

**ASIAN DEVELOPMENT BANK**

**TAR: LAO 32314**

**TECHNICAL ASSISTANCE**

**TO THE**

**LAO PEOPLE'S DEMOCRATIC REPUBLIC**

**FOR**

**STRENGTHENING DECENTRALIZED EDUCATION MANAGEMENT**

**May 2002**

## **CURRENCY EQUIVALENTS**

(as of 15 May 2002)

Currency Unit	–	kip (KN)
KN1.00	=	\$0.000105
\$1.00	=	KN9,495

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
BEGP	–	Basic Education (Girls) Project
BTOR	–	back-to-office report
DEB	–	district education bureau
DOF	–	Department of Finance
DOP	–	Department of Personnel
DPC	–	Department of Planning and International Cooperation
EQIP II	–	Second Education Quality Improvement Project
Lao PDR	–	Lao People's Democratic Republic
MOE	–	Ministry of Education
NGO	–	nongovernment organization
PES	–	provincial education service
PMU	–	project management unit
PUCDA	–	provincial unit for construction and development assistance
TA	–	technical assistance

## **NOTES**

- (i) The fiscal year (FY) of the Government ends on 30 September.
- (ii) In this report, "\$" refers to US dollars.

## I. INTRODUCTION

1. The Government of the Lao People's Democratic Republic (Lao PDR) requested technical assistance (TA) to support decentralization in the education sector. The Lao PDR country strategy and program report includes TA in 2002 for the Strengthening Decentralized Education Management Project. The Asian Development Bank (ADB) Fact-Finding Mission fielded from 4 to 15 March 2002 reached an understanding with the Government on the objectives, scope, cost estimates, financing plan, implementation arrangements, and outline terms of reference for consulting services under the TA.<sup>1</sup> The Mission held consultations with Government ministries including the Ministry of Education (MOE), provincial authorities, provincial education services (PESs), provincial units for construction and development assistance (PUCDAs), district education bureaus (DEBs), primary school principals, teachers and parents, and concerned external assistance agencies.

## II. ISSUES

2. The Government is pursuing decentralization to improve the efficiency of planning, budgeting, and implementing public investment programs as part of transforming the economy from a centrally planned to a market-oriented system. A prime ministerial decree on decentralization, issued in March 2000, applies to all the socioeconomic sectors including education, and foresees the province as a strategic unit, the district as a planning and budgeting unit, and the village as a basic implementation unit, while the role of the central Government will be to supervise and control the decentralization process.

3. MOE has responsibility for policy direction, coordination, and planning, as well as for quality control of formal and nonformal education. Following the decree on decentralization, MOE plans to decentralize the education management structure to improve the efficiency of the system.<sup>2</sup> The decentralization process needs to be accompanied by an appropriate legal and regulatory framework, clear delegation of responsibility, specified functions of the different levels of the system, clear task description for each function, training of personnel, and availability of resources at each administrative level. The current practice in education management is diverse and differs among provinces and districts because of lack of detailed operational guidelines on decentralization, and different levels of staff capacity and resources available in each PES and DEB. MOE is developing a manual of work procedures, which defines the functions, activities, work processes, and duty statement of each MOE department or division, PESs, and DEBs.<sup>3</sup> In line with the new work procedures, adequate capacity in MOE, PESs and DEBs needs to be developed in the short, medium, and long term. Such capacity building will necessitate resources at each level of education administration.

4. Furthermore, the extent of decentralization, the specific characteristics of the emerging roles and functions at different administrative levels, and the degree of ownership of projects allowed for the districts and villages need to be clearly understood and accepted by the concerned parties. MOE is developing a structure of decentralization in the education sector for each of five key function areas of management (planning and information management, financial management, personnel management, properties and procurement management, and academic management) and for each level of administration (MOE, provincial authorities, PESs, district authorities, DEBs, and villages/schools). Some functions have already been delegated to lower administrative levels.

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<sup>1</sup> The TA first appeared in *ADB Business Opportunities* (Internet version) on 22 February 2002.

<sup>2</sup> In the Lao PDR, "decentralization" means that provinces and districts will reach full authority and financial capacity to manage themselves. "Deconcentration" – the process in which the central Government delegates the decision-making authorities to the local levels of administration, but provides partial financial support to these local levels – is being pursued in the education sector. In the TA report, "decentralization" however stands for the term that MOE will select to describe the "decentralization/deconcentration" process.

<sup>3</sup> ADB. 1998. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Lao People's Democratic Republic for the Basic Education (Girls) Project*. Manila.

Provincial authorities have the discretion to decide on sectoral allocation of public expenditures. PUCDAs will manage the provincial construction programs. Many communities build and support their own schools, even providing their own teachers. Districts allocate teachers to primary schools, and through the primary school pedagogical advisers and school clusters, deliver in-service training programs for teachers on an ad hoc basis. DEBs collect primary school data that PESs and MOE compile. However, provincial authorities tend to allocate a lower budget to the education sector (still less than 12% on average as approved by the National Assembly for FY2002). PESs and DEBs do not have control of the budget, nor do they often have the authority and capacity to manage and develop their own programs. Under the decentralized education system, administrative responsibility for primary education lies with DEBs, whereas responsibility for secondary education lies with PESs. In reality, most DEBs still administer both primary and secondary schools in remote, mountainous areas. DEBs also do not have sufficient capacity in quality data collection and analysis to support planning, budgeting, and implementation of programs. After a review of existing policies, laws, and regulations on education management, MOE intends to develop a more realistic operational guideline to facilitate the decentralization process.

5. In this context, the capacity of the PESs, DEBs, and villages needs to be strengthened for the planning, budgeting, implementing, and monitoring tasks allocated to them. MOE's capacity to oversee the decentralization process in the education sector also needs to be strengthened. In particular, the capacity for planning and information, financial, personnel, properties and procurement (including school construction), and academic management of MOE, PESs, and DEBs are weak and need to be strengthened to support and sustain investments in education. Unless (i) sufficient competent staff and resources are available to plan and implement activities, and (ii) bureaucratic procedures are streamlined so that decision making and budgeting are delegated to the level where activities are to be implemented, future programs and projects cannot be implemented successfully.

6. The TA will help strengthen the institutional and human resource capacity to implement the decentralization policy in education. Thus, the TA which will help achieve the key recommendations in the *Education Sector Development Plan Report*<sup>4</sup> and the *Public Expenditure Review*,<sup>5</sup> and complement project implementation and education management support under the Basic Education (Girls) Project (BEGP) and the Second Education Quality Improvement Project (EQIP II),<sup>6</sup> which strengthen the capacity of MOE, PESs, and DEBs to deliver teacher training, school construction, school/community assistance, and information management programs. The TA will also benefit from the support for enhancing Government accounting regulations and procedures,<sup>7</sup> and building capacity in project financial management.<sup>8</sup>

### III. THE TECHNICAL ASSISTANCE

#### A. Purpose and Output

7. The main goal of TA is to assist the Government in achieving quality education for all by strengthening the decentralized education management structure and system at the national, provincial, district, and village levels to allow the delivery of equitable, effective, and efficient

<sup>4</sup> ADB. 1998. *Technical Assistance to the Lao People's Democratic Republic for the Education Sector Development Plan*. Manila.

<sup>5</sup> ADB. 2001. *Technical Assistance to the Lao People's Democratic Republic for Institutional Strengthening of Public Investment Management*. Manila.

<sup>6</sup> ADB. 2001. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Lao People's Democratic Republic for the Second Education Quality Improvement Project*. Manila.

<sup>7</sup> ADB. 1999. *Technical Assistance to the Lao People's Democratic Republic for Enhancing Government Accounting Regulations and Procedures*. Manila.

<sup>8</sup> ADB. 2001. *Technical Assistance to the Lao People's Democratic Republic for Capacity Building in Project Financial Management*. Manila.

education services. To achieve the main goal, the TA will help strengthen the capacity of education personnel involved in the decentralization process at all levels of administration. The TA will also contribute to good governance by increasing transparency, efficiency, and accountability when decision making and resource allocation are delegated to the provincial, district, and village levels, while strengthening the capacity of MOE in monitoring and supervising the decentralized education management process. The overall purpose of the TA will be to facilitate decentralization by (i) providing policy support to MOE in managing the decentralization process in education; (ii) developing a plan for decentralizing the education management structure and system; (iii) enhancing awareness of MOE leadership and provincial authorities, and providing short-term intensive training in decentralized education management to selected core national and provincial trainers; and (iv) addressing immediate capacity-building needs for school construction and community assistance programs in selected project provinces under EQIP II. The TA framework is given in Appendix 1.

8. Key outputs will include (i) the strengthened capacity of MOE to manage the decentralization process, with (a) refined operational guidelines for decentralizing the education management structure and system, and (b) map of decentralization incorporating Government initiatives and funding partners' support;<sup>9</sup> (ii) short- (2002-2004), medium- (2005-2007), and long-term (2008-2010) decentralization strategies and a capacity-building action plan for education, based on (a) in-depth analysis of decentralized management issues at the national, provincial, district, village, and school levels, and (b) nationwide assessment of capacity-building needs in each function area and at the national, provincial, and district levels of administration; (iii) the strengthened capacity to manage the decentralized education system, with (a) stronger commitment by MOE leadership and provincial authorities to the decentralization process, (b) production of training manuals for building capacity in decentralized education management, and (c) enhanced capacity of selected core national and provincial trainers to provide training in decentralized education management; and (iv) a model for district school construction plans and community assistance programs to be introduced under EQIP II.

## **B. Methodology and Key Activities**

9. The TA will have four components: (i) policy support; (ii) planning support; (iii) capacity-building support for MOE and the provinces; and (iv) capacity-building support for districts and villages.

10. The TA will (i) review policies and laws that regulate the education system; (ii) on the basis of the review, assist MOE in improving the operational guidelines on decentralization; and (iii) develop the map of decentralization incorporating Government initiatives and support by external assistance agencies, which will help MOE efficiently allocate available resources to strengthen decentralized education management.

11. The TA will (i) analyze issues involved in five key function areas of planning and information, financing, personnel, properties and procurement (including school construction), and academic management at the national, provincial, district, and village/school levels; (ii) assess the capacity building needed by the national, provincial, and district levels of administration to undertake new tasks in each of the five key management areas; and (iii) from the analysis of issues and the assessment of the capacity-building needs, develop the decentralization plan comprising short- (2002-2004), medium- (2005-2007), and long- (2008-2010) term decentralization strategies and a capacity-building action plan with emphasis on financial management.

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<sup>9</sup> The proposed mapping includes description of ongoing and planned support to decentralized education management in a matrix form with the time frame of 2002-2010, and indicative investment costs in each of five key function areas of management and at the national, provincial, district, and village/school levels.

12. The TA will (i) help enhance the awareness of MOE leadership and provincial authorities on decentralization, (ii) develop training manuals for educational personnel involved in the decentralization process, and (iii) conduct short-term intensive training in decentralized education management for selected core national and provincial trainers. Candidates for the training of trainers will be nominated from the concerned MOE departments, and the teacher and education administrator development center for regional training; and from PESs of selected provinces under EQIP II for in-country training.

13. The TA will address the immediate capacity-building needs of developing district school construction plans associated with school/community assistance programs in selected project provinces (Luang Prabang, Sayaburi, Bokeo, and Savannakhet) during the start-up period of EQIP II. A model of a district school construction plan will be developed in each of the four provinces, with greater stakeholder and beneficiary participation at the district and village levels.

14. The TA is tentatively scheduled to be implemented in seven months (September 2002-March 2003) in three phases. Phase 1 (1.5 months) will include an inception seminar in week 4 of the TA to (i) confirm approaches and methodologies to be used, (ii) discuss the issues to be addressed, and (iii) ensure close coordination among stakeholders throughout the implementation period. The output will be an inception report for submission by the end of week 6 of the TA. Phase 2 (4 months with a 1-month break) will include two regional workshops at around week 8 of the TA to discuss the issues and proposed solutions among stakeholders, a midterm seminar at around 15 weeks after the TA starts, and a midterm report to be submitted in week 18 of the TA. After the midterm seminar, the TA will have a break of 1 month, during which regional and in-country training in decentralized education management for selected core national and provincial trainers will be undertaken. Phase 3 (1.5 months) will consolidate the decentralization plan comprising the decentralization strategies and the capacity-building action plan, and training manuals, which will be discussed in a final seminar after 24 weeks to review the draft final report and plan for the next steps in conjunction with a tripartite meeting. The final report will be submitted to the Government and ADB before or in week 28, based on the results of the final seminar.

15. Major assumptions and risks that need to be considered include the far-reaching implications of decentralization for the management of education. On one hand, decentralization allows issues of education governance, management, and implementation to be dealt with close to the point of education service delivery, thus ensuring that the schooling matches and addresses local needs. Decentralization thus enhances the relevance of education. On the other hand, decentralization often means the transfer of administrative responsibilities to local levels without transferring full authority or resources, and without building the capacity to carry out new tasks and responsibilities. The Government's commitment to decentralization, in particular the commitment of MOE leadership to delegate decision making to authorities at local levels of administration, should remain high. Likewise, acceptance of new tasks and responsibilities by local administrative levels including provincial authorities, PESs, district authorities, DEBs, and villages, is a critical factor. Above all, macroeconomic environments need to remain favorable in the Lao PDR so as to broaden the bases for national and provincial revenue increases. Any economic downturn would pose a major risk for successful decentralization.

### **C. Cost and Financing**

16. The total cost of the TA is estimated at \$625,000 equivalent, of which \$350,000 is the foreign exchange cost and \$275,000 equivalent is the local currency cost. The Government has requested ADB to finance \$500,000 equivalent covering the entire foreign exchange cost and \$150,000 equivalent of the local currency cost. The TA will be financed by ADB on a grant basis from the ADB-funded TA program. The Government will finance the balance of the local currency cost equivalent to

\$125,000, by providing office accommodation and utilities, counterpart staff, office support, and local logistic support. The detailed cost estimates and proposed financing plan are in Appendix 2.

#### **D. Implementation Arrangements**

17. MOE will be the Executing Agency for the TA and will have overall responsibility for coordination and implementation in close cooperation with PESs and DEBs. The TA activities will be located within the Department of Personnel (DOP) of MOE. A project management unit (PMU) will be set up in MOE to supervise the various aspects of TA implementation and, more specifically, to guide, facilitate, monitor, and assess the services of the consultants. The PMU will be headed by the director general of DOP as project manager, and will comprise representatives from the relevant MOE departments including the Department of Finance (DOF) and Department of Planning and International Cooperation (DPC). A MOE steering committee, chaired by the vice minister of MOE, has been in place to provide overall guidance to the PMU and to ensure coordination with the concerned government agencies including the Committee for Investment and Cooperation, Committee for Planning and Cooperation, and Ministry of Finance.

18. The TA will be implemented by three international and five domestic consultants who will provide 10 and 20 person-months of specialist services, respectively. The services of all consultants will be provided by an international agency/firm recruited in accordance with ADB's *Guidelines on the Use of Consultants* using the quality and cost-based selection method, and other arrangements satisfactory to the ADB for engaging domestic consultants. The simplified technical proposal procedure will be used. The international consultants (person-months in parentheses) will comprise (i) a decentralized education management and planning specialist/team leader (5), (ii) a financial management specialist (3), and (iii) a personnel/human resources management specialist (2). The domestic consultants will be (i) an institutional and organizational development specialist (6); (ii) a budget, finance, and accounting specialist (6); (iii) an academic administration/management specialist (2); (iv) a school construction planning, facilities, and procurement specialist (3); and (v) a school/community awareness specialist (3). The outline terms of reference for the consultants are in Appendix 3. The Government will provide a suitably qualified counterpart team of at least three members to assist the international consultants with all aspects, including liaising with the concerned agencies and institutions, and obtaining necessary data and information. Needed office equipment will be procured according to ADB's *Guidelines for Procurement*.

19. The TA will include support for printing the decentralization plan comprising decentralization strategies and the capacity-building action plan for strengthening decentralized education management, and the dissemination of training manuals in key areas of decentralized education management. DOP, in close cooperation with DOF and DPC, will be responsible for implementing the decentralization plan including the dissemination of training manuals. The TA will help the Government and MOE identify continued support to strengthen decentralized education management through the map of decentralization. The outcome of the TA will be closely monitored and evaluated in conjunction with the subsequent loan review activities of BEGP and EQIP II.

### **IV. THE PRESIDENT'S DECISION**

20. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$500,000 on a grant basis to the Government of the Lao People's Democratic Republic for Strengthening Decentralized Education Management, and hereby reports this action to the Board.

## TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<b>1. Goal</b>  Quality education for all by strengthening the decentralized education management structure and system in which equitable, effective, and efficient education services will be delivered	Increased primary and secondary education net enrollment rates  Increased primary and secondary education completion rates  Increased share of the education budget for primary and secondary education at the provincial and district levels and from community and private sources	Ministry of Education (MOE) steering committee meetings and reports  MOE, provincial education service (PES), and district education bureau (DEB) reports and statistics  Government's public expenditure reports	Strong commitment of the Government to decentralize education sector management  Acceptance of new tasks and responsibilities by PESs, DEBs, villages, and schools  Favorable macroeconomic environment in the Lao People's Democratic Republic
<b>2. Purpose</b>  2.1 Provide policy support to MOE in managing the decentralization process in education  2.2 Develop a plan for decentralizing the education management structure and system, with particular emphasis on financial management  2.3 Strengthen MOE and provincial capacity to manage decentralization in education  2.4 Strengthen district and village capacity to manage decentralization in education	Reviewed regulations and refined operation guidelines by MOE for decentralizing the education management structure and system  Map of decentralization incorporating Government initiatives and support from funding and external agencies developed  The decentralization plan comprising decentralization strategies and capacity-building action plan endorsed by MOE  Streamlined decision-making procedures at MOE and PESs  Delegated decision making from MOE to PEDs, DEBs, villages/schools  Capacity of core national and provincial trainers on decentralized education management developed  A model for the district school construction plan developed  A model for community/parent participation in school planning and management developed	Inclusive:  MOE decrees  Reviewed regulations and refined operational guidelines  Map of decentralization  Technical assistance (TA) reports  Back-to-office reports (BTORs) of TA review missions  Project review missions of the Basic Education (Girls) Project (BEGP) and Second Education Quality Improvement Project (EQIP II)	The Government's willingness to modify or improve existing regulations and operational guidelines on decentralization  Acceptance of new tasks and responsibilities by PESs, DEBs, villages, and schools  Effectiveness of the TA consultant team, project management unit (PMU), and counterpart staff



Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<b>3. Outputs</b>  3.1 Strengthened capacity of MOE in overseeing decentralization in education  3.2 The decentralization plan comprising short- (2002-2004), medium- (2005-2007), and long- (2008-2010) term decentralization strategies and capacity-building action plan, with particular emphasis on financial management  3.3 Strengthened MOE and provincial capacity to manage decentralization in education  3.4 Strengthened district and village capacity to manage decentralization in education	Reviewed regulations and refined operational guidelines for decentralizing education management  Map of decentralization, incorporating Government initiatives and support by funding and external assistance agencies  Situational and in-depth analysis of five key function areas at the national, provincial, district, and village/school levels  Nationwide assessment of capacity-building needs in five key function areas at the national, provincial, and district levels of administration  The decentralization plan comprising decentralization strategies and capacity-building action plan for strengthening decentralized education management  Streamlined decision-making procedures at MOE and PESs  Delegated decision making from MOE to PEDs, DEBs, villages/schools  Training manuals for building capacity in decentralized education management produced  Developed capacity of core national and provincial trainers for decentralized education management  A model for the district school construction plan developed  A model for community/parent participation in school planning and management developed	Inclusive:  MOE decrees  Modified regulations and refined operational guidelines  Map of decentralization  MOE steering committee meetings and reports  PMU meetings and reports  TA reports  BTORs of TA review missions  Project review missions of BEGP and EQIP II	Collaborative, consultative, and transparent review of policies, laws, regulations, and operational guidelines  Timely information about ongoing and planned support by funding and external assistance agencies to education management available  Acceptance of new tasks and responsibilities by PESs, DEBs, villages, and schools  Close working relationship among the TA consultant team, PMU, counterpart staff established  Timely identification of adequate candidates for core national and provincial trainers
<b>4. Activities</b>  4.1 Policy Support  Review policies and laws that regulate the education system	Improvements on the operational guidelines suggested (during first 4.5 months of the TA)	Inclusive:  MOE decrees	Collaborative, consultative, and transparent review of policies, laws, regulations, and operational guidelines

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Suggest improvement of operational guidelines for MOE, PESs and DEBs to strengthen the decentralized education management</p> <p>Map of decentralization for the period 2002-2010 by incorporating Government initiatives and support by funding and external assistance agencies</p> <p>4.2 Planning Support</p> <p>Conduct a situation analysis and an in-depth analysis of the issues involved in decentralization in education</p> <p>Assess the nationwide capacity-building needs of the national, provincial, and district levels of administration</p> <p>Develop the decentralization plan comprising short- (2002-2004), medium- (2005-2007), and long- (2008-2010) term decentralization strategies and capacity-building action plan for strengthening decentralized education management, with emphasis on financial management</p> <p>4.3 MOE and Provincial Capacity Building Support</p> <p>Enhance awareness on decentralization by MOE leadership and provincial authorities</p>	<p>MOE will obtain the mapping on decentralization to efficiently allocate resources of donor and external assistance agencies in strengthening decentralized education management (during first 4.5 months of the TA)</p> <p>The situation and in-depth analyses of five key function areas of planning and information, financing, personnel, properties and procurement, and academic management issues at the national, provincial, district, and village/school levels (during first 4.5 months of the TA)</p> <p>The existing and required capacity of education personnel and institutions to undertake new tasks and responsibilities under the decentralized education management structure and system (during first 4.5 months of the TA)</p> <p>The time-bound decentralization plan with performance indicators developed (during 7 months of the TA period)</p> <p>Streamlined decision-making procedures at MOE and PESs</p> <p>Delegated decision making from MOE to PEDs, DEBs, villages/schools</p>	<p>Reviewed regulations and refined operational guidelines</p> <p>Map of decentralization</p> <p>MOE steering committee meetings and reports</p> <p>PMU meetings and reports</p> <p>TA reports</p> <p>BTORs of TA review missions</p> <p>Project review missions of BEGP and EQIP II</p>	<p>Timely information about ongoing and planned support by funding and external assistance agencies on education management available</p> <p>Acceptance of new tasks and responsibilities by PESs, DEBs, villages, and schools</p> <p>Close working relationship among the TA consultant team, PMU, counterpart staff established</p> <p>Timely identification of adequate candidates for core national and provincial trainers</p>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Develop training manuals for educational personnel involved in decentralization at the provincial and district levels</p> <p>Conduct short-term/intensive regional and in-country training in decentralized education management for selected core national and provincial trainers</p> <p>4.4 District and Village Capacity Building Support</p> <p>Develop a model of district school construction plans in each of four selected provinces (Luang Prabang, Sayaburi, Bokeo, and Savannakhet) for the school construction program under EQIP II</p>	<p>Training manuals on five key function areas of planning and information, financial, personnel, properties and procurement, and academic management issues developed targeting for education personnel at PEDs and DEBs (during first 4.5 months of the TA)</p> <p>National core trainers identified and given regional training, and provincial core trainers identified from PESs and given in-country training (up to 1 month during the TA break after 4.5 months of the TA)</p> <p>Core trainers providing decentralized education management training to MOE, PES, and DEB staff (upon completion of the TA)</p> <p>A model for the district school construction plan developed (during the first 4.5 months of the TA)</p> <p>A model for community/parent participation in school planning and management developed (during the first 4.5 months of the TA)</p>		
<p><b>5. Inputs</b></p> <p>Consultants: \$279,000  Training: \$41,000  Needs assessment/ surveys: \$20,000  Equipment: \$20,000  Government: \$125,000  Others: \$140,000  ADB missions</p>			

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
<b>A. Asian Development Bank Financing<sup>a</sup></b>			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	210.0	0.0	210.0
ii. Domestic Consultants	0.0	40.0	40.0
b. International and Local Travel	20.0	4.0	24.0
c. Reports and Communications	3.0	2.0	5.0
2. Equipment <sup>b</sup>	20.0	0.0	20.0
3. Seminars, Workshops, and Meetings	0.0	30.0	30.0
4. Training of Trainers			
a. Regional Training	36.0	0.0	36.0
b. In-Country Training	0.0	5.0	5.0
5. Needs Assessment/Surveys	0.0	20.0	20.0
6. Miscellaneous Administration and Support Costs			
a. Office Supplies	0.0	3.0	3.0
b. Car Rental	0.0	10.0	10.0
c. Interpretation and Translation Services	0.0	7.0	7.0
d. Printing for Dissemination	0.0	3.0	3.0
e. Local Assistants	0.0	7.0	7.0
7. Representatives for Contract Negotiations <sup>c</sup>	5.0	0.0	5.0
8. Contingencies	56.0	19.0	75.0
<b>Subtotal (A)</b>	<b>350.0</b>	<b>150.0</b>	<b>500.0</b>
<b>B. Government Financing</b>			
1. Office Accommodation and Utilities	0.0	50.0	50.0
2. Counterpart Staff	0.0	40.0	40.0
3. Office Support	0.0	20.0	20.0
4. Others	0.0	15.0	15.0
<b>Subtotal (B)</b>	<b>0.0</b>	<b>125.0</b>	<b>125.0</b>
<b>Total</b>	<b>350.0</b>	<b>275.0</b>	<b>625.0</b>

<sup>a</sup> From the ADB-funded TA program.

<sup>b</sup> Includes two pentium desktop computers, a laptop computer, a laser printer, a projector for Powerpoint presentation, a telephone/fax machine, a photocopier with sorter and feeder, two voltage regulators, two cellular phones, and other necessary office equipment and facilities.

<sup>c</sup> Includes cost of travel and per diem for two Government observers invited for contract negotiations.

Source: Asian Development Bank estimates.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

### A. International Consultants

#### 1. Decentralized Education Management and Planning Specialist/Team Leader (5 person-months)

1. **Overall Leadership.** The team leader will coordinate the work of all team members, in collaboration with the project management unit (PMU) and relevant Ministry of Education (MOE) departments of the Lao People's Democratic Republic (Lao PDR). More specifically, the team leader will (i) prepare detailed weekly and monthly work plans for implementing the technical assistance (TA); (ii) ensure that the TA is implemented according to the outline terms of reference and the provisions of the consultancy contract between the Asian Development Bank (ADB) and the consulting agency/firm engaged for the TA; (iii) incorporate any subsequent instructions and guidance provided by the MOE steering committee, PMU, and ADB; (iv) collaborate closely with the PMU, counterpart staff, senior staff of the relevant MOE departments, and other consultants; (v) take responsibility for the collective work of the consulting team, and for coordinating and liaising with ADB, government agencies, and funding and external assistance agencies including nongovernment organizations (NGOs); (vi) help organize and supervise the conduct of (a) assessment/surveys of capacity-building needs; (b) consultative meetings with stakeholders and beneficiaries; (c) two regional workshops; (d) inception, midterm, and final seminars; and (e) a TA tripartite meeting; (vii) ensure consultation and coordination with stakeholders at the national, provincial, district, and village levels in seminars, workshops, and meetings; (viii) keep MOE, other government agencies, funding and external assistance agencies, and NGOs informed of TA progress through seminars, workshops, and meetings; (ix) ensure the timely preparation of all the required reports – an inception report, a midterm report, a draft final report, and a final report – in a format satisfactory to ADB, and consolidating the issues raised at consultative meetings; two regional workshops; inception, midterm, and final seminars; and a TA tripartite meeting as well as the comments received from the Government and ADB; and (x) recruit local assistants, interpreters/translators, and other part-time staff to help the consulting team conduct the day-to-day activities of the TA, the assessment/surveys of capacity-building needs, consultative meetings with stakeholders and beneficiaries, two regional workshops, and the inception, midterm, and final seminars.

2. **Technical Responsibilities.** Being responsible for developing the decentralization plan comprising short- (2002-2004), medium- (2005-2007), and long- (2008-2010) term decentralization strategies and a capacity-building action plan for strengthening decentralized education management, the team leader will ensure that the decentralization plan will (i) be in line with the Manual of Work Procedures for MOE departments, PESs, and DEBs; (ii) be based on a situational and in-depth analysis of issues involved in the decentralization process, the results of the assessment/surveys of capacity-building needs, and the feedback and comments from consultative meetings, two regional workshops, and the inception, midterm, and final seminars; (iii) address the technical and institutional gap between the existing and required capacity of the personnel and institutions to undertake new tasks and responsibilities under the decentralized education management structure and system; and (iv) identify necessary resource requirements (costs) to fill such gap as well as performance indicators in monitoring the progress of implementing the plan. More specifically, the team leader, in collaboration with the other consultants, PMU, and relevant MOE departments, will (i) review the Government's policies and laws that regulate the education system and, after the review, propose any

improvements in operational guidelines for MOE, provincial education services (PESs), and district education bureaus (DEBs), in the context of strengthening decentralized education management; (ii) assist the Department of Planning and International Cooperation (DPC) of MOE in reviewing the education sector and project management components of ongoing and planned programs and projects by funding and external assistance agencies, and in developing the map of decentralization for the period 2002-2010, incorporating Government initiatives, and ongoing and planned support by funding and external assistance agencies in five key function areas of (a) planning and information management, (b) financial management, (c) personnel management, (d) properties and procurement (including school construction) management, and (e) academic (technical) management – all at the national, provincial, district, village, and school levels; (iii) conduct the situational and in-depth analysis of issues involved in the decentralization process in education and project management in five key functions areas and at each level of administration; (iv) oversee the assessment/surveys of capacity-building needs in each of the five key function areas and at the national, provincial, and district levels of administration, including assessing the existing and required capacity of the personnel and institutions involved in decentralization; (v) develop the decentralization plan comprising time-bound decentralization strategies and a capacity-building action plan, including performance indicators and efficient monitoring mechanisms; (vi) closely coordinate and collaborate with a proposed adviser to DPC who will be supported by the Swedish International Development Cooperation Agency (Sida), and proposed experts under French support to education management; (vii) design and conduct awareness enhancing program targeting MOE leadership and provincial authorities; and (viii) identify and arrange the program for regional training of core national trainers on decentralized education management (maximum of 1 month for each trainer), and help review the outcome of regional training.

## **2. Financial Management Specialist (3 person-months)**

3. The specialist will (i) cooperate with the Department of Finance (DOF) of MOE, and relevant sections at PESs and DEBs, in analyzing the issues involved in the fiscal decentralization process in education including financial procedures, budget planning and cycles, budget data, funds transfer and disbursement, accounting and auditing; (ii) assist the team leader in reviewing Government policies and laws that regulate the education system and suggest any improvements or modifications in rules, regulations, and operational guidelines related to financial management for MOE, PESs, and DEBs; (iii) suggest clear policies and mechanisms for national subsidies to education in support of financially less capable local government authorities; (iv) assist the team leader in designing and conducting the assessment/surveys of capacity-building needs related to financial management aspects including the capacity of the existing education management information system dealing with budget data at the national, provincial, district, village, and school levels; (v) develop financial management sections in the decentralization plan comprising time-bound decentralization strategies and a capacity-building action plan; (vi) advise the budget, finance, and accounting specialist on how to design the financial management section (budget planning, cycles, and procedures, accounting, fund transfer, disbursement, and auditing) of training manuals and how to conduct in-country training of core provincial trainers for selected staff of PESs; (vii) liaise with relevant government agencies and team leaders of ADB-supported TA projects on public investment management, project financial management, national audit office, and government accounting regulations and procedures, and incorporate interim findings from these projects as appropriate into financial management aspects in the decentralization plan; and (viii) assist the team leader in conducting the inception and midterm seminars and two regional workshops, and in producing the inception and midterm reports.

### **3. Personnel/Human Resources Management Specialist (2 person-months)**

4. The specialist will (i) cooperate with the Department of Personnel of MOE, and relevant sections of PESs and DEBs, in analyzing the issues related to personnel/human resources management such as a quota system, recruitment and replacement of staff including administrators and teachers, and personnel payment including administrators and teachers in the decentralization process; (ii) assist the team leader in reviewing the Government's policies and laws that regulate the education system and suggest any improvements or modifications in rules, regulations, and operational guidelines in personnel/human resources management for MOE, PESs, and DEBs; (iii) assist the team leader in designing and conducting the assessment/surveys of capacity-building needs in personnel/human resources management; (iv) develop personnel/human resources management sections in the decentralization plan comprising time-bound decentralization strategies and a capacity-building action plan; (v) ensure full consideration of the needs of women and ethnic minorities in personnel/human resources management under decentralized education management; (vi) advise the institutional and organizational development specialist on how to design the personnel/human resources management section of training manuals and how to conduct in-country training of core provincial trainers for selected staff of PESs; and (vii) assist the team leader in conducting two regional workshops and the midterm seminar, and in producing the midterm report.

## **B. Domestic Consultants**

### **1. Institutional and Organizational Development Specialist (6 person-months)**

5. The specialist will assist the team leader in all aspects of TA implementation by locating and collecting necessary data and information, and by taking the lead in arranging and conducting two regional workshops, and the inception, midterm, and final seminars. More specifically, the specialist will (i) liaise with the Government, MOE steering committee, PMU, and the other consultants to provide the necessary support and feedback during TA implementation; (ii) assist the team leader in undertaking the situation and in-depth analysis of the issues involved in decentralization in the education sector, especially in case additional data and information are required; (iii) undertake the assessment/surveys of capacity-building needs in each of the five key function areas and at the national, provincial, and district levels of administration by (a) analyzing critical shortfalls in education management capacity (individual, institutional/organizational, system, process) within the initial setup of the decentralized education management structure; (b) developing short-, medium-, and long-term strategies and approaches for priority capacity-building requirements at the national, provincial, and district levels; and (c) preparing a detailed and costed action plan for capacity building to be implemented. It is anticipated that the requirements would vary considerably across provinces and districts, thus recommendations should also include flexible strategies to address this diversity. This will include a detailed review of existing training providers in the Lao PDR and their capacity, and options for potential delivering mechanisms for training programs; (iv) considering (iii), help the team leader develop the decentralization plan comprising decentralization strategies and a capacity-building action plan, with individual, institutional, and education system performance indicators in monitoring the implementation of the decentralization plan; (v) develop training manuals for educational personnel involved in decentralization at the provincial and district levels; (vi) undertake in-country training of core provincial trainers from selected PESs; (vii) assist the team leader in recruiting local assistants, interpreters/translators, and other part-time staff to help in TA implementation; and (viii) help the team leader ensure the timely preparation of the inception, midterm, and draft final reports.

## **2. Budget, Finance, and Accounting Specialist (6 person-months)**

6. The specialist will (i) review budget planning, cycle, and allocation processes under the decentralized public administration; (ii) draw implications for the education sector and, identify any constraints and options to enhance adequate and timely transfer and flow of resources to schools under the decentralized education management structure and system; (iii) assist the financial management specialist in (a) analyzing the issues in financial management in the decentralization process, (b) designing and conducting the assessment/surveys of capacity-building needs in financial management, and (c) developing financial management sections in the decentralization plan comprising time-bound decentralization strategies and a capacity-building action plan; (iv) suggest an effective internal accounting and audit function within MOE and PESs; (v) develop the internal accounting and audit procedures section of the training manuals; (vi) assist DOF with the design and implementation of accounting systems for the school facilities development program, including field support to the provinces involved in the school construction program under Second Education Quality Improvement Project (EQIP II);<sup>10</sup> (vii) develop relevant sections on financial management (budget planning, cycles, and procedures, accounting, fund transfer, disbursement, and auditing) of the training manuals; (viii) undertake in-country training in financial management for core provincial trainers from selected PESs; and (ix) assist the team leader in producing the inception, midterm, and draft final reports.

## **3. Academic Administration/Management Specialist (2 person-months)**

7. The specialist will (i) analyze issues in academic management (e.g., examination, teaching and classroom activities, and school calendar) involved in the decentralization process at MOE (for higher education, vocational training, and technical and special education), PES (for secondary education), and DEB (preprimary and primary education) levels; (ii) design and conduct the assessment/surveys of capacity-building needs related to academic management, focusing on such needs in managing grade 5 examination by DEBs, grade 8 examination by PESs, grade 11 examination by MOE, teachers' examination by the Department of Teacher Training of MOE and the teacher training colleges, and examination for vocational and technical schools by the Department of Vocational, Technical and Higher Education of MOE; (iii) develop relevant sections on academic management (a) in the decentralization plan comprising time-bound decentralization strategies and a capacity-building action plan, and (b) in the training manuals; and (iv) assist the team leader in producing the midterm report.

## **4. School Construction Planning, Facilities, and Procurement Specialist (3 person-months)**

8. The specialist will (i) in cooperation with the Education Construction Services of MOE and the provincial unit for construction and development assistance (PUCDA), analyze the issues related to school facilities development (construction, rehabilitation, and maintenance), procurement, and bidding management aspects involved in the decentralization process; (ii) design and conduct the assessment/surveys of capacity-building needs related to school facilities development, procurement, and bidding management aspects, focusing on such needs in school construction and procurement of school furniture; (iii) develop relevant sections on school facilities development, procurement, and bidding management (a) in the decentralization plan, and (b) in the training manuals; (iv) design guidelines for developing school facilities for primary education, including (a) roles and responsibilities of the national, provincial, district, and

<sup>1</sup> ADB. 2001. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Lao People's Democratic Republic for the Second Education Quality Improvement Project*. Manila.



village/school levels, and of local contractors; (b) a sample contract/memorandum of understanding between PESs/DEBs and the beneficiaries at the village/school levels; (c) mapping the district school and collecting school data, and (d) site supervision, quality control, and certification of payments; and (v) based on such guidelines and in cooperation with a school/community awareness specialist, develop a prototype or model of the district school construction plan in each of four selected provinces (Bokeo, Luang Prabang, Sayaburi, and Savannakhet). The model will be drafted and included in the midterm report, and reviewed and consolidated during the final reporting process.

## **5. School/Community Awareness Specialist (3 person-months)**

9. The specialist will (i) assist the team leader and the institutional and organizational development specialist in undertaking the assessment/surveys of capacity-building needs in each of the five key function areas of management and at the national, provincial, and district levels of administration; (ii) in cooperation with the school construction planning, facilities, and procurement specialist, and DEBs that will be selected to develop the district school construction model in Bokeo, Luang Prabang, Sayaburi, and Savannakhet, develop approaches and strategies, and implement social preparation and marketing at the district, village, and school levels on the concept of community matching funds and the provision of school funds that will be introduced under EQIP II; (iii) take a lead role in arranging and conducting consultative meetings with stakeholders and beneficiaries in conjunction with two regional workshops on (a) school facilities development (construction, rehabilitation, and maintenance) and (b) in-service teacher training activities under the decentralized education management structure and system; and (iv) develop the relevant sections on approaches and strategies for social preparation and marketing in the training manuals, for educational personnel involved in decentralization at the provincial and district levels.