.”
– Senior Vice Minister Tran Van Nhung

The meeting began with remarks by Professor Tran Van Nhung, Senior Vice Minister of Education and Training for Viet Nam. Prof. Tran noted that the “Potential for Education SWAps in East Asia Meeting” was well-timed as the National Assembly of Viet Nam was simultaneously engaged in a three-day discussion about its own national education programme. Viet Nam ranks 64 out of 127 nations in the most recent UNESCO Report on World Education. Prof. Tran said that this indicated that Viet Nam’s education system was good, but could be better. He believes, however, that his country was using its education funds from donors with great efficiency. Viet Nam spends an average of \$50 per student per year on education, while, by comparison, nearby and more-developed Malaysia spends \$700. Nonetheless, 90 per cent of the Vietnamese population is literate, while the world average is only 81 per cent.

A number of countries in the region are trying to bring about better coordinating mechanisms between donors and governments, Prof Tran said, adding that he thought using SWAps or Programme Based Approaches (PBAs) are the most promising methods of achieving that.

Prof Tran cited several benefits of SWAps from the government’s perspective including:

- Dealing with one donor representative – no need to approach different donors every month.
- Joint reporting processes – no need to prepare different reports for different donors at different times. One comprehensive report is often all that’s needed.
- Streamlined procedures.
- Greater transparency between donors, and between donors and government.

Prof. Tran said there were difficulties and constraints associated with SWAps and PBAs that needed to be addressed, and he hoped the education specialists and donor representatives attending the meeting would do that. Two areas of contention were disagreements between governments and donors about strategic foci and priorities, and access of SWAp plans, budgets, background and documents by governments.

MEETING OBJECTIVES

“There is no magic bullet of how SWAs become a reality. But by learning and exploring together we’ll learn how to bring SWAs forward.” – Cliff Meyers

Experience, innovation, the free-flow of ideas and critical thinking are the cornerstones of successful seminars, and Mr. Cliff Meyers, the UNICEF EAPRO Regional Advisor on Education, encouraged all participants to bring their ideas to the table during what he promised would be an informal three-day meeting. Laying out the agenda, Mr. Meyers said the gathering would begin with three overarching presentations, followed by more topic-specific and country-specific papers and lectures. To foster the free exchange of ideas, several working groups would be formed to brainstorm possible solutions to some of the problems and constraints in implementing SWAs.

The meeting had four main objectives:

- To promote the educational rights of children as the objective of SWAs and to see that donors’ contributions support all children to have access to basic education through the basic education cycle.
- To promote complementarities, coordination and synergy between donors and government leaders.
- To analyze where and how SWAs makes sense in the contexts in which donors are working, and to look at various models of SWAs to see what makes sense and derive common understanding from those models.
- To identify concrete follow-up actions.

SESSION 2

The second session consisted of the presentation of three important and comprehensive papers by Cream Wright of UNICEF headquarters in New York, Robert Schoellhammer of the Asian Development Bank in Manila and Michael Ward of DFID/NZAID.

The expected outcome: To establish the relevance of SWAs/PBAs – and their potential benefits – for education in Asia.

PRESENTATIONS

1. **Overview of Sector-Wide mechanisms for Education – Past experiences and future directions for structuring and operationalizing SWAs**

Presented by Cream Wright, Chief of the Education Section, UNICEF Headquarters in New York.

“SWAps are a means to an end. We have to work on delivering on the promises of these approaches.” – Cream Wright

Funding and assisting education with sector-wide mechanisms is a relatively new phenomenon that has come under increasing study and scrutiny. In his curtain-raising presentation, UNICEF Education Chief Cream Wright reviewed some of the pros and cons experienced by those studying and working with SWAps and PBAs from both the donor and government perspectives.

Mr. Wright said that a fundamental change required under SWAps is a change of mindset: Primacy has to be placed on national leadership. Donors have a tendency to set up parallel systems in order to implement projects to their own standards in hopes of achieving maximum benefit from their funding. Instead, they need to work within systems already established by governments. Only in that way will national capacities be built – a key goal of SWAps. Patience is needed on the part of donors. SWAps promise a lot, but the time necessary to implement them is often underestimated.

“Let’s remind ourselves that governments are in charge. They are in the business of making policies and putting them in practice. We’re in the job of providing mechanisms that help put those policies in practice. We have to put external assistance in that context of helping governments,” Mr. Wright said.

Some of the problems and concerns associated with SWAps include:

- SWAps fail to take account of what is good outside the system, such as informal education and training systems. In many countries millions of children are outside the system.
- External support can be fragmented. A major challenge for government is how to coordinate support so it has maximum impact on the education system.
- Transaction costs in the early stages of SWAps are high.
- Initially, the focus is too much on funds. Expertise, ideas and experience can also be shared with governments. Even for the poorest countries, over 80 per cent of education spending comes from national budgets.
- Swaps are far from participatory. Key stakeholders such as teachers and parents must become part of the approach.
- Left to their own devices, governments don’t always distribute resources equitably. Some children get educated, while others don’t.
- Not all governments use resources efficiently. Resources put into inefficient systems are wasted.

Prerequisites for SWAps success:

- Harmonization: Partners need to get their acts together.
- Incorporating major thematic issues: Some donors are reluctant to get into SWAps because they feel their major concern isn’t being addressed.

- Linkages to larger goals: Education can't only be of and for itself. It must be linked to larger development plans that reduce poverty in order to be relevant and effective.
- Complementary interventions: To make the education sector work, you sometimes need interventions outside the education system, such as in the health care system.
- Inclusiveness: Space must be created for full participation of all stakeholders. People must become part of the process.
- Building local capacity: It's a difficult job that must be done.
- Openness: Donors can also learn from the process, if they are open to doing so.
- Clear exit strategies: No country can develop if its education system is permanently dependent on external assistance. That breeds more dependence rather than creating development solutions to problems.

Mr. Wright concluded by saying that there are many reasons to support education, but for UNICEF and many donors the reason is that it is a basic human right for children.

Q & A

During a brief period for discussion participants noted that there is often a transition period in which a government needs to prepare for SWAs. For instance, Cambodia has been working on SWAs readiness for three years. During that time, funding needs to be maintained so the continuity in the education system and donor-government relationships doesn't fall by the wayside. Those in attendance also said they were encouraged to hear about a rights-based approach. Some proposed including the children themselves in the partnerships by asking them what they thought their education system needed. Others said studies needed to be done in each country to find out whose rights were being denied and who was being excluded from the system so that SWAs funding could try and address the gaps.

2. Programme-based approaches (PBAs) for education in Asia: Objectives, issues, constraints and benefits.

Presented by Robert Schoellhammer, Senior Policy Analyst for the Asian Development Bank in Manila.

"The locals know best. Let national expertise and knowledge guide the use of funds."
– Robert Schoellhammer

The Asian Development Bank first started using hybrid funding modalities in the form of Programme Based Approaches (PBAs) during the mid-1990s. They were termed Sector Development Programmes and employed in some developing member countries. ADB Senior Policy Analyst Robert Schoellhammer detailed lessons learned from the Bank's decade of experience in Sector-Wide Approaches.

According to Mr. Schoellhammer, PBAs have four fundamental characteristics, which are spelled out by CIDA in their PBA Primer (2003): 1. Leadership by the host country or organization. 2. A single programme and budget framework. 3. Donor coordination and harmonization of procedures. 4. Efforts to increase the use of local procedures over

time. Unfortunately, donors sometimes undermine PBAs by setting up project management offices that channel funds into parallel structures instead of national structures. This goes against the goals of the Rome Declaration on Harmonization (February 2003), to which all bi-laterals and multi-laterals at the meeting are signatories. More action is required, Mr. Schoellhammer said, to make the goals of the Rome Declaration a reality.

PBAs and SWApS have several objectives. Among them are more closely aligning donor partner assistance with national strategies (including national poverty reduction strategies), strengthening local systems, providing more flexibility in the use of funds and reducing transaction costs. These objectives, while they may be appropriate in all countries, may have different focus or emphasis depending on specific contexts. Some countries are at such early stages of development that they may need more input from donors as far as setting goals and designing programmes. Opinions within the Bank are split on what approach to take with nations that have yet to build adequate capacities. Some at the ADB believe that in that type of situation a project management office should be established. Others feel funding should still go directly to the national budget. The overriding philosophy at the Bank, Mr. Schoellhammer said, is to do what's right in the country context.

Among other issues and constraints raised by Mr. Schoellhammer were:

- USAID study says that SWApS are not good at involving civil society, and actually reduces their role. How do we change this?
- In every SWAp there is sure to be some level of tension or friction between donors.
- External agencies shouldn't define national strategies and plans. Governments do that. The sovereignty issue looms large.
- SWApS and PBAs are still new. Gearing up to do them is still arduous business. If donors themselves can improve their own processes maybe the transactional costs will come down, but the evidence at the moment is they don't.
- Conditionality: most donors require some beyond the PBA mechanism. Yet there remains a need to keep transaction costs down.
- Disagreements on policies and priorities. Which donor's standard to use? The issue of who has to adapt is contentious.
- Sorting out of financial arrangements can be a key stumbling block in PBAs. Sometimes it's so great funds won't be disbursed.
- For a PBA to work, capacity building needs to be given high priority. But it should be done as part of civil service reform, and that's a complicated process greater than a single SWAp.

Q & A

In the discussion segment, participants suggested that capacity building should be more clearly defined. In the case of Cambodia, for instance, it was important to discover what systems already existed, then use them and improve upon them. That approach is essential for building trust. Those in attendance also agreed that the ideologies of donor institutions as well as the personalities of donor representatives on the ground can have

a great effect upon how well various donors work together and ultimately the success or failure of a programme or approach. The question remained, however, of how to ensure that people with the necessary and appropriate personality traits that lend themselves to coordination and harmonization are placed in representative positions where SWAs are being carried out.

Another important set of factors for the success or failure of SWAs are the cultural factors – both of the target countries and of the donor organizations themselves. Different organizations have different cultures and their views aren't always in synchronization when it comes to issues such as the role of technical advisors. A key step would be for job performance indicators within organizations to recognize work by their staff towards establishing and supporting SWAs and to reward this. The attitudes of donors towards phenomena such as corruption are also key. These can vary from strict to more flexible, and result in an impasse between donors, or between donors and programme partners. Some countries still have a socialist system, some are Francophones. All these cultural differences need to be reflected in a successful SWA system. Mr. Schoellhammer said that one approach to these challenges is to try to have people working in the country on a longer-term basis so they become well-versed in the cultural idiosyncrasies of countries and organizations and can use that knowledge to foster dialogue and bridge gaps in understanding.

3. How Sector Wide Approaches (SWAs) can support the implementation of Education for All (EFA) plans, the achievement of the Millennium Development Goals (MDG) and the aims of Poverty Reduction Strategy Papers (PRSPs)

Presented by Dr. Michael Ward, Senior Education Adviser with the UK Government's Department For International Development.

"Most Education For All plans are just pieces of paper. SWAs can help make them a reality." – Dr. Michael Ward

A Senior Education Adviser with the United Kingdom's Department For International Development, Dr. Michael Ward has been working with both the New Zealand Agency for International Development and the Australian Agency for International Development. In his presentation, Dr. Ward pointed out that SWAs were developed because other interventions ultimately proved unsatisfactory. Today, he said, there are about 100 SWAs in place around the globe. Nonetheless, SWAs are still basically in their infancy and so it's too soon to tell how well they have been working.

Dr. Ward said there are two main points regarding SWAs. The first is that SWAs is an approach. There is a lot of confusion between an approach and an aid-delivery mechanism. The SWA is an approach and can incorporate any number of mechanisms. The second point is that because the most mature Education SWA, which is in Uganda, is only six years old, it's too early to draw conclusions about whether it's working or not. But the opportunities for improving the effectiveness of what is being done are clearly there. A lot of evidence exists that sector budget support maximizes benefits, empowers governments to spend rationally, and encourages transparency and openness as far as the way governments' budgets are formulated. The problem is nobody is complying with regulations, and that is the heart of systemic weaknesses.

The fact that transaction costs have not been reduced is a moot point, Dr. Ward said. The reason is governments have taken on the responsibility for delivering services from projects outside the system. What the SWAp has done has mainstreamed them and made them the core of the Education Ministry's programme. So they're doing much more now. For example, in 1996 the education sector in Uganda had 147 different projects from more than 30 donors and received 45 missions. By 2002, there were 7 projects, 11 donors and 2 missions. But the Ministry of Education was consumed with issues of service delivery that had been previously carried out by donor projects.

Many EFA plans are a hundred pages. There is a need to prioritize and cost the action points identified in these plans. Donors can play a role in this by reminding Ministries of Education to get Ministries of Finance involved, making for a more credible EFA plan. SWAps will reduce the number of major studies of the education sector. Ministries can't absorb more than two or three a year, while some are receiving as many as 30. SWAps can help make EFA planning more credible by giving them a more realistic approach linked to budgets, by placing governments in the lead, and by slowing down and accepting government quality on studies and other projects even though it doesn't match the international standards donors have come to expect.

Other points made by Dr. Ward included:

- SWAps are a major factor in ensuring access to education for all.
- Where SWAps have worked well they've focused on disadvantaged groups.
- SWAps can strengthen sector management and coordination, increasing transparency and openness and getting the complete resource envelope into account – government, donors and community.
- SWAps are appropriate in situations where the country doesn't already have an education system that is working well, where donor contributions to the budget are significant and where institutional relationships are manageable.
- So far, SWAps have been successful mainly on the subsector, rather than the sector level.
- With SWAps quick pro-poor results can be seen.
- SWAps promote accountability within a country from service providers, elected officials, governments and citizens. Conversely, they reduce reliance on donors. Over-reliance on donors distorts relationships between citizens and government.

Q & A

Participants noted there were other criteria for judging whether or not a SWAp is appropriate in a country, such as whether or not a sector strategy exists and if the Ministry of Finance is involved. Implementing a SWAp can help governments to formulate a more lucid and cohesive strategy and get other ministries, such as the Ministry of Finance, on board. Some said, however, that governments never talk in terms of SWAps, but of Sector Development Programmes. SWAps is purely a donor concept. It's a way of making aid more effective, but more important than the SWAp itself is that there is a system and a plan for the sector.

Ownership of a sector development plan is a key issue. There have been good plans written by outside consultants that gather dust because the government doesn't feel it truly belongs to them. There have been terrible plans employed by governments because it was their own creation. There have been some plans which deserve the label of a "credible plan" because of the collaborative efforts of donor and government partners which went into their preparation and related appropriation. In the long run it is implementation that is important.

Along the way you can change plans or modify them by working with governments. What shouldn't be lost is the educational experience of the children. If it's not positive, then no matter how efficient a funding mechanism is, it's worthless. If a country doesn't have the conditions in place for SWAs, then work to achieve those conditions. Generally, it will take two to five years.

In the third session, Group Work by Country, participants formed five teams tasked with assessing the priority needs of the education sector in their respective country, identifying whether SWAs/PBAs are appropriate in the context of clear objectives, identifying those strengths which make SWAs seem possible and identifying key constraints to organizing SWAs or PBAs. The five teams then presented their findings and opened the floor for discussion.

The expected outcome: The relevance of SWAs/PBAs – and their potential benefits – for education in each of the five countries will have been established, including an assessment of strengths and weaknesses.

SESSION 3

CAMBODIA

A SWA is clearly possible and appropriate in the context of Cambodia. The donor community stands behind the government in this endeavour and is willing to provide technical and financial resources to develop sector plans, monitor their progress and support their implementation. Clear, prioritized objectives still need to be identified and articulated by the government. Donors also need stronger coordinating mechanisms, though this has been steadily improving over the past three years.

Cambodia has several strengths which bode well for a successful SWA. First is the fact that donors are willing to work together. Also, through the formulation of its Education Sector Plan 2002 -2005, the government has gained important experience in formulating policies and programmes, and putting them into action. In addition, processes are in

place for joint reviews of plans, and joint teams to prepare annual budgets and plans. The government is taking an increasing leadership role in managing annual sector reviews, an important responsibility in a SWAp. The Education Sector Working Group is well established, though this could be revitalized and reinvigorated.

Better coordination under government ownership is a key priority. With the delayed formation of a government because of bickering among political parties, serious constraints faced the donor community. There wasn't a clear government partner to work with. A new government is now in place. But the fact that the new Minister of Education needs to work with an expanded number of Vice Ministers – five to be precise – from different political parties, has also made it difficult for the government to articulate a clear direction and vision in the education sector.

INDONESIA

Indonesia does not have a SWAp in place in any sector at this point in time. Donors feel this is because of a lack of direction and commitment from the government, and donors are floundering around while seeking guidance and vision from their government counterparts.

Nonetheless, there are existing frameworks from which a SWAp can be built. An Education For All plan has been developed and a working group on aid effectiveness has been established. There are plans to seek a follow-up meeting on SWAPs with all donors in the education sector. The European Union, meanwhile, is doing a mapping exercise of donor support to the sector.

Constraints are that the documentation that exists is often unreadable. Indonesia's EFA plan is also not as rigorous and it needs to be and does not analyze gaps in capacity. Donors need to act as a cartel, rather than as competitors, to be more effective. Another impediment is a lack of time for coordination because of a need to show outputs and to spend. The real need is to strengthen donor coordination, and a SWAp is the best method to do that.

LAO PDR

In Lao PDR, the priority needs of the sector are often expressed by the Ministry of Education in terms of Education for All (EFA), the National Growth and Poverty Eradication Strategy (NGPES) and the Millennium Development Goals (MDG). These represent frameworks agreed and dialogued with the development partner community. Collectively, these can serve as a good basis for preparation of a Sector Development Programme, but they do not cover the whole sector. Some additional work in the area of post-primary education is needed to cover all areas.

In recent years there have been some attempts at sector coordination. Beginning around December 2002, the MOE initiated quarterly "MOE-Partner Coordination Meetings". The aim was to use these meetings as a forum for dialoguing sector development policy, problems, and issues. The dialoguing process did not function well, however, and no meeting has been held since February 2004. However, the Education Donors Working Group (EDWG), initiated approximately one year ago by UNDP, has had several official-level meetings aiming to strengthen sector co-ordination among the donor and lending agencies.

A full-fledged SWAp may not be appropriate for Lao PDR at this point in time. No discussions, including those with the EDWG, have involved a consideration of SWAp. It would be necessary to begin with a SWAp on a small scale with something around which both MOE and the partners easily can gather. For example, for the costing exercise for presentation of the NGPES to the partners at the recent Roundtable Meeting, the MOE prepared a costing example for the provision of textbooks to assure that all primary school students in the poorest districts had a complete set of textbooks for two years (until the World Bank Second Education Development Project begins to supply textbooks). This is a "quick win" the partner agencies could easily support. This could be a tactical move to get support for a broader SWAp.

Support for SWAp is just starting as far as Lao PDR is concerned. SIDA is interested in supporting a SWAp seminar in Lao PDR in early 2005. This could be a good opportunity to bring the partners, the MOE centrally, and the de-centralized levels of the MOE together for a discussion of SWAp. It was noted that in Cambodia, support was provided both within the Ministry and within the partner community. This would appear to be a useful model for Lao PDR.

Nonetheless, there are also constraints, including one problem which is so severe that it could kill any SWAp attempts, namely the extremely low level of recurrent expenditure as a proportion of total education sector expenditure. In recent years recurrent expenditure has accounted for less than 50 percent of the total budget, and the situation has been worsening: in the budget for the current year, the figure is only about 40 percent. Experience in other countries suggests that only when the data from the Education Management Information System (EMIS) are actually used for planning (for example for school financing) will it become functional. Partner agencies need to find ways to transfer resources to provincial levels. This needs to be one of the features of a SWAp.

VIET NAM

In Viet Nam the quantitative goal of education for all is almost attained at primary education level. Ongoing programmes are effective enough to attain education for all also for lower secondary education by 2010; thus attaining 9-years basic education for all soon. Therefore the principal goals for new efforts are to attain good quality basic education for all. In the National EFA Plan the Government has set priorities for teacher training, fundamental school quality levels, learning performance, relevance of

education to socio-economic development needs of the various regions of the country, life skills for out of school youth, and appropriate education for ethnic minorities.

Several factors are already in place that are necessary conditions for SWAPs to become an effective mode of education sector development and resource allocation. The country has political stability. The public sector already plays a substantial role in education (non-public education in terms of enrolment is below 5%), the Government has a coherent sector strategy (in the form of the National EFA Plan) for ECCE, primary and secondary education; donors have commended the Government for this modern strategy and committed themselves to work within that strategy in future; financial contributions by donors are at a significant level of almost 10% of total (recurrent and capital) public education expenditure, substantial capacity building (through technical assistance principally by CIDA and UNESCO) in sector analysis and programme-based planning and implementation monitoring at central and decentralized (provincial) level is ongoing, and the public sector budget is supportive of the education sector. There are also the efforts being made to modernize public sector management, particularly through decentralization of sector planning and plan implementation monitoring and also of resource allocation decisions. The Government has started to apply PBA for about 10% of the education sector budget. Pilot work is ongoing for developing a medium term expenditure framework (MTEF) approach for education. These are good conditions for SWAPs, especially when compared to other countries in the region.

The National EFA Plan 2003-2015 can be considered as the principle reference framework for SWAP. In Viet Nam EFA can drive SWAP preparation; not the other way round. Through the Prime Minister's signature, the Viet Nam National EFA Action Plan has become the country's education sector policy. The EFA Plan integrates into a coherent framework all policy goals, strategies and action programs for ECCE, primary and lower secondary education (i.e. 70% of the education sector in terms of students, teachers and resources). This framework includes all Government plans and programmes relevant to education, including purely national ones as well as international ones such as MDGs, Poverty Reduction and Growth Strategy goals, and of course the Dakar EFA goals. The cooperative EFA planning process has laid a good foundation for a SWAP, or for PBAs in specific sub-sectors.

However, not all the factors that make SWAPs appropriate are in place. Questions remain as to whether institutional relationships between central and provincial level can be managed, whether or not there will be enough net benefits if SWAPs are applied, and if the level of risk, as far as issues such as the degrees of corruption and capacity, is acceptable. There are three key constraints to organizing SWAPs in Viet Nam. First there is the limited capacity of the Ministry of Education for policy implementation and very small education planning and implementation monitoring capacity at provincial level. The capacity to ensure acceptable degrees of corruption and waste also need to be addressed. A second potential constraint is whether or not SWAPs will actually help disadvantaged groups – which make up approximately 10% of the population – get access to good quality basic education. Thirdly, there is the need for much better coordination of donor approaches and programmes.

TIMOR-LESTE

As a newly-formed nation, Timor-Leste faces several challenges. One of them is to build up its education system. All aspects of the system need development, including a curriculum and textbooks, training of teachers both before and after they begin their classroom service. The Ministry of Education's management capacity is in its early stages and must be improved. All levels of basic education – primary and pre-secondary, both in the formal and nonformal sectors – must be expanded and upgraded. Bilingual education also warrants attention. Aside from such software, the education hardware of physical infrastructure also needs developing.

It may be a bit early to judge whether a SWAp is appropriate for Timor-Leste. Certain conditions for SWAp are in place: the public sector plays a substantial role, there is a supportive macro budget, some agreement exists on education policy, donors make substantial contributions and the sector is led by the Ministry of Education. The government has already applied a Sector Investment Programme, and a Sectoral Working Group will soon be established.

Among the strengths the country can list that would make a SWAp likely to succeed are: a Sector Investment Programme, significant donor contributions, few large donors and an emerging policy on education.

Weaknesses include geographic disparities, competition among donors and politically-driven, divergent agendas within the sector.

SESSION 4

The Fourth Session consisted of presentations of existing models of Education SWAp from three countries: Bangladesh, Cambodia and Nepal. The presentations covered several points. First were the reasons for choosing the SWAp/PBA approach and what alternatives were considered. Second was the process of getting started, including what preparations were required and the roles of government and donors. Other issues addressed were the current processes for annual planning and monitoring, financial mechanisms and procurement, coordinating technical assistance in the context of a sector plan, addressing country capacity constraints and capacity building measures, and main issues encountered and how they were overcome. Each presentation was followed by a brief discussion.

The expected outcome: Lessons learned from existing SWAp/PBAs will have been established for consideration in applying SWAp/PBAs in other countries.

Bangladesh Country Presentation

Experience from Bangladesh: Designing SWAP for Primary Education – Second Primary Education Development Program, PEDP II

Presented by Juoko Sarvi, Senior Education Specialist, Asian Development Bank

“Designing and implementing SWAPs was a process of discovery for all of us.” – Juoko Sarvi

In his presentation Juoko Sarvi said that Bangladesh, in preparing an Education for All (EFA) plan, already had good poverty reduction programmes in place and that was helping the education sector. Enrolments had increased drastically in recent years. Bangladesh has 17 million pupils attending 67,000 schools with 700,000 teachers in primary education. Nonetheless, with a huge umbrella of projects, coordination was a major problem, as was the quality of education and programmes being offered. Donors and government felt something fundamental needed to change to provide support for teachers and improve quality, institutional and organizational development. It was a process of discovery for all parties. SWAPs need to be designed in the country context and in an appropriate manner.

Bangladesh has an advantage in that its Prime Minister also serves as the Minister of Education. When big issues needed to be resolved, donors had access to the highest levels of government, and the Prime Minister served as a catalyst for the whole process. In November 2002, the government made a commitment for a sectoral approach to education, approving a macro budget plan to give to donors for assistance. Fact finding, appraisals and post appraisal missions were conducted. The World Bank participated in loan negotiations and the resulting agreements reflected the desires of all donors. Separate agreements with donors were mostly avoided. These agreements became effective in April 2003.

The upfront costs were about three times more than for an ordinary loan project. But in the long run Bangladesh managed to harmonize so many things that most involved in the programme believe costs will be lower in the long term. Reporting has been harmonized into one system. Donors first liaise between each other and then with the government.

Bangladesh is in a transition period. Everyone is committed to longer-term support for government. If new donors come in they must come in through this plan.

Commitment from the highest level really mattered. Government was concerned about experiences with SWAPs in the health sector and wanted those lessons incorporated for the education sector. A key question for donors was: on certain issues, such as corruption, how far towards idealism can we go? That kind of discussion between donors needed to be held before dealing with the government. Monitoring of progress and discussions with governments was ongoing and it was an intensive process. Dialogue wasn't established from day one, but developed more and more as time went by. It was important that a consensus was established and that every donor had an equal voice; it was not a matter of whoever gave more had a bigger voice.

There is a performance-based financing element in the project that was learned and adapted from experiences in the health sector. In the budget, 25 per cent of funding is based on the performance of the previous year. It is designed to avoid a situation where the government is going forward with hardware, such as capital construction, but the software in terms of reforms are lagging behind. If reforms don't go forward, part of the funding is cut.

Q & A

Participants agreed that Bangladesh has made fantastic strides in getting large numbers of children into the schooling system. Many questions remained, however, and those in attendance asked about issues such as how procurement (one of the biggest hurdles for SWAp negotiations) was handled, where NGOs fit into the programmes, how donors can audit the government's budget and does the auditing system work. The response was that grants are provided through the ADB and so their rules apply for procurement and audit, and that has improved cooperation. UNICEF and JICA, however, have not been able to harmonize all their rules and procedures yet. The government has also come to accept data provided by NGOs, especially when it comes to black, or nongovernmental, schools.

Cambodia Country Presentation

The SWAp Experience in Cambodia: The Education Sector Working Group (ESWG).

Presented by Etienne Clement, UNESCO

"The SWAp created more trust." – Etienne Clement

Although not a new nation, Cambodia is a nation starting anew. After a quarter century of invasions, occupation, civil war and the wholesale destruction of society perpetrated by the Khmer Rouge, Cambodia is rebuilding. The importance of education for Cambodia's future can't be overemphasized. Prior to the establishment of the Education Sector Working Group (ESWG), the education sector could be characterized by a low level of performance despite an increase in external assistance throughout the 1990s. Other problems included a lack of government leadership in coordination with donors, and the lack of coordinating mechanisms among donors.

Prior to the ESWG, Cambodia had set up a Consultative Group in conjunction with the World Bank. Various funding methods were established during this time. The ESWG was also initially established under the Consultative Group as a sub-group of the Social Sector Working Group of donors which focused efforts on health, education, nutrition and HIV/AIDS. The ESWG provided a forum where donors could get together to prepare common messages for government. It addresses issues such as leakage of funds, and the donors produce a report which is a major document used for budgeting every year. The ESWG has a chair, a donor's consultative advisor and a secretariat. In 2001 the Group adopted Terms of Reference for the SWAp approach as its main modality and fundamental working philosophy.

The agreement of a common position has been very important. There is a time for donors to raise an issue of specific concern with the minister. In the past a lot of mistrust existed. The process of readying for a SWAp created more trust, which in turn has led to increased communication and greater sharing of information. It's seen as a greater commitment for the Ministry of Education and for new donors coming on. It has improved donor coordination and partnership. There is a growing spirit among donors and those in the sector thanks to preparing for and implementing the SWAp. An important role was created for the NGO community through the NGO Network, which is a full member of the SWAp group and the ESWG, and which supports both government and donors.

The Consultative Group mechanisms have been useful already. They have helped government and donors develop a common position on education. The climate of confidence is very significant and it's growing. The ESWG has facilitated a fluid dialogue between donors and the MOE and resources for education have been increasing. But the process of moving to a SWAp will still require patience. In 2005 a second seminar on SWAps will be held to consolidate achievements and identify new priorities.

Q & A

Those who heard the presentation on Cambodia agreed that the government has become very involved and trust had increased. Credit was given to the late Minister of Education (H.E. Tol Lah) who passed away this year. His strong leadership was crucial, and without him the country would not have come this far. Some said that in a case such as Cambodia, a nonexclusive approach might be needed, so that agencies such as JICA, which isn't participating in the SWAp per se, could still find a niche. While some felt that the ultimate goal of SWAps was basket funding, this was not agreed to by most participants. Others asked if there was a mechanism for proxy funding as a means of accommodating donors not present in the country but who wanted to be involved. This has been managed in many contexts, where bi-laterals channel their funds through like-minded partners without the necessity of placing staff in country.

The subject of funds not reaching those they were intended for was also raised, and the response was that meetings between donors and the government now also included a representative from the Ministry of Finance so such issues could be explained. And while the SWAp focused on primary education, there is a concern that higher education is being neglected. Some also noted that the approach seemed to be more of a programme based approaches (PBA) than a SWAp at this point, and that would not lead to basket funding. In the end, however, it was agreed that the approach in place was working, and that was the most important thing.

Nepal Country Presentation

Moving Toward SWAp/PBA. The Nepal Case

Presented by Ayako Inagaki, Education Specialist, the Asian Development Bank

“Producing the core document is one of the most essential exercises in moving towards a Programme Based Approach.” – Ayako Inagaki

Compared to many other countries, Nepal's move towards PBAs is very much a work in progress, Ayako Inagaki of the Asian Development Bank said in opening her presentation. Nonetheless, there have been significant developments in recent years on the PBA front. The mountainous kingdom of Nepal faces several challenges as far as education is concerned. Girls and disadvantaged ethnic groups have poor access to schooling, the quality of education is poor and teachers are poorly trained or not trained at all. A decentralization programme is in place, but the capacities of different schools

and districts vary widely. And while donor funding has been increasing, there has been a fragmented approach and a lack of a comprehensive vision for the sector.

The rise in development partners and assistance underscored the need to harmonize intervention. This provided the rationale and impetus to move toward a PBA. There was an obvious need to strengthen government ownership and capacity. In the past, the focus was on physical inputs; building infrastructure such as a teacher training centre. What was missing was a longer-term vision for the school sector. Because of the variety of donors, the approach to education was fragmented. It's now recognized that there is a need for a comprehensive approach for the whole system, and harmonization of interventions. What has worked so far has been subsector SWAs, such as the Basic and Primary Sub-Sector Wide Approach in the mid 1990's. The question now is how to make a linkage between subsectors?

Producing the Core Document required to define and implement a PBA was an essential exercise for both government and donors. Constituting the main programme framework, it was led by the government but involved extensive consultation with stakeholders and was endorsed by the donors group. It forced those involved to focus on the programme rationale, long-term vision, policy framework, programme components, implementation strategies, management, monitoring, funding modalities and sustainability and risks. The result has been increased commitment and ownership to SWAs/PBA by the government. There is still a wide gap, however, between the policy objectives and the technical support system on the ground. But the government and its partners have learned lessons from the preceding years and are building on achievements.

Q & A

A key question raised was how those working on education in Nepal deal with the Maoist insurgency which is plaguing the nation, making many areas unsafe and outside government control. Some asked if the Maoists control certain areas, does it hurt education if funding is through the government. Is it possible or desirable to see that some funding goes to outside groups such as the Maoists? Ms. Inagaki responded that it was indeed an issue that was outside the government's and the donors' control, and so there is simply no real answer for it at this time.

One participant said that, despite all the presentations, they didn't get a sense of where the reduction of transaction costs will come from. Naturally, with a new instrument there will be investment costs, but it wasn't clear how costs will diminish over time. There appeared to be no evidence for it. Others responded that it didn't matter if the transaction costs increase if the impact on children was greater. Reducing costs isn't the main issue. Increasing the impact on children is the issue.

SESSION 5

REVIEW OF DAY 1

"Isolated projects and unsustainable programmes are no longer the way forward." – Eva Jespersen, UNICEF Innocenti Research Center.

Although there was a strong convergence of views in the various presentations given on day one of the seminar, Eva Jespersen, of UNICEF's Innocenti Research Center in Italy, identified an important area of concern that hadn't gotten much attention: How strategies to advance every child's right to education nearly got lost in transaction costs. While the rights of children to an education were talked about in conceptual terms, participants focused heavily on financial mechanisms and cooperation around finance. In that atmosphere, the danger is that those involved in SWAps will lose sight of the fact that the reason these funding modalities are being developed is to advance them.

There is a fundamental divergence in approach between donors and designers of education programmes. Most donors are more comfortable first looking at the financial envelope and then coming up with components for funding and prioritizing them while education sector staff have been encouraged to develop plans over 10 or 15 years to advance EFA, often without regard to resources available. These mechanisms may therefore be at odds with donors and Ministry of Finance ignoring the EFA National Plans of Actions as uncosted wish lists. Once you involve the donor community in the planning and costing for EFA, confidence is built and there is an opportunity to widen the donor envelope. It is important to build into programmes some fairly quick and positive results to help build confidence among donors and governments. In conclusion, Ms. Jespersen reiterated that high transaction costs are part and parcel of SWAps and PBAs, and as they are funds well spent it makes little sense to overemphasize attempts to reduce them.

Related points touched on by Ms. Jespersen in her presentation included:

- In defining a SWAp it's not something set in stone. It's a modality.

- The challenges are enormous, but the capacity of governments to absorb funds is limited.
- There are complaints from governments in dealing with SWAs. On one hand it reflects that they are taking on more of their own responsibility. There may be fewer visits, but they have to do more reports and preparation for them.
- We have learned from mistakes – isolated projects and unsustainable programmes are no longer the way forward.

Q & A

During the discussion segment participants agreed that educationists need to have a better understanding of financing. Ms. Jespersen pointed out that there are ironies and inequalities in financing: that those who give large loans get a bigger seat at the table with government even though the money must be paid back, while those who give grants don't get as much say. It was also agreed that donors need to show more patience and flexibility; instead of demanding to put their stamp of approval on every document, it's important to let the government take more responsibility. Participants also concurred with the view that with all the talk efficiency, it's easy to lose sight of the issue of quality of education. One reason for that is donors have more experience measuring efficiency as opposed to quality. Many are not clear on what the baseline for measuring quality is, and so fall back to gauging efficiency. As far as the debate over transaction costs was concerned, it was noted that the Vietnamese Vice Minister said if the number of missions can be reduced then the transactions costs for government will be reduced. In the beginning transaction costs for donors may be more, but in the long term it will be reduced.

SESSION 6

Donor Agency Group Work

Advancing Socio-Economic Knowledge and Policy Agenda Through Education SWAs
Facilitated by Enrique Delamonica, UNICEF headquarters in New York

Participants were grouped by donor agencies to review the resource, legal and policy issues involved in SWAs from the perspective of their agencies. What are the challenges for organizations to participate fully in a SWAp/PBA and what are the practical steps that can overcome the obstacles?

In laying out the agenda, Mr. Delamonica asked donors to step back and think about the context in which SWAs take place. The world is changing, as are issues of financing

and the goals of development. There is an ongoing debate among donors about how to deal with governments which don't have adequate levels of good governance and transparency. Some donors believe they should only be helping governments that are doing things right.

The essential questions for each of the groups are: What is the policy it is advocating for education? How should those policies be promoted, and what are the constraints?

The reason for considering legal, organizational and resource issues is simple: Whatever happens in the rest of the country will affect education. There can be a wonderful SWAp, but if there are problems on the macroeconomic side there will be budget cuts and that will affect education. Mr. Delamonica stressed that it was important not to forget the objective: To make sure that every child is in a good quality school.

The five groups were:

1. UNICEF
2. UNESCO
3. Multilaterals – led by the ADB and including the World Bank and NGOs
4. DFID – including AUSAID, NZAID and representatives from Portugal and Brazil
5. EU – including SIDA and a representative from Belgium

Expected Outcome – Donor-specific requirements and impediments to participation in SWAps/PBAs will have been identified, for consideration in programming and planning country-specific SWAps/PBAs.

Resource and Organizational Issues

Issues to be discussed:

1. Preparation for joining SWAps – time, documentation and costing (staff budget and implications).
2. Technical Assistance – earmarked funds, special activities.
3. Joint supervisory and planning missions. Coordinating mechanisms (including head quarters, regional mission roles and responsibilities).

The structure of the proceedings below presents the discussion points sequentially by each thee issues above. In this respect, the comments from all 5 groups on the first issue – 'Preparation for joining SWAps' are provided, followed by the second issue, 'Technical Assistance'.

UNICEF

A field presence inside countries is regarded as one of UNICEF's strengths by governments and development partners. Nonetheless, UNICEF faces some challenges

in the SWAs process. First, though UNICEF is involved in SWAs processes in many countries, globally the organization has not come up with a systematic position on what its role in the process is or should be. It needs guidelines. Furthermore, UNICEF personnel need to know the role of individuals in SWAs, starting from the country representatives down to programme officers. Second, they need advice on funding modalities (especially basket approaches) and how UNICEF can best fit into these. Third, in the education section there are already educationists, but at the same time it would help to broaden staff profiles in areas of education policy analysis and education financing. Until that's done, there will be a need to expand the knowledge of existing programme officers about dealing with the social and economic aspects of SWAs so they will have a macro view. One of UNICEF's strengths is technical assistance. UNICEF can provide technical support, especially for planning and monitoring. In monitoring and evaluation, UNICEF can also offer this technical assistance. The final point is on working style or culture. In future, UNICEF needs to strengthen working with partners outside the education sector, such as the Ministry of Planning, Ministry of Finance and other relevant stake holders.

UNESCO

Often donor partners and agencies do not realize that UNESCO is a technical assistance agency which relies on extra funding, in addition to its own budget provided by its member states. They wrongly consider UNESCO as a funding agency, which it is not. They do not adequately realize UNESCO's role as an effective non-partisan partner to both governments and large donors. Extra budgetary resources entrusted available to UNESCO by bilateral agencies, by multilateral agencies and foundations are about six times its regular budget. Almost half of it comes from bilateral sources, which are generally smaller but the amounts add up. Part of that funding comes in the framework of agreements between UNESCO headquarters and the headquarters of other agencies, while another part is raised in the context of country level work. Because UNESCO is an intergovernmental agency, countries where we work are members, so they are actually investing in UNESCO by paying member fees. It's not a fund or programme, and so this broad resource base results in UNESCO not being influenced by short-term or political considerations. It does not have to press for disbursements as a means of achieving impact. It is a neutral technical partner. This means that relations with governments are easy and based on trust in technical competence. However, governments sometimes have the wrong expectations. Some government partners don't realize UNESCO will not put down millions of dollars, but they know UNESCO gives long-term commitments. UNESCO will not put undue pressure to implement a disbursement programme.

In the area of preparation for SWAs, the contribution UNESCO has been making at country level has been ad hoc, close to country needs and quite effective. UNESCO may tie together resources available to its needs, and is moving towards, a more systematic approach to reflect the importance of donor coordination and SWAs at the country level, and also to ensure budgetary provisions. In terms of funding, it is not a UNESCO regulation but, several offices in preparing the next budgets are earmarking resources to

be able to attend meetings and to be part of joint SWAp missions. UNESCO's technical assistance for SWAps is in the area of preparation. Technical cooperation to prepare SWAps includes, first and foremost: capacity building and institution building of government services counterparts; neutral policy advisory role ("honest broker", not judge and party at the same time) in policy dialogue; member/chairing of Education Donor Working Groups. UNESCO is developing a more systematic way to get government officials at central and provincial acquainted with modern education sector analysis, planning and implementation monitoring as an essential basis for SWAps. There is no concerted effort to do it right now. Within UNESCO, knowledge of SWAps is being built. There are pockets of overall competencies regarding policy work and SWAps within UNESCO rather than uniformly distributed staff competencies across the organization – more will be done in terms of staff training. In East Asia, UNESCO is well prepared for involvement in SWAps. Particularly through its pioneering country-level work in national capacity building for policy and planning, and through its many regional experience-sharing activities which help countries to learn from each other to become better professionally competent partners for their donors; which is a condition for SWAps.

ADB/World Bank/NGOs

The Asian Development Bank stressed that it that it did not have extensive experience in working with SWAps in the education sector. Still, there were lessons to be learned from the experience it has. In the area of preparation for joining SWAps, the organization found it's important to have a very strong country team and leader to take responsibility and follow through. Support is also needed from headquarters, aside from having a strong resident mission or presence in the country. The concern, however, was that upfront costs and staffing needs actually tripled in the beginning. But later on the costs declined as the SWAp moved into the implementation phase. The ADB also felt that, initially, staff consultancies increased as did donor participation and time. Under the issues of technical assistance and earmarked funds and special activities, once again extra funds were required, mainly for extra technical assistance. Donor funds availability varied, but there was always a donor pitching in an emergency. So, earmarked funds worked out well.

Under joint supervisory planning missions, it's important to have a clear government counterpart. In Bangladesh, there was a very strong personality working with the Bank on the government side and that made a lot of difference. There had also been a long tradition of donors working together. There was a lot more work, but they were willing to get on board. As far as NGOs, a strong tradition of having them in the country exists. They worked under consultative groupings, and they put in a lot of extra time and workshops. Complexity was higher, but it paid off. Upfront costs were higher – that made some people nervous -- and there was more time spent. But, it's absolutely necessary considering the complexities to get people together and to get consultation from all stakeholders.

DFID/AusAID/NZAID/Portugal/Brazil

From New Zealand's experience it has been established that NZAID is fully committed to education and tries to mobilize the resources necessary. For SWAs, the agency is providing support in two or three countries, but next year it will support six countries. To clarify, NZAID is supporting 19 countries in education, but only three in SWAs. The agency has done quite a lot of work in looking at what resources are required to support a SWA, and with current resources it concluded it could only support six SWAs globally at any one time. NZAID concluded that more than money, it can give value-added to SWAs by assigning staff. It takes 30 per cent of a staff in country, and one at headquarters requires 15 per cent of their time. The agency concluded that if it can't provide adequate staff time, then it can't really take part in a SWA except perhaps as a silent partner.

Within AUSAID there is a commitment to exploring more forms of aid, but those decisions tend to be made on a bilateral basis instead of being established as a policy covering all countries. But certainly there is a commitment to SWAs based on the premise that they enhance quality and reduce transaction costs in the future. There is, however, a conflict now because resources are shrinking. In Timor-Leste, Portugal is the biggest donor in education and all sectors, bringing \$34 million and \$9 million dollars in teacher training language approach. The Portuguese language is an asset, and it's needed at the moment. The problem for implementing a SWA is that there is no macro-coordination in Timor-Leste at this time. Portugal has started to work more closely with UNICEF and the Brazilian mission so resources can be added.

As the biggest donor Portugal can have a lead role in SWAs in Timor-Leste if it comes to reality as expected. Brazil has an agency called ABC and this agency has been working more in the Lusophone African countries. It can transfer its resources and experience to Timor-Leste, and one of the assets is CPLP countries of the Commonwealth of Portuguese-speaking countries. For Timor-Leste, Brazil is giving technical assistance in professional education, teacher training and ministry advisory, so its resources are put into technical assistance rather than financing projects or donating money.

EU/SIDA/Belgium

As far as resource and organizational issues are concerned, donors don't often have the time and enough staff to handle all of the jobs and functions required for documentation, organizing technical assistance and joint supervision. In Cambodia some of the donor staff works across categories. Often, support from headquarters can assist, but that's not always easy either in small countries. On technical assistance, the Swedish SIDA experience was a good example of harmonization of consultancy, using non-ear-marked funding for SWAs readiness. They adopted flexible mechanisms for mobilizing consultants. On the technical assistance front, they also saw that in some instances a change in management can help capacity building. Other donor programmes were used to fill gaps where necessary.

With joint supervisory and planning missions, the main issue was the willingness to use a joint-sector review. The processes to be used for this must be whatever the government has. The situation is improving, but there are still some stand-alone missions. Another difficulty is when donor staff is located outside of the country. How do you get that donor staff to integrate with and be available for the country-led planning process?

The EU's experience shows that for programme and technical assistance officers, there are other types of skills needed aside from the ones traditionally associated with those positions. It would be beneficial to both donors and the countries if the officers had sufficient analytical skills to look at things from a macro perspective rather than a narrow technical perspective.

Legal and Procedural Issues

Issues to be discussed:

1. Financial management and reporting, including Basket Funding audit
2. Procurement, implementation and accountability requirements.
3. Programming planning and reporting processes.

UNICEF

UNICEF representatives discussed whether or not the agency could put money in a basket, whereby funds are not earmarked for specific activities. Some cited an example of basket funding from 1993, but in general, participants felt they would be breaking rules if they put money into a basket where actual expenditure could not be traced to specific activities, which made it difficult to contribute to that kind of modality. There are other UNICEF procedures that make it difficult for the agency to participate in SWAps in general, though by and large, there were ways of getting around this. Some members of the group said there must be ways of addressing some of these issues in a systematic way. UNICEF has something of a control emphasis, but in a sense that's also one of the agency's strengths: you can attract donor money because they know it will be well managed. It's a double-edged sword. Some representatives have detected a softening of this control emphasis and feel the agency is moving to some new and flexible ways of operating which make participation in SWAps much easier. It's up to those within UNICEF dealing with these issues on a day-to-day basis to encourage procedures and try to accelerate them so UNICEF can move to a more facilitative orientation.

In the case of Cambodia, we were surprised how much we could do. When we were pushed into sector support in Cambodia we were shaking, thinking of all the constraints. If a donor like SIDA hadn't been on board, the agency wouldn't have dared to try it. Then we realized how much is possible. In extreme cases it was even possible to replace money other donors took out of the basket. The ADB and others were thankful others could do things where it has constraints. The key is the agency's mindset. If there is a

mind set that “we can’t” then 2,000 reasons will be found why we can’t. But if there is a mind set of “we can”, 5,000 ways will be found to something. What really helped was the certainty provided by multiyear funding from donors like SIDA. In Lao PDR, ministry people say that is the only money they can really plan on. That UNICEF is not always accommodating or moving programmes forward due to funding constraints and funding uncertainty may be true. But within UNICEF a lot has been done in the past year in support of moving towards SWAp setting.

UNESCO

As a technical assistance agency, not a funding agency, UNESCO’s mandate excludes contributions to funding baskets. However, UNESCO can contribute also financially to technical interventions with Governments and donors required to prepare and implement SWAp. These include in particular operational policy research, T.A. for sector policy formulation and management reforms as well as related national capacity building. Many of these interventions require interventions over several consecutive years but do not involve high levels of funding, and are essential in the development of a SWAp programme framework, appropriate use of basket funding by governments (implementation capacities) and the overall impact of SWAp in a country. Already UNESCO funds or co-funds operational policy research and up-stream policy. Recent examples include the preparation of National EFA Plans in Viet Nam and Lao PDR which drive SWAp or sector programme development in those countries.

In the area of financial management and reporting UNESCO regularly in its cooperation with donors uses the formats required by these donor agencies. With some donors, such as the EC, legal framework agreements exist which facilitate legal and administrative procedures. In other cases, such as with the ADB, practices which suit both partners while conforming with their internal regulations have evolved and in the process been agreed upon. To obtain approval for a new reporting or financial management procedure internally, across the departments involved in financial management, auditing and external relations, can be very time consuming the first time. Once approval has been gained, and the concerned activity has been successful, a precedent exists, and the new routine tends to be followed well.

The present decentralization process within UNESCO devolves more authority to field offices who are granted more flexibility in applying regulations to suit operational requirements at the country level. A challenge relates to the relatively young age profile and turn-over in some field offices where personnel may not be familiar enough with internal procedures to apply them to new contexts. The organization’s cooperation in SWAp would benefit from UNESCO being more procedural in its ways of working with donors and governments.

UNESCO recently started investing more resources in formalizing institutional partnerships with governments and partner agencies. From 2006 onwards country offices will have to prepare national strategic plans and operational plans. The agency needs to develop

more systematically MOUs with partners to reinforce legal/institutional frameworks for donor cooperation and fund raising.

As a technical assistance agency UNESCO is not involved in procurement in any significant way.

ADB/World Bank/NGOs

The multilaterals had consensus that legal and procedural constraints are not insurmountable and can be overcome over time. In the area of basket funding, Bangladesh provided an example of where funds moved into a common account. As time went by donors came to feel that this type of budget support is doable, and to some extent preferable, because the money has to be audited but the government was given greater flexibility in how to spend it. In terms of auditing, the donors gave up their concerns to perform their own audits once they were made aware there were other, comparable procedures in place. Feelings among donors do vary, however, and some are still uncomfortable if they have no control over their money and auditing. Nonetheless, there is a movement toward freeing up these eligibility requirements for expenditures. This brings out the whole issue of trust. SWApS include risk management. Donors have built in procedures, such as quality audit procedures, done side by side with national procedures, which can ensure accountability.

On the issue of joint-mission monitoring, there are annual reports and plans, and on monitoring there are agreed outcomes and indicators that once set in place can be used for tracking performance. This leads to performance-based evaluation. The trend is to look at performance and monitoring outcomes in concrete ways. The concern is that agencies don't stop a whole funding process if a country is not in compliance on every requirement. It's better to slow things down a bit, giving the country time to raise its standards, rather than to stop funding and thus kill projects. It's important to identify core indicators, and stress those things. Agencies have to choose which ones they will include as conditionality.

Knowledge of SWApS is patchy in ADB. In Bangladesh, the Bank's first reaction was "we're sure we can't do this," but when it looked more closely it saw that it could. This is an institutional culture issue that needs to be changed. Agencies were imagining barriers that in fact didn't exist.

DFID/AusAID/NZAID/Portugal/Brazil

The main question for the various agencies is: are they legally able to participate in a SWAp? NZAID has the ability, but AUSAID is less able. Agencies need to ensure they're doing this in line with their country's legal systems and the legal system in the country in which they're working. Some agencies have difficulties with tied funding where they

can't provide assistance outside their country. New Zealand, Australia and Portugal are no longer restricted. No limitations on Brazil either. On programming and reporting, some donors have difficulty accepting reports from governments and need to participate at some level of evaluations and monitoring. Australia and New Zealand have done joint programming evaluations and sometimes have acted as proxies for each other.

EU/SIDA/Belgium

The EU can legally contribute in this manner, but at same time there is a need for donors to be realistic about financial management and reporting. There are inevitable difficulties in reporting from school to district to the provincial level. Under ADB and EC budgets there have been technical assistance components and aid for budgets to strengthen financial management and auditing. Nonetheless donors have to accept that there is some fiduciary risk.

When governments are put under a tight fiscal enjoinder this attempt to target budget support has distorted the government budget. This is an issue with targeted budget support. More coordination is needed in relation to budget support and exploring the scope of audits and what they can do. One problem is the timing of ADB, EU, national audits and the public expenditure tracking audit supported by the World Bank. There is little coordination and that puts a burden on the Ministry of Education.

Upstreaming Policy

Issues to be discussed:

1. Is there an explicit policy to advocate for the sector? Is there a strategy to accomplish these goals and promote the agency's policy? What are the main characteristics of the agency's SWAp?
2. What are the partners in education policies advocacy? How are policies and policy changes being promoted? What are the constraints in implementing policy change? How do macroeconomic trends and fiscal policy affect the education sector?

UNICEF

There is general consensus that UNICEF has clear policy frameworks and standards, such as the Convention on the Rights of the Child. And it adheres to debates and dialogues involved in the Millennium Development Goals. In terms of what UNICEF actually brings to the table in policy discussions with governments and donors in the process of moving toward PBAs and SWAs, the agency is strong on experience in working with the grassroots, on implementation and on reaching disparate and disadvantaged groups. UNICEF is not experienced on documentation. That's an area that needs to be strengthened as an overall part of planning design.

There have been movements toward Results Based Management based on log frames. It's helped in bringing together partners and laying out different design issues from the beginning of the process, including indicators on performance. UNICEF applies an approach based on the Convention on Rights of the Child which looks more at results and what changes are actually happening for children as a result of implementation. It is looking at who is responsible for results and ensuring children get their rights to basic education. UNICEF's focus on rights means it is increasingly trying to work at the sub-national level to strengthen structures and processes there and look at benefits for poor and marginalized groups. Banks and other organizations have strengths on macroeconomic structures and policies for reform. UNICEF should be more influential in policy making, but that involves a cultural shift. The agency needs to spend more time with donors and governments working around PBAs and SWApS without losing its cutting-edge advantage of working in very disadvantaged areas. That needs to be documented better.

Information and knowledge management is a critical issue. Just knowing where you can find research data on financial issues is important. There is a lot of knowledge in the organization which is not systematically recorded and shared. This can be done better. One way would be to link up country programmes with the Innocenti Centre in Italy to do more research and more broadly share information. Recruitment and training of UNICEF staff in planning for SWApS is another issue. National staff should play a greater part in policy debates in the organization.

UNESCO

UNESCO has an explicit policy framework with regard to SWApS. UNESCO's references are the EFA goals and MDG which constitute a global policy reference framework across the donor community. The UNDAF process created additional commitment for working in partnership. At country level UNESCO works within the framework of existing poverty reduction strategies developed by governments in partnership with the donor community.

Within UNESCO a balance has to be found between its role in providing a platform for global think-tanks and operational country-level work. A shift towards more country level works is happening. At the country level, UNESCO as a technical, non-funding agency can play an effective role as non-partisan partner and "honest broker" to governments and donor agencies.

UNESCO's main partners are governments in developing countries that are the Member States of UNESCO. The organization is working alongside national partner institutions in supporting national policy and planning exercises, facilitating policy dialogue and for national capacity building. UNESCO understands its mandate for national capacity building in a much wider sense than training national counterparts for PAP and the financial / accounts-related aspect of SWAp implementation; as a long-term exercise to gain the necessary know-how and means to control SWAp-related processes and act as an equal partner in the dialogue with donor agencies. The EFA planning processes in

Viet Nam and Lao PDR can be quoted as recent examples for projects working in this direction.

Constraints for policy change relate to the need to create commitment from governments, costing and resource assessment of education plans and strategies, needs assessments concerning capacity and institution building, including at decentralized levels. In these areas UNESCO can add value to SWAp preparation and implementation processes.

ADB/World Bank/NGOs

Clearly, the ADB has an explicit policy framework based on the poverty reduction strategies of countries. The Bank has its own education sector policy which complies with those. It's done through a Country Strategy Program, which means each country will be unique. The method is to start the SWAs out simple at a subsector level and then expand them. It is important to keep conditionalities to a core set. Defining the SWAp as a collective approach is wise, as is getting agreement on the way forward and having accountability. The partners should be all stakeholders. The Bank encourages experimentation with different modalities and flexible modalities. Getting beneficiary participation is key to that. The end users, the local schools and communities, benefit. As far as macroeconomic trends affecting the education sector, it's very clear it usually happens on budget financing when the political situation isn't stable.

DFID/AusAID/NZAID/Portugal/Brazil

All the agencies in the group have a specific policy framework, except for Brazil, which is new to the donor community. Portugal has an overarching policy to respond to government needs in education. AUSAID is increasingly taking a "whole of government" approach, as is NZAID. Commonwealth ministers meet every two years and it's a good opportunity for sharing ideas and experiences that help to formulate policies. This approach is becoming more common. Policies are being promoted through international forums, conferences and seminars. The constraints are in terms of commitment to countries. New Zealand is unique in that it is able to make three-year appropriations. That's a firm commitment. A key advantage of that is that it relieves the agency of the pressure to spend. The United Kingdom's longest commitment was six years to the Uganda SWAp. The UK has entered into partnerships with countries on the basis that they are committing to spend a certain amount on education, spelling out the contributions governments and donors will give to the sector. A key constraint facing public service officials is the pressure from within governments to improve efficiency. Australia has an efficiency dividend, meaning all departments must do more with less money. The UK has had one as well since the late 70s. After twenty years it really starts to bite. Agencies can get around this by putting expenses on to programme costs, but it's not always possible.

EU/SIDA/Belgium

The EU noted that a lot of agencies are looking at public sector reforms as part of their policies. There are difficulties in looking at sectoral issues and wider issues which might conflict to some degree. On the macroeconomic issue it is clearly important for donors to get involved in those discussions. They affect the context in which donors are providing funding for education sector financing. In Cambodia over the last five or six years there has been an increase in donors' sector share financing from 12 per cent to 19 per cent, and that's consistent with increasing commitment from government. Literally, at this moment a problem exists because in the 2005 budget negotiations there is an extremely small increase in volume and a decline in percentage share to 17.5 per cent. The question is: why should donors be doing that when you don't have an established medium-term expenditure framework? Donors need to be discussing jointly how to approach the government on this. Some of these issues do become quite critical.

SESSION 7

Country Group Work

Facilitated by Robert Schoellhammer of the Asian Development Bank in Manila.

Participants working on the same country met to discuss the following issues:

- What steps are required to jointly promote education sector-wide planning and development processes (the merits of various SWAp models)?
- What existing frameworks and plans can be used as a basis for preparing a detailed SWAp plan and what additional work is required?
- What type of technical assistance is required to ensure SWAp readiness and which donors maybe able to support what aspects of this?
- What are critical elements or action points which must be completed by donors and by government in order for SWAps to become a reality?
- What are the key aspects of donor coordination and complementarity which could impede progress and how can they be overcome?

In briefing the country groups on their tasks, Mr. Schoellhammer reiterated that the purpose of the meeting should be to try and take the development agenda forward and build on it. Groups should determine what the appropriate follow-up in their countries is. What specific steps should development agencies take to move the development agenda forward in consultation with partners? He added that the groups should also address issues such as delivering aid, giving more flexibility to country-based staff, developing incentives, forging stronger partnerships and streamlining donor procedures and practices.

Other issues to be considered included: what legal procedural issues need to be tackled by the donors? What changes need to be made to our policies and programmes? What are the resource and organizational implications of this? Is there enough money and staff to follow-up on these things? Probably SWAs isn't enough. What about macroeconomic, civil service reform? How do these fit into national poverty reduction strategies?

Expected Outcome: Follow-up requirements to develop SWAs/PBAs in selected countries will be identified and agreed.

Country groups reported the results of their discussions in Session 9.

SESSION 8

REVIEW OF DAY 2

"A SWA is not something written in stone, but an approach." – William Loxley, Principal Education Specialist, RSAN and the Asian Development Bank, Manila, the Philippines.

In his review of the second day of the seminar, William Loxley noted that because those attending the meeting were from the donor side, the perspective of governments hadn't been presented. Nonetheless, in the context of the discussions, there was a lot of soul searching among donors. Mr. Loxley said that the Rome Declaration figured large in the second day's discussions, but he questioned whether that document was having as significant an impact as some believed. There are times, he wryly added, when the head of an organization, such as the ADB, might sign such a declaration without realizing its full implications and thus not completely follow through on it. Furthermore, those implications, or even the basic thrust of the document, may never be communicated to the troops in the trenches. Essentially, the Rome Declaration was an attempt by the international community to say donors need to be more efficient when working with governments and developing countries, Mr. Loxley said.

During the group work session, the reporting by each institution varied, was difficult to follow and took quite a while. Very little closure was achieved. The intention of the exercise was that participants will go back to their institutions and look at that matrix and reflect on what are the requirements for SWAs, and how the their organizations can accommodate them.

Mr. Loxley said a few general trends had emerged during the second day. Everyone agreed on the need to move forward. The multilaterals concurred that there really aren't any legal impediments to them participating in SWAs. The explicit ability to do so may not be in their charters, but where there is a will there is way. In bureaucracies it

is common that when there is a suggestion to try something new, reasons will be found why it can't be done. But often, upon further examination ways can be found to do what's needed. There was a lot of thinking that if you couch SWApS in terms of the Rome Declaration, the powers that be in the institutions will be more flexible.

As far as issues of financial management, technical assistance and where funding comes from, each institution varied and each person had to think of the implications for their institution. This was the point of the exercise. It was valuable for participants to learn about and understand the differences among the various agencies in terms of their resources, capacities, funding abilities and the way they work in general.

Each agency has its own focus. UNICEF is child first. At the multilaterals, it's clear everyone does want to defend the child, bottom line, but the emphasis on how to do so may change slightly from one group to the other. At the end of the day it's not the donors but the governments that have to think in these terms and take the initiative.

Q & A

During the discussion segment some participants expressed surprise that some donors had talked about their limitations, and added that they didn't fully understand the nature of the limitations. Mr. Loxley explained that if an institution wants to get involved in a SWAp it does require much more staff and time. So with limited staff and budget you have to pick and choose which SWApS to get involved in. The ADB, for instance, only has enough staff and funds to be fully engaged in one education SWAp each year, although it might have the ability to be a passive participant in others if it didn't have to take the lead and put in additional funds. Certainly, taking a lead role will increase demands for resources.

UNICEF representatives agreed that they had to engage in the same kind of reflection because if the organization spread itself too thin it would not be effective. Some multilaterals are in a more difficult position. UNICEF, for instance, is expected to be involved in education in every country, and so if a country decides to do a SWAp, the organization can't decline to take part. Others said the early stages of a SWAp shouldn't intimidate anyone as far as resources were concerned because they were little more than an aggregate of programmes. Mature SWApS, however, are more complex and require more time and resources. Mr. Loxley agreed, saying that a SWAp doesn't start from zero. The idea behind the approach is you try and coordinate it more and more and keep it simple.

The SWAp is just a way to corral everyone. The end users and providers should be at the centre and donors should remain in the background. Some said that the intensity of the work simply doesn't diminish over time. Mr. Loxley added that the whole point of the workshop was to make participating agencies SWAp-aware and SWAp-ready. In conclusion, one participant said that institutional constraints must be dealt with, and should not be the deciding factors. The donors' job is to see that the education needs of all children are being met. If they aren't, then it's the donor organizations that need to be fixed, not the goal that needs to be delayed.

SESSION 9

Sharing of Country Group outcomes and discussion.

CAMBODIA

Presented by Louise Ahrens, Chairperson EDUCAM, Maryknoll

Improving trust and transparency at all levels is very important to promoting SWAs in Cambodia, and the Education Sector Working Group is a good venue for that as it is open in its approach and discussions. It would help even more, however, if local staff were empowered for ESWG decision making. Cambodia would benefit from having one lead donor representing the other agencies, but not enough trust has been established between donors yet to accomplish this. Data on children, education and funding also needs to be made more comprehensible, as decision makers in government have a hard time understanding data as presented in its current form.

Cambodia's ESWG is a useful existing framework that can help in the process of building a SWAp plan. In the area of technical assistance, there is a mixed need for management specialists and education specialists. Money should be pooled for technical assistance, and the government should be allowed to select the people it wants. To enhance the SWAp, those involved should use points laid out in the Rome Declaration. Factors impeding progress of the SWAp include too many missions and conflicting reporting requirements, lack of shared analysis and the capacity of the Ministry of Education to absorb it, and lack of planning and funding for higher education so that Cambodia can begin the process of "growing its own technical assistance" for the future. Donors also tend to give conflicting advice, and this divisiveness doesn't help in pushing for real reform and promoting the political needed for SWAs.

LAO PDR

Reported by Richard Noonan, Senior Advisor for Sector Investment at the Ministry of Education, SIDA.

As far as steps required to promote SWAs, the Lao representatives said it was important for partner agencies to develop legal expertise early in developing the SWAp; otherwise there is a lot of wasted effort in proposing things agencies can't approve. Donor timelines also must be taken into account.

The Government of Lao PDR has in principle accepted moving toward SWAs. A statement to that effect has been prepared and will be entered into the country's Five Year Plan. That's very important because that is the official document, and if that's not

referenced in the Five Year Plan it will have no validity and mobilizing government partners will be impossible. But, to be practical a SWAp will have to begin with something smaller and simpler than the whole sector, because there is a need to build trust and share benefits over a period of time. After trust has been built and experience gained, then a SWAp can be widened. More agencies can buy into it as performance improves. Government understanding of SWAps is limited in width and depth. Thirty people were sent to Cambodia to study the Cambodian SWAp. So understanding reaches down to the department level, but not yet to the technical assistance level. The Prime Minister's Office and the Ministry of Education believe SWAps can lead to increased external financing, longer-term commitment and flexibility of funds.

Both the World Bank and ADB are in principle interested in moving toward a SWAp and this puts pressure on the Ministries of Education and Finance to prepare their own Sector Development Programmes. It also puts pressure on donor agencies and expert agencies to get themselves organized and move toward harmonization.

SIDA is preparing to finance a two- or three-day seminar on SWAps in early 2005. SIDA is also financing a SWAps resource person in the Ministry of Education. The Cambodian experience serves as model.

ADB's PPTA is intended to prepare a second basic education project. One task is to update the 2000 Sector Development Plan. It's a good plan, but it's not recognized by the government as its own, so it sits on the shelf. It's important that the government has a sense of ownership for the new Plan.

What might impede progress was the ADB's experience in Bangladesh which showed initial costs were three times higher. But in the long run costs are lower than with traditional lending.

Q & A

One participant said that some specifics on the resource position of donor coordinating advisor would be helpful. In Cambodia it's not a full time task. There are critical stages when the advisor is needed. Most of the time it's two months, two times a year, for a total of four months a year. If it were more than that there might be a danger of it becoming an empire in itself. Mr. Noonan responded that it was good to have a distinction between a full-time coordinator and a coordinator specialist who comes in for specific tasks. It's clear, however, that you need additional support on the partner side. Somehow you have to also beef up the staffing or make available a person with power to dialogue with the full donor community, read the documents and respond. Otherwise, the dialogue doesn't move forward and coordination suffers. Another educationist said in their experience there were advantages and disadvantages with having a full-time coordinator. It depends on personality and skills. Having someone working inside the government was important. What it did was help the ministry to negotiate with partners. It was helpful to the ministry to have someone there during an untidy period. So there are different models that can be looked at.

TIMOR-LESTE

Reported by Edward Redden, Project Officer for Education, UNICEF/Timor-Leste.

The group for Timor-Leste felt there was something of a moral dilemma in discussing and planning these issues without representatives from the government being present. The group spent most of its time conducting a situation analysis of Timor-Leste. That was useful, as it clarified a lot of issues for members as far as where Timor is, where it should be going, and what each person or organization should be doing. The group is not conceptualizing this as a SWAp, but as a coordinating meeting. Coordination is the key issue with a small group of donors operating in a small country with a very new ministry. The whole approach was conceptualized around the need for coordination.

This coordination could be described as a uni-structural SWAp. It's the beginning point for building up into a full SWAp later on. There are some mechanisms going on in the country that are good starting points for a SWAp. There was a successful history for 18 months of coordination. However, that's faded. There is emerging now from the ministry, however, a policy document which is a basis for further activity. The best point of entry for a SWAp would be a government-mandated Education Sector Working Group. Coordination is not all that complex. It's not rocket science.

Another issue is that the donor groups have different types of operations and activities and bring different resources. One of the major players brings technical assistance in the form of large numbers of people, but not dollars. That could be coordinated and different roles identified. That would be a job for an ESWG. The group doesn't think Timor is ready for basket funding, but it will come in the future. Timor will need technical assistance in the near future. More administrative structures are needed in the ministry, even the decision-making process in the ministry needs to be developed.

There is certainly a need for some mapping of current and planned activities. Also needed is advocacy from government down to the ministry level, rather than just donors talking to the ministry all the time.

Some people are of the view there are quick fixes for a place like Timor. The group doesn't think so. It believes anyone getting involved in Timor has to be there for the long haul. Five years is not enough. They have to be thinking in terms of 15 to 20 years. A part of problem is the change of language going on from Portuguese to English.

The group's position is that it's not thinking in terms of a SWAp just yet, but in terms of coordination. A lot of wonderful ideas were generated during the meeting and they can be brought to coordinators in a national process of resuscitating the ESWG.

Q & A

Participants agreed that the task of UNICEF and other agencies in Timor-Leste was really heavy. Timor is a unique case. It's a new country. Sometimes there is no one in

the government who can speak to certain issues, but you have donors seeking answers. There are also important issues to be worked out regarding the approach to basket funding. One method is to ask all donors to put money in and then figure out how to use it. Another is to decide what to do and then seek the commitment and money. Timor-Leste is unfortunately using the first approach. That makes for competition, and that doesn't work for improving quality of services and delivering content.

A Sector Investment Programme is a good starting point. The SIP should come up with a proposal on how to use this basket funding. Another participant remarked that a SWAp may very well not be appropriate in the context of Timor-Leste at this point in time, but representatives can still get something out of the meeting without rushing back to start a SWAp. Mr. Redden reiterated that things are being done now to build education, but the sector won't be fixed in five years, or even ten.

INDONESIA

Presented by Amanda Whyte, Manager and First Secretary NZAID.

Indonesia does not have a SWAp. Nonetheless there are existing mechanisms that can be built on. One thing that will be taken from this seminar is the determination to seek a follow-up meeting in early 2005 to ask donors to build towards SWAps. Twice a year there is a Consultative or Group meeting where all government representatives get together with donors. There are also donor meetings and Sectoral Working Groups. So there is a framework to build on. The ADB Effectiveness Working Group recently put SWAps on its agenda. When it came up, only two out of 20 people knew what it was. So donors also need educating. One possibility is to get a consultant and do an analysis of the potential for SWAps in Indonesia.

Donors and government are starting to apply development principles. Lack of coordination is anathema to development. Development is a process of empowering and building. Donors don't do much themselves. They have to look at their own capacity. More must be done to involve counterparts and to assist people to get existing information.

Donors must stop producing unreadable documentation. If donors can't produce documents people can read, then there is something wrong about the way they're delivering development. Reports don't have to be lengthy or fundamentally different from other donor's reports. If one donor can get information from a project partner using reporting mechanisms of another donor, that's just as well and good.

Indonesia does have an EFA action plan, but it's perceived as not rigorous, so analysis is needed about what further input is needed. The plan is a bit cumbersome as it covers the entire education sector, not just primary education. Establishing an EFA Task Force might be a help.

The principles of SWAs are development principles. Donors really have to act more like a cartel, rather than disparate competitors. Donors are driven by agendas to produce outputs, political agendas and the need to spin. If we can get donors to act as powers of good, promoting good governance and development principles, then so much more will be accomplished.

Q & A

Many attempts to provide technical assistance for SWAs readiness in Indonesia were made just after the 1997 economic crisis, noted one participant. The World Bank provided support to analyze the impact of the crisis on education and formulate short-, medium- and long-term actions. As soon as the World Bank ended funding, however, the government no longer wanted to meet with other donors and partners. There didn't seem to be real commitment from the government to lead and share with the donor community. There was a lot of discussion about why SWAs isn't working in Indonesia. Is it because it is such a big country? Is it because the government has a lot of funds in hand already and feels it doesn't need donor coordination? Certainly there is a need for better coordination.

One member of the Indonesia group agreed there is a need to strengthen donor coordination on education. SWAs is by no means a fait accompli. Enabling conditions need to be created to know whether a SWA is relevant or useful. Another issue is who will donors talk to? Obviously the central government, but a decentralizing process has been going on for some time. In fact, district-level governments are responsible for delivering education services. Donors need to look at approaches which strengthen capacities at the district level. There are several ways to do this. UNESCO is helping with a plan of action, but the plan is not established at sub-national level. There must be debate on how to do that. Establishing some benchmarks of minimum service standards at all levels of government is also important, as is trying to identify what is needed to meet and fulfil minimum service standards. What capacities need to be addressed and strengthened to do so? Coordination – knowing what donors are doing and how they're doing it – needs to be mapped. The World Bank, ADB and UNICEF are working on a map for 2005, but all donors need to be involved.

Another participant explained that 20 per cent of all schoolchildren in Indonesia don't fall under the Ministry of Education, but the Ministry of Religious Affairs. That presents an administrative and coordination problem, and that's all the more reason coordination ought to happen. Coordination will have to look beyond the traditional way of evaluating who is a stakeholder. Madrassas are under very local leadership and sometimes under no leadership at all. It's a complex situation. There was also concern that when governments change in Indonesia, commitments made by previous governments aren't necessarily binding. There is hope that the new government in Indonesia will unify the Ministries of Education and Religious Affairs and give the same certificate for both types of schools. It was also noted that mapping is difficult because donors are often not present in vulnerable areas. They are where the wealth is.

VIET NAM

Presented by UNESCO Ms Le Thu Huong, National Programme Officer

The group from Viet Nam based its discussion on the Rome Declaration and its applicability as far as the five topics were concerned. A key question is whether the government endorses or agrees with an approach based on the Declaration because Government representatives are not invited to the Seminar. The group presumed that the government will endorse that new approach.

Key donors in Viet Nam have aligned their development system along the lines of government policy and priorities. Donor requirements are not a problem, as the commitment by government has been met. It's not an issue of whether government and donors want to do promote SWAps, but how to do it. This rests with issues of trust building. Trust takes a long time to build; it can't be done overnight. Promoting SWAps has to be operationalized into the Five Year Plan; otherwise it's just beautiful words. The best method is not to go for a whole-sector programme, but have a pilot sub-sector programme and then expand to the whole sector. There is a need for analysis of the feasibility of SWAps and to assess national capacity and donor comparative advantages. As far as budget support, a programme has been initiated by the World Bank. To some extent, Viet Nam already has this form of budget support in place. The Government and several donors are piloting a programme of targeted budget support and also a pilot activity aimed at developing and appropriate medium term expenditure framework approach.

Frameworks and plans that can be used as a basis for preparing for SWAps already exist in Viet Nam. Important policy frameworks, such as EFA, a Comprehensive Poverty Reduction Plan, the Millennium Development Goals, and other government strategies are in place. The EFA National Plan 2003-2015 is the most important since it is the Government's policy for the education sector. UNESCO has been the Government's technical assistance partner in the preparation of the EFA Plan (see also the report on Session 3 and on Session 6).

Capacity building is important, and technical assistance may be needed for this – not just in the education sector, but across the board. The country lacks a strong technical foundation for SWAps. The focus for technical assistance should be on the Ministries of Education and Training, the Ministry of Planning and the Ministry of Finance and Investment and on provincial education authorities. What would help is management training, including financial management. Cambodia provides a good model for the role of a donor coordination advisor. The biggest constraint is a lack of coordination among donors. Other constraints include a lack of a sense of ownership of plans based on international commitments, such as the MDGs.

Q & A

The points about lack of ownership and donor coordination sounded a bit too gloomy to one participant who said he thought there had been real progress. Both donors and government representatives regularly attend sessions of the Education Sector Working Group where issues of common themes and critical and strategic issues are discussed. A partial move toward SWAs is underway as some donors are already pooling their resources. Those include the World Bank, DFID and CIDA, so there have been some concerted efforts to look more strategically at how donors can invest in Viet Nam. There is presently a major programme to build modern education planning and plan implementation monitoring at provincial level. This is done through a pilot project carried out jointly by the Ministry of Education and UNESCO (funded by CIDA and UNESCO, and supported by the World Bank) aimed at developing, testing and applying a modern education planning approach and planning tools, as a basis for medium-term sector resource allocation (including targeted budget support and SWAs). The results of the pilot project will be used for capacity building in all provinces throughout the country.

The Viet Nam group responded that it did recognize donor coordination and interaction has improved significantly, but the point was that beyond sharing information, donors are still tending to resist coordination. In preparing for SWAs, sharing information and building trust is important, but it can't stop at that level. There must be a willingness to compromise among donors, and they are still a little bit far from that and need to work on it. In terms of technical assistance, all the donors talk about capacity building at the Ministry of Education, but not as much at other ministries such as Health and Planning. It's needed in several areas, such as programme planning, programme management, which includes financial management and monitoring. Taking the Cambodian example may be best. It's good to advance the idea of having a person at the ministry to act as an individual donor coordinator and advisor. Nepal also said this was effective. Maybe this needs to be pushed proactively in Viet Nam.

Another donor representative admitted that several agencies had decided to go their own way in Viet Nam and so there is a deadlock in coordination. That happened just in last three months. So, a challenge now exists and ways must be found to overcome it. A representative of a different donor said his organization had been denied data from a World Bank study. The Bank told his organization it was because a deal had been agreed upon between the Bank and the government and that the government did not want the data shared. He termed that a disastrous collusion between two institutions that prevented good planning work, but understood that the government itself is very protective of data sets and information, a tendency which must be overcome if SWAs are expected to be successful.

One participant said there were some important negative lessons learned in Viet Nam about donor coordination. When it comes to pooling resources, if it's done unilaterally between a few donors then there will be trouble. Some donors feel marginalized financially and technically. Some of these issues need to be brought back to table and

addressed in a transparent way. In a normal SWAps process there is room for everybody. Otherwise, splits will only deepen. Building upon this SWAp meeting by having a broader donor discussion on the potential for SWAps in Vietnam at the next ESWG was strongly recommended.

SESSION 10

General Discussion on key principles, strategies and follow-up actions regionally and nationally. Closing Remarks.

After a brief discussion, closing remarks were delivered by Mr. Cliff Meyers, the Regional Advisor on Education for UNICEF, EAPRO. Mr. Meyers said that participants had been open and frank about problems and limitations among their organizations and groups. That might not have been the case if the meeting had included representatives from governments. The meeting might also have become cumbersome if the number of participants had increased.

It is unlikely that the seminar would be the last meeting on SWAps. In February 2005, SIDA and UNICEF in Cambodia will support the ESWG and government to have a meeting with donors and government about SWAps. A similar process will be initiated by SIDA and UNICEF in Lao PDR in the first quarter of 2005, bringing together all donors and government. The donor group in Indonesia, under the leadership of NZAID, EU and UNICEF is also planning a joint donor and government workshop on SWAps in late February or March. Not having governments represented at this meeting would not hold back the movement towards SWAps.

Among the lessons learned were that SWAps is an approach, it's a means to an end. The basis of donor trust is a real prerequisite. Bringing governments on board as an owner is essential. Now the challenge is for participants to go back to their own countries and take the necessary steps to make it happen. As each representative travels around the region and observes other countries' attempts to move towards SWAps, they should ask how they can build on what they're seeing. What are the necessary steps to make it holistic?

It was good sign that the World Bank did send a representative to the second day of the seminar, but it appears that the two Banks are still having some most of difficulties engaging in SWAps jointly. Fortunately, no one said their government was doing things to keep donors divided. Governments are cognizant of the value added of having the donor community coordinated. This is a real positive stage.

The seminar is not the end. It was a means of bringing donors together and deciding what are the future steps. Representatives from several countries have said they may have another regional meeting late next year, and that may happen if there is real interest and if enough progress at the country level has been made to justify coming together to share experiences. There is always value to be gained by learning from each other.

PARTICIPANTS LIST

Organization	Name	Designation
UNESCO	Etienne Clement (Mr.)	Representative, UNESCO/Cambodia Chief, Education Policy and Reform, UNESCO Regional Bureau, Bangkok Education Officer, UNESCO Office, Jakarta Education Programme Specialist, UNESCO/Hanoi Office National Program Officer, Vietnam
	Dominique Altner (Ms.)	
	Alisher Umarov (Mr.)	
	Eisuke Tajima (Mr.)	
	Le Thu Huong (Ms.)	
ADB	William A. Loxley (Mr.)	Principal Education Specialist, ADB, Philippines Senior Planning and Policy Specialist, Asian Development, Philippines Senior Education Specialist, Asian Development Bank Education Specialist, Asian Development Bank Education Specialist, Mekong Dept., Asian Development Bank
	Robert M. Schoellhammer (Mr.)	
	Jouko Sarvi (Mr.)	
	Ayako Inagaki (Ms.)	
	Eiko K. Izawa (Ms.)	
UNICEF	Perseveranda So (Ms.)	Chief Education Section, UNICEF/Phnom Penh Donor Coordinator Advisor, UNICEF/Phnom Penh Programme Coordinator, UNICEF Vientiane Project Officer, UNICEF Vientiane Programme Coordinator, UNICEF/Dili Education Officer, UNICEF/Dili Asst. Project Officer, UNICEF/Dili Regional Education Adviser, South Asia UNICEF (ROSA) Chief, Education Section, UNICEF/NYHQ DPP, UNICEF/NYHQ Chief, Social & Economic Policies, UNICEF Innocenti Research Centre, Italy Education Officer, UNICEF/Hanoi
	Donald Holsinger (Mr.)	
	Desiree Jongsma (Ms.)	
	Nabendra Raj Dahal (Mr.)	
	Vathinee Jitjaturunt (Ms.)	
	Edward Redden (Mr.)	
	Joao Pereira (Mr.)	
	Susan Durston (Ms.)	
	Cream Wright (Mr.)	
	Enrique Delamonica (Mr.)	
	Eva Jespersen (Ms.)	
Noala Skinner (Ms.)		

Organization	Name	Designation
NGO Netowrk - Cambodia	Luise Ahrens (Sister)	Chair, EDUCAM, Phnom Penh
PLAN International	Tran Phuong Hoa (Ms.)	Asia Regional Education Advisor, Plan International, Bkk.
	Vu Thi Thanh Hoa (Ms.)	PLAN Internationa, Veitnam
World Bank	Christopher Thomas (Mr.)	Manager, Education Programme, World Bank
AusAID	Anna Clancy (Ms.)	First Secretary (Development Cooperation), Laos
NZAID	Mandy Whyte (Ms.)	NZAID Manager/First Secretary (Development), Indonesia
NZAID/DFID	Michael Ward (Mr.)	Senior Education Adviser DFID/NZAID, Wellington
SIDA	Richard Noonan (Mr.)	Senior Advisor for Sector Inverstment, Ministry of Education (SIDA), Laos
	Sigrid Halvarsson (Mr.)	Senion Education Specialist, SIDA, Sweden
Portugal	Jose Revez (Mr.)	Education Attache, Portuguese Embassy, Dili
Brazil	Maria Inez s. de Souza (Ms.)	Representative of Brazilian Government, Dili
Canada	Blanka Pelz (Ms.)	First Secretary (Development), CIDA/Hanoi
Belgium	Marcus Leroy (Mr.)	Counselor, Belgian Embassy

**This list is not comprehensive and does not include those participants who just attended the opening session.*

