

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: SESS/SERD

TA No. and Name TA 3115-PHI: Decentralization of Basic Education Management			Amount Approved: \$798,000	
			Revised Amount: \$798,000	
Executing Agency Department of Education, Culture and Sports, now renamed the Department of Education		Source of Funding: Japan Special Fund	TA Amount Undisbursed \$72.23	TA Amount Utilized \$797,927.77
Approval 11 December 1998			Completion Date	
			Original 31 December 2000	
			Actual November 2001	
Signing 10 May 1999			Closing Date	
			Original March 2004	
Fielding of Consultants 14 June 1999			Actual March 2004	

Description

This advisory technical assistance (TA) was piggy-backed to Loan 1654-PHI: Secondary Education Development and Improvement Project (SEDIP), approved on 11 December 1998 and effective on 19 May 1999. SEDIP is implemented by the Department of Education (the Department). The goal of SEDIP is to improve equitable access to quality education in poverty-affected rural provinces. SEDIP has 3 objectives: (i) to improve the quality and relevance of secondary education in 14 poor provinces; (ii) to improve enrollment and completion of secondary education in these provinces and (iii) to facilitate the process of decentralization to improve the efficiency and responsiveness of planning, management and policies of the sub-sector.¹

Objectives and Scope

In support of SEDIP's third objective, the TA aimed to (i) develop, through a participatory process, a 10-year plan for the decentralization of the basic education system and (ii) conduct a cost-benefit analysis of a decentralized basic education organization. The specific objectives were to (i) review and suggest modifications regarding policies and laws regulating basic education; (ii) define appropriate roles, responsibilities and functions for different levels of governance (center, regions, divisions, districts, schools); (iii) review and recommend long-term improvements as to financial and staff resource allocations; (iv) identify necessary changes in management and staffing at each level; (v) analyze the institutional culture appropriate for decentralization and identify strategies for its promotion; (vi) facilitate consensus building on major issues of decentralization; (vii) estimate the financial and staff implications of decentralization; and (viii) estimate the costs of different options for decentralization. The TA was relevant as it supported the Government's intention to decentralize education management, and the TA design and objectives were appropriate for this purpose.

Evaluation of Inputs

The TA was financed by a grant of \$798,000 from Japan Special Fund, and provided for 22 person-months of international and 22 person-months of domestic consultancy services (2 international consultants, including the team leader, and 6 domestic consultants). The TA also funded consultation meetings and workshops to facilitate consensus building among different levels of the bureaucracy. There were a number of problems relating to the consultants: at TA inception, most of the domestic consultants withdrew because of dissatisfaction with the level of remuneration and had to be replaced, which was achieved successfully. During the first months of implementation, the working relationship between some of the Department's counterpart staff and the team leader gradually worsened to the extent that the team leader had to be replaced in April 2000, while the domestic budget and finance consultant passed away just before preparing his final report, and the international economist fell ill and was unavailable for his major input. The search for of a replacement team leader took 4 months, which was disruptive to TA progress in the short term but beneficial in the long term because the new team leader quickly established a smooth and productive working relationship with the Department's technical team.

The performance of the consulting firm was satisfactory. The first team leader was replaced because of differences in working styles and personality rather than competence. The TA was highly participatory throughout, with 9 consultation meetings and workshops held across the country with major stakeholders, including the regions, divisions and school principals. The involvement of the Department's technical team and other staff was high, demonstrating a strong commitment to the task. A high level of support for the TA was also shown by the Secretary of Education and his senior management team. Unfortunately, this decreased towards the end of the TA with the appointment of a new Secretary of Education in February 2001 who did not see the decentralization of education as a priority. To allow the new Departmental management team time to familiarize themselves with the TA, the TA completion date was extended from 31 March 2001 to 31 August 2001, and a final input of two months for the consultancy team was added. However, the new leadership of the Department never became involved in the TA and the performance of the EA must therefore be rated overall as partly satisfactory.

¹ While a number of sectors were decentralized to local government units in 1991 under the Local Government Code, education was not covered under this law. The term decentralization as used in the education context therefore refers to a deconcentration of responsibilities to lower levels of the education system and not decentralization to local government units.

Three review missions were fielded during the TA, in addition to regular meetings held throughout with the consultants and Department officials. Having 3 different ADB project officers during the course of the TA was not ideal and inevitably entailed adjustments in working relationships but did not impact upon TA progress. Project officers responded promptly to resolve difficult issues such as the Department's dissatisfaction with the team leader. The performance of ADB can therefore be rated satisfactory.

Evaluation of Outputs

The TA produced a comprehensive model and strategy for decentralizing the management of basic education. The final report consisted of 6 volumes covering (i) decentralization and organizational structures, (ii) budget and financial management, (iii) the education management information system (EMIS) and legal issues, (iv) quality enhancement in basic education, (v) community-based school management (including nonformal education), and (vi) school health and nutrition. In addition, two field studies were carried out analyzing school-community-local government relationships, and a data manual for the education management information system was produced. The reports built upon the views of a cross-section of education personnel, with a focus upon operational field staff, principals and teachers, barangay captains, local school boards and parents and were of satisfactory quality. The final recommendations therefore evolved from a long process of consultation with people at all levels of the education system.

The centerpiece of the system recommended was the locally managed school. The most important change recommended at the school level was the formation of School Advisory Councils as partners of the principal in the running of the school. Policy development, standards setting and regulation were to remain with the center, with almost all of the line functions relocated to the provincial level. The provinces were to refocus their attention upon quality promotion and school support activities, rather than administration and supervision. The studies covered the terms of reference adequately except for the cost-benefit analysis of alternative structures. This was never carried out due to the difficulty of obtaining the type of data required to carry out the analyses.

The final TA report was not accepted by the new Secretary of Education, mainly because he was not in favor of decentralizing education. He also did not support the Act on the Governance of Basic Education that was developed and passed into law in parallel with the TA. This Act provides a broad framework for the decentralization of basic education that was generally consistent with the major recommendations of the TA. During the formulation of the Bill, the consultants gave briefings and detailed feedback on draft versions to the authors of the Bill which contributed to its consistency. Because the new Secretary did not support the Act, no actions were taken to implement it until September 2002, when another Secretary of Education was appointed.

The new leadership was very committed to decentralization and, as a first step, developed the Implementing Rules and Regulations for the new Act. The TA report was used as an important input into the formulation of these rules and regulations. Further, during 2003 and 2004, the Department has implemented many of the TA recommendations including realignment of the functions of the center, regions and provinces, with most management and administrative decisions now pushed down to the level of provinces and schools. The position of school principal is being professionalized, as recommended, and principals are being given a greater role in financial management and teacher selection. The EMIS has been strengthened and provides regular feedback to schools on their status and achievements. Some recommendations have still to be implemented as part of the proposed 10-year decentralization process, such as the recommendation to improve school governance by establishing School Advisory Councils in all schools, in addition to the existing parent-teacher associations.

Overall Assessment and Rating

The TA can be rated successful, despite the changing political environment in which it operated. The TA recommendations formed the basis for the development of the Implementing Rules and Regulations for the Act on the Governance of Basic Education, and continue to provide a valuable roadmap for the policies, strategies and actions currently being followed by the Department to further the decentralization process.

Major Lessons Learned

The TA was piggy-backed to a project, SEDIP, that was intended to promote decentralization. However, as the support for decentralization among senior management waxed and waned, no agreement could be reached on an appropriate decentralization model and strategy. This hindered the successful implementation of SEDIP. Project decision-making became centralized after it became clear there was no top-level support for decentralization, and the capacity building program could not take place as planned. With the current renewed commitment to decentralization, backed by legislation, SEDIP has a clear direction again. Strong efforts are being made to build capacity at the provincial and school levels, while the programs that had been centralized have now been decentralized again as intended. A better strategy would have been to carry out the TA before loan implementation, to ensure that a consensus on fundamental policy issues was reached before implementation began.

Recommendations and Follow-Up Actions

The TA was able to provide a good model for the decentralization of basic education management. Many of the recommendations have been implemented already, and work is continuing to operationalize and implement other recommendations dealing with school-based management in particular. Given the legal basis that now exists, the prospects for continued decentralization in line with the TA recommendations are good. It is recommended that ADB continue to pursue this as part of its continuing policy dialogue with the Department and as part of SEDIP and subsequent projects.