2006/ED/EFA/MRT/PI/73

United Nations
Educational, Scientific and
Cultural Organization

Background paper prepared for the

Education for All Global Monitoring Report 2006

Literacy for Life

The EFA Fast Track Initiative: Experience of Yemen

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2005

This paper was commissioned by the ***Education for All Global Monitoring Report*** as background information to assist in drafting the 2006 report. It has not been edited by the team. The views and opinions expressed in this paper are those of the author(s) and should not be attributed to the *EFA Global Monitoring Report* or to UNESCO. The papers can be cited with the following reference: "Paper commissioned for the *EFA Global Monitoring Report 2006, Literacy for Life*". For further information, please contact efareport@unesco.org

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1. Introduction

After the G8 Kananaskis Summit in June 2002, Education for All: Fast Track Initiative (EFA: FTI) Secretariat was established at the World Bank with coordination with other donor agencies. Through the Secretariat, twenty-three countries were invited to participate in the EFA: FTI. This initiative was aimed at providing financial support to the countries in order to achieve the EFA and MDGs target by 2015. Yemen was the only country invited to participate from the Middle East and Northern African Region. In the past three years, the FTI has been one of the tools to not only provide financial support but also to stimulate policy dialog among government and donor partners as well as policy planning and monitoring/evaluation of the EFA process. This paper will provide a brief description of the FTI background in Yemen by stating the challenges of its education and the extent of its financial gap in meeting these challenges. The paper will also summarize the chronological FTI development in Yemen. In assessing the FTI process and its impact in Yemen, the paper will show the extent to which the FTI has influenced the Yemeni government and other donor agencies. Finally, this paper will also discuss the sustainability of FTI funding in Yemen.

[1] The author expresses thanks to Dr. Hamoud Seyani (Head of the BEDP in Yemen) and Mr. Shinsaku Nomura (World Bank) for providing me useful documents for this report. The comments the author received on the first draft from the UNESCO EFA Monitoring Report team were very helpful to finalize this paper.

2. Brief Background of FTI in Yemen

2.1. Challenges of education in Yemen

Since the late 1990s, the Ministry of Education (MOE) in Yemen has introduced several policy measures to expand access for girls and rural children, improve quality, and increase the efficiency of primary education. Some key measures include: increasing the efficiency of school construction, basing school location on school mapping, placing small schools closer to girls' homes, obtaining community participation in school construction and management as well as planning for large-scale programs of in-service teacher training (MOE, 2003). While Yemen's implementation capacity is limited, it has improved as seen in many projects supported by UNICEF, GTZ/KFW, Dutch, and the World Bank. In the past five years, MOE has made major progress in moving forward its decentralization effort to involve the Governorate Education Offices in program implementation. Community participation has been instrumental in lowering the costs of school construction and fostering local ownership vital to a school's success (World Bank, 2002). Yet, Yemen faces serious challenges in achieving its EFA objectives. The inefficiencies and constraints that remain within the sector will not allow the EFA objectives to be achieved if left unsupported.

2.2. Financing gap in meeting these challenges

In order to tackle the educational challenges Yemen has been facing, it is necessary to review the financial requirement to achieve the EFA target[2] and the government resource envelops. The resource gap for external financing to support the Basic Education Development Strategy (BEDS)[3] is estimated by Ogawa (2004), using a country-specific simulation model. This analysis focuses on the government's financial envelop and requirements between 2005 and 2010, and the model includes: i) estimates of the government's resource envelope for Grades 1 to 6, linked with the macroeconomic framework as well as estimates of donor funding (it is assumed that the current levels of donor funding for basic education will continue until 2010); ii) recurrent financial requirements for EFA based on assumptions, including student-teacher ratio, teacher remuneration as a percentage of GDP per capita, and number of students enrolled in publicly financed primary schools; and iii) financial requirements - both recurrent and capital investments to achieve BEEP target based on the unit cost of furnishing classrooms to accommodate more students and teachers (see Annex). The unit cost of classroom construction is based on actual costs attained in the BEEP, in which a low-cost standard design for schools and community participation for school construction was introduced.

2.2.1. Simulation results of status quo (scenario 1)

Based on the status-quo expenditure projection, the domestic financial envelop for primary education (Grades 1-6) is estimated at US$2.1 billion between 2005 and 2010 (or US$345 million per year), which can be broken down into US$1.8 billion (or US$293 million per year) for recurrent expenditure and US$311 million (or US$52 million per year) for capital expenditure (see Table 1). Correspondingly, based on the status-quo assumption, the financial requirements for EFA is estimated at US$4.4 billion between 2005 and 2010 (or US$738 million per year) with a recurrent expenditure of US$3.4 billion (or US$561 million per year) and a capital expenditure of US$1.1 billion (or US$177 million per year). The financing gap is simply the subtraction of the EFA requirement from the domestic resource envelop for primary education, which is estimated at US$2.4 billion between 2005 and 2010 (or US$396 per year) with a

[2] EFA target here is to achieve 100 percent of completion rate in grade 6 with quality improvement of primary level (grades 1-6 of basic education in the context of Yemen)
[3] BEDS is the first national education strategy and covers first cycle of education system (grades 1-9)

recurrent expenditure of US$1.6 billion (or US$268 million per year) and a capital expenditure of US$751 million (or US$128 million per year).

Table 1: Financing Gap Estimates for Grade 1 -6 of Basic Education (US$ million)

	BEDS Requirement			Resource Envelop *			Financing Gap		
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total
SCENARIO 1: Status quo									
Cumulative 2005-10	3,371	1,062	4,433	1,760	311	2,071	-1,611	-751	-2,362
Annual	561	177	738	293	52	345	**-268**	**-128**	**-396**
SCENARIO 2: * Realistic Reform Scenario									
Cumulative 2005-10	2,797	484	3,281	2,344	311	2,655	-453	-173	-626
Annual	466	81	547	391	52	443	**-75**	**-29**	**-104**
SCENARIO 3: * Cautionary Scenario									
Cumulative 2005-10	3,195	658	3,853	2,344	311	2,655	-851	-347	-1,198
Annual	532	110	642	391	52	443	**-141**	**-58**	**-199**

Source: Ogawa (2005)

Note: * Projected donor financing of US$ 27.5 million per year is factored in the resource envelop.

2.2.2. Simulation results of reform scenario (scenario 2)

If the Government were to fully implement the BEDS efficiency measures, such as increasing student-teacher ratios from 25 in 2000 to 35 in 2015, and decrease the proportion of repeaters from 7 to 3 percent by 2015 (see Annex), 32 percent fewer teachers and classrooms would be required compared to the status quo of Grades 1 to 6 of the basic education system. The reform scenario projects requirements of an additional 36,000 primary teachers and 40,000 primary classrooms while it assumes 20 percent of classes operating double shifts between 2005 and 2010 (Ogawa, 2003). The policy changes presented in this reform are due to large efficiency gains brought on by improvements in student/teacher ratios and by introducing automatic promotion to reduce the number and the cost of repeaters. At the same time, non-teacher items—quality improvement—are factored in, combined with improved resource

mobilization based on the following assumptions: i) an increased share of education spending on primary education; ii) an increased amount for promoting female education and operation/maintenance; and iii) an increased share of public recurrent spending on education as a percent of public spending. If the reform were to be fully implemented, the financial requirements for EFA are estimated at US$3.3 billion between 2005 and 2010, or US$547 million per year (see Table 1). The government's financial envelop for primary education is estimated at US$2.7 billion between 2005 and 2010 or an average of US$443 million per year. Thus, the financing gap would be estimated at US$626 million between 2005 and 2010 or US$104 million per year—an annual US$75 million for recurrent and US$29 million for capital expenditures.[4] This reform scenario is a very indicative financing gap estimate; thus, the financing gap could be wider depending on the pace of reform implementation.

2.2.3. Simulation results of cautionary scenario (scenario 3)

This scenario assumes that if the BEDS were implemented slowly and the target indicators were not accomplished (e.g., the proportion of repeaters were 7 percent, and student-teacher ratio were 30), the financing gap for primary education would be estimated at US$1.2 billion between 2005 and 2010 or US$199 million per year—an annual US$141 million for recurrent and US$58 million for capital expenditure (see Table 1 above).

2.2.4. Elimination of school fees

The Ministry of Education plans to eliminate school fees for students from Grades 1 to 6 in basic education schools. The implication of this policy would be very minimal to the government financial expenditure because the total amount of the school fee would be less than 1 percent of the basic education recurrent expenditure. On the other hand, the implication for poor students would be large since school fee is one of the major factors contributing to many school-aged pupils staying out of schools (Ogawa, 2004).

2.2.5. Overall assessment of financing gaps

As shown above, it is very clear that even if the government tries to implement the

[4] Based on the assumption of the improvement of resource mobilization by 2010, the recurrent resource envelop for primary education is feasible since the share of the recurrent envelop as a percentage of GDP in 2010 is lower than in 2001.

BEDS efficiently, there would be financial gaps between the government's expected resource envelops and the costs to achieve the targets set by the indicative framework.[5] This paper will later review the government's spending on education and primary education, as well as donor contribution to primary education before and after the FTI.

2.3. Chronology of FTI development in Yemen

After the G8 Kananaskis Summit held in June 2002, the FTI Secretariat was established at the World Bank's Headquarters, and the Yemeni government was invited to participate in the EFA: FTI in July of the same year. At that time, an agreed-upon criteria for the invitation to the FTI were based on the following two documents: 1) Poverty Reduction Strategy Paper (PRSP); and 2) National Level's Education Strategy. In the case of Yemen, at that time, its PRSP was completed in June of the same year (World Bank, 2002), while the Basic Education Development Strategy (BEDS – which covers Grades 1 to 9) was about to be completed, which was reviewed in the National Conference held in October 2002.

Immediately after the Government of Yemen accepted the invitation of the FTI in August, the World Bank and Royal Embassy of the Netherlands[6] conducted a joint FTI mission in Yemen in September for nearly three weeks. This joint mission was initiated by the World Bank and Netherlands (two main donors in Yemen) and the purpose of the mission was twofold: a) to establish consensus on the FTI among the government and donor partners; and b) to agree the baseline indicators and assumptions used for the financial gaps estimation.[7] During the mission, the team held a workshop with senior MOE staff and other donors on the details of the FTI, and at the same time, gave a overview of the FTI to the MOE senior staff and other funding donor agencies by presenting a FTI background paper[8] in a workshop as well as visited each Embassy of the existing funding agencies. The FTI was, at first, not received positively by the MOE's senior officials because the FTI focuses on Grades 1-6 of basic education. The MOE wanted FTI to focus on the entire basic education system (Grades 1-9), and set a target of 100 percent completion rate of Grade 9 by 2015. However, the MOE realized later that it is very difficult to achieve the target if they set at Grade 9.

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[5] FTI targeted indicators and assumption used were agreed among the following persons: Director of General Education, Head of Basic Education Development Program (MOE), Deputy Minister of Ministry of Planning and Development, World Bank Education Economist, and GTZ senior technician.

[6] The Netherlands is one of the leading funding agencies in Yemen.

[7] The Author was in this joint mission, participated as the World Bank's Education Economist. He was in charge of the FTI in the Bank side.

[8] This FTI background paper was prepared by the Author (Keiichi Ogawa)

By the end of the mission, the objectives of the FTI were well-understood and well-received by the MOE senior officers and all the funding agencies. At that time, estimating financial gaps was one of most important elements of the FTI Proposal, and the government (the Ministry of Education, Ministry of Planning and Development - MOPD, and Central Statistics Office) worked very closely with the mission team to set up the baseline indicators, assumptions used for the simulation model, and targeted indicators. The difficult part of this exercise is that the MOE and MOPD had two different education indicators and both parties claimed their indicators were official.

During the mission, there was considerable discussion over the coverage of the FTI. In Yemen, the first cycle of education system is basic education, which covers Grades 1 to 9, while the FTI tries to cover Grades 1 to 6 of the BEDS. After a series of discussion between the senior officials of the MOE and the mission team, the government agreed with the mission team to focus on Grades 1 to 6 of basic education. In other words, the MOE has justified the narrower coverage that would be more feasible to achieve.

After the WB-Netherlands joint mission in September 2002, the Ministry of Education started to draft a FTI proposal with technical support from the World Bank.[9] The draft FTI proposal was reviewed and endorsed by the local donor community in February 2003. This review meeting was held via video conferencing among Sana'a, Hague, London, and Washington, DC as almost all the donors had evacuated to their own countries due to the conflict in the Middle East. During the following month, the donor community at the Paris Donor meeting further endorsed the proposal.

These are the brief background process of FTI country dialog in Yemen, and the proposal was to apply for the Catalytic Fund. Finally, Yemen received the largest amount (US$10 million) of the Fund for year 2004; however, the Fund did not arrived in Yemen until August, 2004 – one year and five months later the FTI proposal was endorsed in Paris. Another US$10 million was also expected to be allocated to Yemen in the year 2005.

3. Process and Impact of the FTI in Yemen

3.1. Implication of Indicative Framework

The Indicative Framework (IF) has been very influential in Yemeni policy dialogue with the FTI as the IF has been adjusted to reflect the situation in Yemen. When the government accepted the invitation to participate in the FTI in August 2002, the

[9] The Author (Keiichi Ogawa) provided a technical support to the government.

government was in the final stage of completing the BEDS. The BEDS's targeted indicators were reviewed using the simulation models utilized for the FTI's Indicative Framework.

Since then, the IF has been widely used to set the targeted indicators for monitoring and evaluating the progress of educational development in Yemen. In the FTI proposal, the government pointed out the targeted indicators for the next three years, and these indicators will be evaluated sometime this year as soon as the school census is updated. At a later time, when the Basic Education Development Project (BEDP) was prepared jointly by the government, the World Bank, DfID, and the Netherlands, the Indicative Framework was the base for establishing the projected monitoring and evaluation indicators of the project (see Table 2). A simulation model was used to set the monitoring indicators by the World Bank's education economist and government senior technicians.

Table 2: BEDP Baseline and Targeted Indicators

Outcome Indicators				Base Year	Base Year 2	Year 1	Year 2	Year 3	Year 4	Year 5
				2002/03	2003/04	2004/05	2005/0	2006/0	2007/08	2008/09
Component 1: Access										
1	Increase in the GER in the basic education (%)		Target		G1-9, National	68	72	76	80	84
			Actual	64	67					
2	Inmprove the ratio of girls to students population (%)		Target			39	41	43	45	47
			Actual	38	39					
3	Gross Intake Rate	Female	Target			76	83	90	93	95
			Actual	72	74					
		Male	Target			97	97	97	97	97
			Actual	96	101					
Component 2: Quality										
1	% of qualified teachers (%)		Target			53	58	62	65	68
			Actual	52						
2	Female completion rate	Grade 6	Target			43	48	53	60	70
			Actual	40	40					
		Grade 9	Target			32	36	45	50	58
			Actual	48	28					
3	Female promotion rate from grade 4 to 5 (%)		Target			92	93	94	95	96
			Actual	91	85					
Component 3: Sector management and efficiency										
1	% of districts that prepare their own educaitonal plan at the MoE staisfactory level		Target			tbd	tbd	tbd	tbd	30
			Actual	-						
2	Student-teacher ratio in publicly financed basic education schools		Target		basic school only	24	26	27	28	30
			Actual	23 [1/]	26					
3	recurrent spending on items other than teacher		Target			31	32	33	34	35
			Actual	29	18					

Source: World Bank (2004)

3.2. Impact of the FTI in Yemen

3.2.1. Additional levels of aid to education

In the past six years, the level of aid to the education sector has significantly increased in Yemen (see Table 3). This is not only because the existing donors have increased their contribution amount but also because more donors now support the Yemeni basic education. In addition, Yemen has received a catalytic fund of US$10 million from the international donor community. As seen in Table 3, donor contribution on basic education has increased from US$23 million in 2000 to US$60 million in 2005. One of the major increases in donor funding is from Japan (US$18 million) for school construction, as well as the contribution from the Netherlands. Another is the Basic Education Development Project (US$120 million – joint project of DfID, the Netherlands, and the World Bank), but this contribution only reflects the year of 2005.[10] In addition, some donors are already committed to provide a significant amount of support in 2006 and 2007. This amount may increase since the government is still negotiating with some donors – e.g., the government has requested school construction from Japan; as this is still under negotiation, the figures are not included in Table 3.

[10] Please note that Yemen will have a first national review meeting of the BEDS this late April 2004 and the government is currently collecting all the information of donor contribution. I will be able to provide you with more specific donor contribution amounts at that time.

Table 3: External Financing for Basic Education : Donor Commitment (million US$)

	2000	2001	2002	2003	2004	2005	2006	2007
Multilateral								
UNICEF	--	--	0.1	0.8	0.6	0.6	0.6	0.6
World Bank	12.0	16.3	8.1	14.9	16.9	15	10	--
World Food Program	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8
Catalytic Fund	--	--	--	--	10	10		
Bilateral								
Germany	0.6	0.7	1.5	1.2	2	2	2	2
Netherlands	5.4	5.7	17.6	17.6	18.6	--	--	--
Japan	0.5	--	6	6	6	1	1	1
USA	--	--	--	1.5	2.5	2.5	2.5	2.5
France	--	--	--	--	0.6	0.6	0.6	0.6
BEDP (WB, Netherlands, UK)	--	--	--	--	--	24	24	24
TOTAL	**23.3**	**27.5**	**38.1**	**46.8**	**62.0**	**60.5**	**45.5**	**35.5**

Source: Information collected by Author

These additional funds are pretty significant in comparison with the financial gaps estimated in 2002 (in the FTI proposal) as well as re-estimated in 2004 (see Table 2.2 above). Since the government considers the reform period between 2002 and 2005 and did not expand the system by hiring many new teachers, the financing gap was not really the issue in the past three years. However, in order to accommodate all the out-of-school children in the years to come, the financial gaps will be much wider if the government cannot obtain adequate support from donor agencies.

3.2.2. Affecting the policy and planning process within the Yemeni government

The Basic Education Development Strategy (BEDS) was developed using the participatory approach and two years were spent to complete it. In Yemen, the BEDS is the core for basic education development. The FTI proposal was developed based on the BEDS and the PRSP; thus, the FTI has not made any changes on the education sector policy. However, the FTI has affected the policy and planning process very positively in the past three years.

The BEDS includes not only basic education strategies but also an implementation plan. However, the implementation plan in the BEDS did not have clear

prioritization. On the other hand, the FTI has really helped the government to identify the priority areas that need to be implemented. Before the government received the Catalytic Fund, they had prepared a fairly well implementation plan. The fund arrived in August 2004 and the government was able to contract all the funds according to the implementation plan. The fund was spent on enrollment increase (school construction), quality improvement (teacher training), and capacity building (EMIS). The fund was not supposed to finance any recurrent expenditure.

In my assessment, the FTI has been affecting positively the policy and planning process within the Yemeni government. The government intends to identify the priority areas, especially at the governorate level, based upon the FTI. MOE senior technical officials have had several workshops for the local government officials and had requested them to create a local version (governorate level) of the BEDS. Each local government had started to create its own strategy and implementation plan. In this process, the local governments were involved in the process, planning and monitoring of the BEDS. This is also a clear indication of the FTI outcomes at the local level.

In Yemen, one of the major basic education issues is low enrollment rate for girls. Another is community participation. Recently, the MOE has established the Girls' Education and Community Participation Departments within the Ministry. This is to put a higher priority on these two areas that would deal with the most important areas of educational development.

Moreover, the FTI has increased the awareness of the importance of capacity building within the MOE, and the need for the restructuring of the MOE. According to the Head of the BEDP, the MOE has recently established an administrative reform program. Through this program, the MOE is trying to build a capacity in the area of educational administration and policy making among the administrative staff in the central ministry and local education department. More importantly, through the FTI, greater emphasis has been placed on attaining results in all the work of the MOE. In terms of the planning process, a deputy ministers[11] committee has been established with a monthly meeting to coordinate all the work of the MOE. Before the FTI, the coordination within the deputy ministries was much weaker.

3.2.3. Affecting partnerships with and between existing funding agencies

The FTI has been affecting the partnership among the existing funding agencies very

[11] There are three deputy minister in the Yemeni MOE; they are general education, School construction, and curriculum/guidance.

positively. Before the Yemeni government participated in the FTI, about six donors were supporting the Yemeni education, and donor meetings were not held regularly. The main donors consisted of the World Bank, the Netherlands, Germany, Japan, UNICEF, and World Food Program at that time. After the Yemeni government participated in the FTI in 2002, more funding agencies, such as the USA and UK started to support the basic education in Yemen.

In November 2002, a Memorandum of Understanding (MOU) was signed among the donor agencies to strengthen their harmonization and support to the MOE. In Yemen, donors agreed to support the government in the project base. Subsequently, they intend to move on to the common basket type of support (common basket type of support has not yet happened in Yemen). Some flexible donors like the DfID and the Netherlands appraised a Basic Education Development Project (BEDP) with the World Bank in June 2004, and this project will be implemented in a co-financing manner. The size of this joint project (BEDP) is US$120 million and is the core of the BEDS.

The FTI has also been affecting the partnership between the government and donor agencies. Because the government is very much focused on achieving the target, each donor has taken on the responsibility for each activity supporting the government. Each donor identifies the strongest areas to support the basic education sub-sector and champions each component of that sub-sector. In this way, the donor assumes a greater level of responsibility to support the government. For instance, among the donors, the GTZ and UNICEF have more experience in teacher training and they champion this area to support the government. When new donors come to Yemen and need to know about the issues related to teacher training, they contact GTZ and UNICEF. Between the government and donors, the task force of each theme is being established (see Table 4). This kind of harmonization is indeed an outcome of the FTI process.

Table 4: Basic Education Implementation Taskforce of Donor Involvement

	Before FTI*	**After FTI****
School Construction	World Bank Dutch, KFW UNICEF, SFD	BEDP (Japan, KFW, UNICEF, SFD)
Teacher Training	GTZ, UNICEF World Bank	GTZ, UNICEF (BEDP)
Curriculum	World Bank	UNICEF (BEDP)
Supervision		Not yet identified
Teacher Deployment		Dutch Embassy
Community Participation		GTZ, UNICEF ADRA, USAID
Areas that taskforce was not established		
School Feeding	WFP	WFP

Source: MOE (2005)

* Before FTI indicates donor involvement in each category.

** Donor in ( ) are not taskforce but have been supporting this area.

Additionally, after the FTI, when the donor community holds a monthly meeting, the head of the BEDS technical team is always invited. On the other hand, when the government holds meetings, the government invites donors from BEDS but this meeting is not held on a regular basis. In this way, information sharing and communication between government and donors has become transparent.

It is worthwhile to mention that a significant event was initiated by the World Bank in May 2003 immediately after the FTI proposal was endorsed in Paris in March of the same year. The government/donor's joint meeting was held in Washington for nearly two weeks. At the time, both parties not only had meetings but also participated in training at the World Bank. This meeting and training was organized and financed by the World Bank, and the purpose is to strengthen donor coordination and deepen the understanding of educational issues by learning from other countries' experience. This training was very useful for government officials to strengthen their skills in educational policy making. They also participated in the procurement courses.

4. Perceived benefits of FTI to the educational development of Yemen

The following are the benefits of FTI in Yemen:

Increased focus on completion and quality

Due to the FTI, the government has a very clear goal to achieve the FTI by the year 2015. The government is not only focused on the achievement of the MDGs target (100 percent completion rate) but also on quality improvement by providing teacher training and improving the curriculum. Girls education and community participation are also very much focused on their strategy at both national and local levels.

Increased focus on system costs and sustainability

The government has been spending a large share of GDP (about 6 to 7 percent) on the education sector, and the share has been increasing from 1999 to 2002 (see Table 6). The education expenditure as a percentage of the total public expenditure has been around 20 percent. However, the share dropped in 2003. In order to improve the primary education sector, the share needs to further increase and this effort intends to reach children who are out of schools. More importantly, the efficiency of the education resources should be more focused.

The macroeconomic indicators of the FTI indicative framework show that Yemen has maintained a good record in the past three years. Thus, the government should be able to maintain the education expenditure on education and it should even increase education funding to education as indicated in the PRSP (9 percent by 2005) (World Bank, 2002). Overall, the public expenditure on education would be sustainable.

Table 5: Distribution of Public Spending on Education by Economic Purposes (nominal, billion YR)

	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Estimated	2005 Budget
GDP (market prices)	1172.8	1538.6	1628.1	1811.4	2067.2	n/a	n/a
Total Government Expenditure (TGE)	**336.1**	**493.8**	**506.8**	**578.1**	**763.1**	**726.6**	**817.3**
Recurrent	266.6	381.9	394.2	441.4	526.4	501.0	582.8
Investment	69.5	111.9	112.5	136.7	236.7	225.6	234.5
Total Education Expenditure (TEE)	**67.3**	**88.8**	**101.7**	**122.9**	**133.3**	**162.7**	**177.0**
Recurrent	58.9	80.5	91.2	112.5	116.2	124.9	142.6
Investment	8.4	8.3	10.4	10.4	17.1	37.8	34.4
Primary Education Expenditure (PEE)	**30.2**	**40.0**	**48.1**	**56.9**	**61.6**	**73.2**	**79.6**
Recurrent	27.0	37.4	45.1	53.2	54.9	56.8	66.6
Investment	3.2	2.6	3.0	3.7	6.7	16.4	13.0
TEE as % of GDP	**5.7%**	**5.8%**	**6.2%**	**6.8%**	**6.4%**	**n/a**	**n/a**
TEE as % of TGE	20.0%	18.0%	20.1%	21.3%	17.5%	22.4%	21.7%
PEE as % of GDP	**2.6%**	**2.6%**	**3.0%**	**3.1%**	**3.0%**	**n/a**	**n/a**
PEE as % of TEE	9.0%	8.1%	9.5%	9.8%	8.1%	10.1%	9.7%

Source: MOF (2004), MOE, (2004)

FTI indicative framework has stimulated policy reforms

The FTI indicative framework has been used for policy reform in Yemen. The MOE has been very carefully monitoring the key indicators – i.e., a) government spending on education; b) spending on primary education; c) teacher salary; d) pupil-teacher ratio; e) non-salary recurrent spending; and f) average repetition rate. The MOE has also been very much committed to the quality and efficiency of service delivery.

Level of government's ownership has increased

One of the most significant contributions of the FTI is that it has increased government ownership. Since the writing of a technical FTI proposal, the MOE's technical staff

has been doing all the analytical and data work, and the government is committed to achieve the EFA by 2015. In addition, the government has recently established a BEDS implementation taskforce with donor agency. This taskforce includes teaching/qualification, community participation, and illiteracy elimination. It is very clear that the government has taken a leadership on this.

Stimulated harmonization of donor support as well as coordination among government institutions

Before the FTI, donor coordination was not very adequate. Since more donors started to support the Yemeni basic education, the harmonization and coordination among donors has greatly improved. The MOU has been a positive catalyst to stimulate donor coordination. In addition, the FTI has simulated the coordination among the government institutions. Before the FTI, MOE, Ministry of Planning and Development, Central Statistics Office, and Social Fund Development did not share information even though each party was working on education issues. However, the FTI has stimulated coordination and harmonization among these government institutions.

Increased focus on government's capacity building

The government is very much aware of the importance of capacity building. In the Basic Education Development Project, one of the three components is in this area. When the government received the catalytic fund, the government devoted 11 percent of the fund to capacity building (69 percent for school construction and 20 percent for quality improvement).

5. Conclusion

In Yemen, FTI has been very positive in prioritizing the components of the basic education strategy, and monitoring/evaluating the progress of implementation. After the FTI, the government has very much committed to show the results and further achieve the FTI target, while the donor community has been very supportive to the government policy and its implementation. FTI has also brought new donors to support the Yemeni basic education sector. However, it is necessary to provide continuous financial support to Yemen in order to fulfill the financial gaps for the achievement of FTI targets.

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Annex: The Simulation Model

Table A.1: Simulation Model in Yemen and the 2015 Target Parameters: Three Scenarios

Yemen	Base year data (Grades 1-6)	Target for 2015 under alternative simulation scenarios		
		Scenario 1 Status Quo	**Scenario 2** Realistic Reform Scenario	**Scenario 3** Cautionary Scenario
	2001	**2015**	**2015**	**2015**
GDP (millions of YR), 2000 & annual growth rate, 2001-2015	1,564,690	3.3%	4.7%	4.7%
GDP per capita (YR)	86,976			
Exchange rate (YR/US$)	168.7			
Total population (thousands), 2000 and annual growth rate, 2001-2015	17,990	3.0%	3.0%	3.0%
School age population (in thousands), 2001 and annual growth rate, 2001-2015	3,953	3.7%	3.7%	3.7%
Total public domestic revenue, excl. grants (millions of YR)	550,771			
Public domestic revenue (excl. grants) as % of GDP	35.2%	30% *	30% *	30% *
Recurrent spending on education as share of government revenue	15.8%	15.8%	20.0%	20.0%
Public spending on primary education as % of total public spending on education	48.0%	48.0%	50.0%	50.0%
Total public recurrent spending on education (millions of YR)	87,000			
Total recurrent spending on education as % of GDP	5.6%			
Total domestic public resources for primary education (millions of YR)	41,720			
Number of pupils enrolled in primary education (6 years)	2,643,512			
Repeaters as a % of total primary school enrollments	7%	7%	3%	7%
Target year for intake rate				
Completion rate (%)	51%	100%	100%	100%
Intake rate (%)	73%	100%	100%	100%
Target year for intake rate to reach 100%	2010			
Gross enrollment ratio (%) (memo item)	67%	107%	103%	107%
Share of pupils in private schools (%)	1.4%	1.4%	5.3%	5.3%
Number of pupils in public primary education	2,606,503			
Number of pupils in private primary schools	37,009			

Number of teachers in public primary schools (grade 1 to 6)	104,335			
Attrition rate of teachers (% per annum)	1.6%	1.6%	1.6%	1.6%
Number of certified teachers	41,734			
Number of uncertified teachers	62,601			
Pupil-teacher ratio in public primary education (average grade 1 to 6)	25	25	35	30
Section-teacher ratio in public primary education (average grade 1 to 6)	0.9	0.9	1.0	1.0
Average annual teacher remuneration as a multiple of per capita GDP	3.2	3.2	3.5	3.5
Total teacher remuneration (million YR)	29,204			
HIV/AIDS (% increase to the teacher remuneration bill)	0.0%	0.0%	0.0%	0.0%
Spending on inputs other than teacher salaries (% of teacher salary bill)	30%	30%	36%	36%
Public subsidy for private schools (million of YR)	0			
Public subsidy per pupil in private schools (YR)	0			
Maternal and double orphans as % of population				
Subsidies per maternal and double orphan (US$)	0			
Cost per furnished classroom, incl. Latrines (thousands of YR)	2,186	2,186	2,186	2,186
Number of teachers per classroom *	1.45	1.2	1.2	1.2

Source: Ogawa (2005)

Note: * Public domestic revenue (excl. grants) as % of GDP in 2000 is very high compared to other years. Thus, the target indicator of 30 percent is set.

Target indicator of 1.2 is used because we assume 20 percent of classes would consist of double shifts in the next 15 years.