

Background paper prepared for the  
*Education for All Global Monitoring Report 2007*  
*Strong foundations: early childhood care and education*

# **Government–donor relations in the preparation and implementation of the education sector development programs of Ethiopia**

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2006

*This paper was commissioned by the Education for All Global Monitoring Report as background information to assist in drafting the 2007 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 2007, Strong foundations: early childhood care and education”. For further information, please contact [efareport@unesco.org](mailto:efareport@unesco.org)*

# **Government–Donor Relations in the Preparation and Implementation of the Education Sector Development Programs of Ethiopia<sup>1</sup>**

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<sup>1</sup> Financial assistance for the study was generously provided by the UNESCO. The team of the Education For All Global Monitoring Report (GMR) is acknowledged for its valuable comments and constructive reviewing of the draft document. The constructive comments and suggestions of Keith Hinchliffe, Mieke Vogels and Laure Beaufils are highly appreciated.

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**ABSTRACT**

Education sector in Ethiopia is one of the top priority development programs and requires a large amount of resources for its successful implementation and to bring about change and transformation in the livelihood of the peoples of the country and to alleviate poverty. In early 1990's the political leadership of the government took the initiative to shift the modality of development support and partnership from project to program and direct budget support approach. The program approach has several advantages over project approach which is characterized mainly by unnecessary duplication of efforts, reduced open and timely exchange of information, limited accountability, and substantial administrative burden and transaction costs.

The education sector development program (ESDP) has served as the major attempt to structure consultative mechanisms and harmonize donor and government procedures. The consultative dialogue mechanisms developed and undertaken were largely successful but were not without their problems. Many donors express that they have not been adequately consulted in the recent ESDP, for instance. Misunderstanding of intentions, difference of opinion on policy issues, lack of appreciation to align procedures and harmonize transactions and poor information exchange are some of the major drawbacks identified.

Consultative dialoguing, made mainly through joint review missions and annual review meetings, as well as monthly donor-ministry of education consultative meetings, are agreed and made part of the sector development program and its implementation manuals. These dialoguing and review processes provide important opportunity for stakeholders for assessing progress and performance of the sector, fact-finding, learning, timely information exchange and informed decision making. However, the actual practice in implementing review reports is poorly followed up.

Although the overall attitude of donors differs, these mechanisms have had significant contribution to broaden mutual understanding, trust and engagements of donors and government on issues related to the sector. Their role in furthering mutual accountability and spirit of partnership is also significant. Issues that need focus and sector or government level interventions are raised and discussed, not always and necessarily resulting in consensus on some issues, to ensure success in the education sector program implementation. Differences of opinion still prevail in some modalities and requirements for engagement and interests in the dialoguing and therefore education development partners and government need to further the dialogue mechanisms to ensure partnership in their common interest and commitment to the final goal of quality expansion and provision of education to the young and reducing poverty in Ethiopia. This paper reviews the relationship between the Ethiopian government and education donors in their engagement since the adoption and implementation of the first education sector development program, [prepared in 1997 with extensive and active consultations of the government and donors](#).

**1.**

## **The Ethiopian Education Sector: an overview**

Effective expansion of quality education in the country is one of the many important economic and social growth initiatives of the government of Ethiopia, perhaps one that holds great promise and possibility of large scale and sustainable returns, despite many challenges. Education has greater social impact contributing to a just, democratic, peaceful and enlightened society. The government of Ethiopia has made poverty alleviation and its ultimate eradication the centerpiece of its development strategy (**MOFED, 2002**). On the basis of the government's vision in transforming the economy, reducing poverty and improving the livelihood of the population practical and relevant national policy and strategies of education have been and continue to be developed.

The last few years there has been a substantial expansion at all levels of education and training. With regard to the number of primary schools there were 11,490 primary schools in 1999/2000 and this number has reached 16,078 in 2004/05. Out of new primary schools more than 85% were constructed in the rural areas. The formal primary schools<sup>3</sup> enrollment of 7-14 years old children in 2004/05 has reached to 11.4 million (55.9% male and 44.1% female) (**MOE, 2005c**) from 6.46 million in 1999/2000. The gross enrollment rate (GER) at primary level, therefore has reached 79.2%<sup>4</sup> (female 70.9% and boys 87.3%) in 2004/5. Similarly, the net enrolment rate has also increased from 44% in 1999/2000 to 67.8% in 2004/05. The GER for girls increased from 40.7% in 1999/2000 to 70.9% in 2004/05.

The total enrollment in secondary education (Grades 9 to 12) increased from 571,719 in 1999/2000 to 942,578 in 2004/05. In 2004/05, the gross enrollment rate for girls, boys and the total in the first cycle secondary (Grades 9-10) reached 19.6%, 34.2% and 27% respectively. The total number of schools increased from 410 in 1999/2000 to 690 in 2004/05. During ESDP-I and II the percentage of secondary schools in rural areas increased from 5.4% in 1999/2000 to 12.7% in 2004/05. The GER for girls at secondary level increased from 11.2% in 1999/2000 to 19.6% in 2004/05. However, the gender gap in GER has increased from 2.2 percentage points in 1999/2000 to 14.6 percentage points in 2004/05.

The number of technical and vocational education and training (TVET) institutions has increased from 17 in 1996/97 to 158 in 2003/04 and enrolment from 2,924 to 102,649 out of which 51.1% are female. Fifteen TVET institutions were upgraded to diploma level and 3 Teacher Education Colleges at diploma level have expanded their program to provide additional training programs.

Only about 1.5% of the age cohort is participating in higher education in Ethiopia, which is simply dismal even by Sub-Saharan African standard (**Teshome, 2004**). There are nine higher education institutions under the

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<sup>3</sup> The figure does not include enrollment in Alternative Basic Education (ABE) centers.

<sup>4</sup> GER will obviously increase to over 79.2% if learners in ABE are included.

direct auspices of the Ministry of Education. In addition to these, there are three institutions under different Federal government entities, more than eight teacher-training colleges under Regional Governments and over 64 accredited private higher education institutions. Of the 64 private institutions 56 provide diploma level education and training while 41 provide degree level training. The accredited private and non-government higher education institutions in the country account for about 24.8% of the 2004/5 overall (degree and diploma levels) enrolment and about 9.3% of the degree level enrolments of the system (MoE, 2005c). The system as a whole (private and public) has enrolled a total student population of about 191,165 in the 2004/5 academic year. This is a significant increase from the situation in 1995 and 1999 where the total student population was around 35 and 68 thousand, respectively. Although the student population per 100,000 inhabitants has increased from the 62-70 in 1999/2000 to around 200 in 2004/05, it still shows critical shortage of experts and professionals in different disciplines.

After 1991 the government adopted wide ranging political, economic and social reforms. The previously centrally planned economy was replaced by a market-oriented economy reducing the roles of the state in the economy and promoting the private sector in economic development. Furthermore, new social sector policies (such as education, health and population) were formulated. The education sector was suffering from massive multifaceted problems, mainly related to relevance, equity, quality and accessibility. In light of these problems, the government designed an education and training policy (MOE, 1994) and strategies that could ensure overall development of the sector and the country. Mobilization of resources, including from development partners is therefore essential to address the challenges of access, quality, equity, finance and efficiency. When provided within a coherent and comprehensive national framework development assistance and support to the education sector have proved to be effective. The national strategic framework for education has become the Education Sector Development Program (ESDP).

## **2. Sector Program Approach in Ethiopia and Review Mechanisms**

### **2.1. Basis for Adoption**

In the early 1990's the government of Ethiopia identified health and education as the main priority social sector areas that require serious attention to address the basic socio-economic challenges of the country. This situation has also become the centerpiece of the governments' subsequent poverty reduction and sustainable development strategies. The first attempts to translate the Education and Training policy in to practice were the development of a 20 year Master Plan and a Five Year Short Term Plan. These exercises were trying to outline major activities that need to be implemented to translate the policy into practice and to show the financial requirements for the implementation. However, these documents were not covering all levels of education and were not comprehensive (Girma, et al., 1997). The Prime Minister's office took the initiative to commission a study in order to produce a more comprehensive Education Sector Investment Program document in 1995.

Although the document was produced, it was short of expectations in terms of coverage and depth. However, the initiative marked a major sign of political leadership towards the program approach of development supports in the country. It clearly highlighted the intention of the government to coordinate and mobilize resources for development assistances through sector programs' approach. ESDP was the outcome of government initiated sector wide program approach of development partnership in Ethiopia in the 1990's.

This initiative of the government was significantly influenced by evaluation reports of international development partners, notably UNDP. The evaluation of the UNDP Fourth Country Program in 1991, has outlined the major pitfalls of the project approach and the necessity to move towards sector or program approach. The evaluation report discussed the disappointing experience of aid with the problems of poor coordination and duplication of efforts, high administrative and transaction costs and usually poor implementation performance and management that undermines government capacity. Thus the government's interest to adopt a program approach to development as outlined by the then Ministry of External Economic Cooperation in 1995 and the decision to shift to program approach for social sector (health and education) development in 1997 have been informed and significantly influenced by the reports of the UNDP evaluation. The interest of the government to work with international organizations and development partners, after an almost two decades of isolation of the country from the international community, has necessitated the adoption and adaptation of the developing practices of international organizations. The new path of Federalism, market based liberalized economic policies and the felt urgency to alleviate poverty and social problems have clearly shown the need to mobilize the international community and work in partnership.

At the time international organizations such as the UNDP as well as the government of Ethiopia have concurred on the assessment of the impact and effectiveness of development assistance. This concurrence came about with the common belief that project approach to development has several shortcomings which could be alleviated through the adoption of a program approach. The impact of fragmented and uncoordinated external assistance on the development of the country were being questioned resulting in a general agreement among government entities, and mainly by the then Ministry of External Economic cooperation, that such project based interventions had little impact and that their contribution to development is negligible. Uncoordinated and usually donor-driven projects have been considered to bring additional and unnecessary burden on government and the commonly observed duplication of efforts have drained the national capacity in implementation, coordination and follow-up of activities (MOFED, 2002). The government therefore endorsed the program approach as a remedy that could alleviate most of the shortcomings of the project approach. It was and is still believed that the sector development program approach has the advantages of (a) better coordination and leadership of donor assistance by government avoiding duplication of efforts and wasteful use of resources, (b) enhancing the possibility of sustaining development assistance on the direct beneficiaries and building national and institutional capacity within national frameworks, (c) facilitating the development of commonly

agreed program level measurable and monitorable indicators that could help assess impacts, and (d) providing an opportunity in the improvement of harmonization, alignment and ownership of the process and implementation of the plans.

A study on decentralized policy based budgeting for education (**Catherine, 2004**) concluded that external assistance is being increasingly provided through the government budget. Although much of the support to the education sector follows the program approach, there are a number of donors who continue to use the project approach in supporting the sector. In such cases, government would like to be assured that explanations for the choice of the project approach be given in the project documentation and that the project demonstrably supports the program and priorities of the ESDP. Furthermore, explanations about how performance and financial disbursement and utilization reports, as well as multi-year projection of commitments are promptly reaching the government are required.

The Ministry of education officials, experts and regional bureaus do not see any disadvantage in the shift from project to a program approach. As such issues are policy level decisions and national frameworks, most will go along with the decisions. This does not however mean that the officials and experts at all levels do not give feed back in terms of improving the system. That happens in the annual education conferences and annual review meetings. Preparation for JRM or ARM was not actually based on any additional finance that is obtained by the officials, experts or regional bureaus. It was based on agreed mechanisms of consultation and evaluation of progress and designing of future plans on the basis of the ESDP. The shift from project to program approach may be considered as a trade off in terms of incentives by a small group. Such incentive is usually with little significance to the sector as it mainly goes to the benefit of small group of people working in the project and the project unit managing the project. As these units and groups usually are not sustainable after the completion of projects, their impact on the sector is insignificant.

## **2.2. Structure of Education Sector Development Program (ESDP)**

The ESDP is usually a five-year phase of the 20-year program aimed at increasing access, improving quality, increasing effectiveness, achieving equity and expanding finance at all levels of education in Ethiopia. The ultimate aims of the programs are meeting the Millennium Development Goals, national capacity building, and democratization and poverty reduction strategies of the government of Ethiopia. The ESDP is a relatively comprehensive and coherent framework that outlines plans and modalities for implementation of education plans at the national and regional levels. It specifies how the policies of the government are translated into action and what type and amount of finance and other resources may be required for the implementation of the planned activities. Between 1997 and 2004, two education sector development programs have been prepared, endorsed and implemented in the country. Currently the third ESDP has been finalized and is in its implementation phase. However, there are still issues such as those related to financing the five years

education plan and balance between primary level and other levels (TVET and higher education) that are under discussion with development partners. The preparation of the three ESDPs and the implementation and evaluation of progress had strong and active involvement of stakeholders including regional education, finance and capacity building bureaus as well as education development partners.

Unlike project type plans, the ESDP tries to address the whole range of levels and issues of education. ESDP specifies both recurrent and capital expenditure requirements, outlines the responsibilities of all tiers of government, and reflect the combined resources of government and development partners in the sector. The sector or program approach help ensure that national policies are taken into account at all levels in the decentralized set up, through establishing processes and mechanisms for the joint development and implementation of an explicit policy framework in the form of ESDP. The ESDP covers all sub-sectors of education within Ethiopia from primary through to tertiary, although main emphasis during the first and second ESDPs was put on the expansion of primary level of education. Thus, ESDP III has structured itself around issues addressing all the levels of education, i.e., primary, secondary, technical and vocational and tertiary levels. As in ESDP one and two, the third ESDP has also covered issues of special needs education, capacity building, cross cutting issues (gender and HIV/AIDS) and administration. The issue of capacity building which was a critical concern of development partners in the two previous sector programs, as well as new trends of decentralization and focus on quality of education and training are relatively better articulated in the third ESDP. Key issues that warrant priority attention are highlighted. Program activities for a five year period, targets to be achieved and financial resources required and the strategy of mobilizing these resources is spelt out in the program action plan.

The ESDP stresses the importance of effective organizational and administrative arrangements as critical conditions for successful implementation of the program. Successful program support is believed to be attained through coordination and harmonization of procedures, rationalization of requirements, use of regular government funding channels and pooling of resources (MOE, 2005a; 2004a; 2002, 1997). In all the ESDPs the government has been encouraging the development partners of education to harmonize their procurement, accounting and reporting procedures with that of the government. To enhance the dialogue in this and other aspects, such as implementation and monitoring of the program, sector specific steering committee chaired by the minister of education and including the minister of MOFED and representatives of development partners has been established. Although this steering committee was established, it has not been effectively delivering as per the objectives of its establishment. This is expressed by irregular meetings that could have supported the dialogue, consultation and decision making during the last two ESDP periods.

In relation to donor and government dialogue and consultations as well as monitoring of progress, the organizational and administrative arrangements for the implementation of the program are provided for in

ESDP documents (MOE, 2005a; 2002; 1997). In particular the program implementation manual (PIM) document details the mechanisms of information exchange, monitoring and evaluation mechanisms. Upon the agreement and endorsement of stakeholders during the preparation of the sector development program, the mechanisms of donor and government dialoguing and consultation, such as annual review meetings and joint review missions are outlined in the program implementation manual. Such mechanisms have developed over the years and the third ESDP has improved many of the modalities of information exchange, monitoring and evaluation of progress in the implementation of the program. For instance, in its PIM ESDP has stressed the need to (a)having an agreed calendar of activities that both government and donors adhere to, (b)ensuring that these activities and dialogue fit appropriately into broader arrangements for government-donor dialogue, and (c)ensuring an appropriate sequence of macro (e.g., SDPRP/PASDEP, DAG. Joint DBS review, etc.) and sectoral reports, plans and consultations. It also stresses the need for adoption of reporting structures to the new contexts of Woreda decentralization and PASDEP partnership between government and donors mainly in relation to direct budget support.

### **2.3. Review Mechanisms**

The organizational arrangement of ESDP provides for the governance structure of the program in all the ESDPs, although in differing emphasis and clarity. The third ESDP has clearly articulated the consultative, documentation and review frameworks. The importance of timely and well consolidated reports, study findings and the program action plan to all stakeholders, the review framework of steering committee, joint missions and annual review meetings, and the issue of coordinating and synchronizing activities of the program, both by government and donors, are stressed and clearly spelt out. This clearly demonstrates the endeavor to enhance partnership of government and donors in the education sector.

Both government and donors agree that monitoring, reviews and evaluations ensure accountability, verify that resources are allocated and used to specific development process and for the intended planned purpose so that planned objectives are attained. They contribute to learning and understanding of the ESDP by identifying and analyzing challenges and problems in the process, as well as improving subsequent plans and the overall sector development program. Over the years, these activities have been given high importance by the Ministry of Education and other tiers of government and donors in the preparation and implementation of the ESDP. Their invaluable contributions have also been highlighted in all the JRM and ARM discussions and reports. However, there is a strong feeling among many donors that recommendations of these reports are not given due attention and adequately implemented by the Ministry of Education. Thus, though the structure is well designed and articulated the practice has some shortcomings.

The information generated from the consultative processes benefits the sector by assessing the success and progress of attaining a set of agreed core indicators and targets, evaluating the performance, comparing regional experiences and feeding the overall national and regional planning and implementation process. Success and challenges are discussed with stakeholders including the donors of education during the annual education review meetings, resulting in the identification of remedial actions and proposals for consideration by practitioners and decision makers. Review process provides important opportunity for ESDP stakeholders for stocktaking, reflection and learning, possible reorientation of the program, problem solving and timely exchange of information. The review process and in particular the JRM and ARM help the education sector and the ministry of education in dealing with and demonstrating its expectations from other relevant sector ministries, mainly the MOFED. The process plays a role in demanding detailed report from MOFED on the status of current and future funding for the education sector.

The monthly education donors' and the ministry of education meetings is believed to have a significant contribution to broaden mutual understanding, trust and engagements of the parties on issues related to the sector. Issues such as the planning and follow up of joint review missions, annual review meetings, program implementation manual and indicators' revisions, requirements for capacity development, planning and funding for specific and thematic studies, development of specific strategies that have come up during the implementation of the sector development program, budget utilization and flow, etc. are raised, discussed and agreed upon. Specific issues such as text book production and distribution, HIV/AIDS, implementation of teacher education system overhaul, pool fund for capacity building and information and communication technologies (ICT) for education are discussed and interventions are agreed between the ministry of education and the development partners. Therefore, these forums have served as opportunities to deepen consultations and strengthen open exchange of information on progress and plans. However, particularly recently, this mechanism does not seem to be given the necessary attention and prioritization both by government and donors. The number of meetings chaired by the minister the last twelve to eighteen months is too few, and there has not been any meeting between October 2005 and April 2006.

Joint review missions, annual review meetings and other mutually agreed supervision missions are designed to monitor progress and resolve implementation constraints at the earliest possible time and facilitate speedy and effective implementation of the program. Such missions and meetings are expected to provide the opportunities for dialogue and consultations on outstanding and challenging issues pertaining to the implementation of the ESDP, with the active participation and contribution of education donors.

### **Annual Review Meeting (ARM)**

The Annual Review Meeting is a forum that brings together all ESDP stakeholders to review progress in implementing ESDP and to discuss current issues and future plans for the sector. As such it is an approach of consensus building in policy issues, effective implementation of ESDP and designing common goals to be achieved during the respective planning periods and beyond. It is chaired by the Minister of Education, and participants include representatives of the Ministry of Finance and Economic Development, the Ministry of Capacity Building, and other federal ministries as appropriate, as well as representatives from regional education, finance and capacity building bureaus, universities and training institutions. Donors, non-government organizations and others development partners involved in the support of the sector also participate in the ARM. In the last eight years, since the preparation and implementation of the first ESDP in 1997/98, annual review meetings have increasingly sought and succeeded in broader participation of relevant development partners and stakeholders. According to many donors, the leadership and ownership of the Ministry of Education in using the mechanisms of ARM and JRM to their fullest potential needs further strengthening.

The major inputs of the annual review meetings are the consolidated reports on ESDP implementation prepared by the ESDP Secretariat (i.e., the MOE), and the report of the annual Joint Review Missions. Regional and Federal reports bring together information on the program's physical performance, progress in implementing to meeting the sector's performance indicators and information on financial performance of the fiscal year. The commonly observed problem is that the consolidated reports are usually incomplete in that the information from some regions are not submitted to the Ministry in time and comprehensively. Each of the annual review meetings usually serve as the main forum for discussing the progress, actions needed to address mutually identified constraints and the future perspective in the implementation of the education sector development program (**MOE, 2004b**). Proceedings of the ARM including a list of ARM recommendations are recorded by the ESDP Secretariat and circulated to the stakeholders. The quality of the reports in terms of content, readability and user friendliness is poor. Furthermore, as mentioned earlier, these recommendations are not fully exploited and implemented and the follow-up is not up to standard. The status of the previous ARM recommendations indicating which ones were effectively performed or acted upon and which ones still remain valid is presented and discussed at each ARM. It will also discuss and endorse a wider program of thematic studies and reviews which may be relevant to the implementation of the current ESDP or, equally, to the preparation of the next one. Scope and themes of the next JRM, together with complementary thematic studies and reviews, are discussed by the ARM.

Some of the recommendations for key actions by the ARM are important feedbacks to all involved in the education sector, mainly government and donors. For example, the 2005 ARM (**MOE, 2005b**) stressed the

importance of improving monitoring, feed back and backstopping at various levels, implementation of capacity building at all levels, enhancing quality of school leadership, empowering communities, and gathering and disseminating best practices from local and international sources. Furthermore, it gives a critical look at the need to strengthening existing partnership through continuous consultations and open dialogue to enrich the formulation and implementation of the sector development program. Some examples are given below:

*“To ensure quality the teachers’ working time had to be optimally utilized, TESO has to be fully implemented to improve professional quality of teachers, text book production and distribution need to be appropriately planned and coordinated, school leadership has to be enhanced and communities need to be empowered to participate in school management and in supporting quality enhancement (MOE, 2005b).*

*“A study has to be conducted to identify the causes and develop remedies for the low implementation and under-utilization of budgetary resources, specially capital, of the education sector and the analysis has to look at procedures for use of donor funds (MOE, 2004b).*

The MOE believes that a broad involvement of development partners and stakeholders in annual review meetings and implementation of the ESDP is critical to achieving the optimal development outcomes of the program. That is why the pool of participants has been refined and increased each year. In the initial years it was only the ministry of education, finance and economic development, regional education bureaus and donors that were participating in annual review meetings. In the recent ARMs, additionally university presidents or representatives, teacher training college heads or representatives and NGOs have become active participants of ARM. However, in the recent ARMs the Ministers are not attending the whole program and the engagement and participation of many of the regional and MOFED representatives is minimal. There is also a need to further the list of participants to include more NGOs and the private sector involved in education.

The focus and themes of the ARM have also been changing over the years. The focus of ARM 2003 was on reviewing the past performance, whereas the 2004 and 2005 ARMs have additional focuses on becoming forward looking and dwelling on how to implement ESDP efficiently based on various experiences, good practices and lessons learned. In terms of themes, the 2004 ARM focused on HIV/AIDS and education, gender quality, revised PIM, teacher education, pastoralist education, TVET and Woreda capacity building decentralization and community participation. On the other hand, the themes of the 2005 ARM were alternative basic education, special needs education, capacity building, decentralization and community participation, drop out and repetition, quality education, partnerships in education sector and ESDP key performance indicators.

**Joint Review Mission (JRM)**

The Joint Review Mission is an independent fact-finding and reviews of the ESDP which reports simultaneously to government and donors. It is intended as a comprehensive, harmonized exercise making it unnecessary for individual agencies to field independent supervision missions. Each JRM reviews general progress and performance of the ESDP, including progress towards reaching agreed educational targets, overall planned and actual expenditures in relation to activities, effectiveness and efficiency of the programs, and identifies any constraints or emerging issues and proposes corrective measures (JRM, 2004, 2003a, 2003b). Key actions that could contribute towards qualitative and quantitative improvements of the sector are identified through a documentary review and selected field visits. The joint review missions usually gather anecdotal evidence on specific issues using sample surveys and visits to regions, review existing documentation, reports, assessments and previous ARM recommendations, and base proposals on in-depth case studies of sets of issues. In addition, each JRM may address particular topical thematic issues addressing critical issues. For instance issues of EMIS, gender and HIV/AIDS, human capacity for ESDP at decentralized levels and performance of ESDP in peripheral regions were the themes of the 2003 JRM (JRM, 2003b), while gender and dropout were given specific focus during the JRM that reviewed the 2003 fiscal year ESDP implementation (JRM, 2003a).

The scope of work during the JRMs principally include (a) review of ESDP implementation and assessment of success (based, among other things, on analysis of ESDP consolidated reports), covering overall performance and general progress in improving equitable access to, quality, relevance and efficiency of education in Ethiopia, compliance with procedures for implementing the ESDP as outlined in the PIM and in relevant government documentation, effectiveness in management arrangements, and progress in capacity building. (b) monitoring of education financing issues drawing stakeholders' attention to issues related to education budgets and expenditures against ESDP plans, cost-efficiency and cost-effectiveness, equity and efficiency in distribution of resources across management levels (Federal/ Regional/ Woreda) and horizontally (across Regions and Woredas). (c) Review of any changes in planning assumptions and policy that occurred during implementation and how the system has reacted to these. (d) Identify necessary changes or updates that should be reflected in the ESDP Program Implementation Manual.

The JRM for a given year identify good practices, opportunities weaknesses and challenges during the implementation of the education program. The information are shared and discussed upon during the annual review meetings and as a result all stakeholders will have a better picture of the sector's situation and help in designing future actions. The JRMs also contributes significantly in raising issues that need focus and government level interventions so that the education sector program implementation could succeed. The following two examples of proposals of the JRMs in the last few years could elucidate how the missions were

informing the sector on critical issues on the basis of evidence gathered from the field and also how the nature of their comments and recommendations change over time depending on critical and timely issues.

- a) *“There are too many children in one classroom for an effective teaching-learning process to take place. There are not enough textbooks in order to provide each child with the necessary basic written information. Physical conditions of classrooms are often not conducive for a high quality teaching/learning process to take place. There is shortage of well qualified and experienced teachers, especially in the second cycle level. Therefore, quantitative expansion has occurred at the expense of quality in primary education. This calls for intensified future action focused primarily at quality aspects” (JRM, 2003b).*
- b) *“There is a need to strengthen monitoring and evaluation mechanisms within the MOE for ESDP III. Monitoring and evaluation should capture qualitative indicators to measure the actual impact on learners’ capabilities at classroom level as well as quantitative indicators to measure access, efficiency and equity” (JRM, 2004).*

There are also issues that are raised during the JRM, ARM and monthly consultative meetings. One example of a concern expressed by development partners, particularly in ESDP II and III, relates to the issue of spending at sub-sector levels (primary, secondary, technical and vocational education and training, and tertiary levels) and their relevance to poverty reduction. In the consultative meetings, the government tries to justify and assure development partners that the share of the most important sector for poverty reduction, that is primary education, is always given priority and the highest budget share. However, it is also stressed that the other levels of education deserve attention as they are directly or indirectly related to the primary level and the overall socio-economic development of the country. Arguments that at an early stage of development, substantial capital investments are required to enable Ethiopia to meet the targets, particularly in the relatively more expensive sub-sectors such as TVET and higher education are also provided.

The JRM as an independent review of the progress and performance of ESDP serves mainly the needs of the financiers (both government and donors) at large. The participants in the JRM field studies include representatives from MOFED and government agencies, professional staff, consultants and ministry of education. On the other hand, ARM is generally serving all stakeholders of education sector. Participants in the ARM include ministry of education, federal representatives from MOFED, MOE and Ministry of Capacity Building, all education donors, other stakeholders and resource persons and university and teacher training college representatives and NGOs involved in education.

The major purposes of ARM include review of ESDP in relation to the program action plan and annual work plans, review progress in the sector access, quality, sustainability, etc., propose how donors flows to ESDP can be increasingly harmonized and use government channels, agree on TOR and composition of JRM for the next

year, and on other policy and review studies to be undertaken and maintain policy dialogues with partners. However, the usual practice is that these are undertaken by a task force involving donors and the Planning Department of the Ministry of Education and endorsed by the Steering Committee. It also presents consolidated reports including the proposed response to the JRM findings and recommendations. On the other hand the main purposes of the JRM include review of progress and performance of ESDP, comparison of actual government and donor expenditures with planned expenditures, review and assess effectiveness of ESDP implementation, commission studies and identify possible constraints and recommend corrective measures as necessary and suggest improvements in ESDP where necessary. The JRM is usually undertaken in September-October each year while the ARM is conducted in February-March each year. The 2005/6 ARM, however, is unusually planned for mid-May 2006.

One assessment about the similarity of ARM and JRM lies on the fact that the consolidated report submitted by the MOE and the JRM report submitted by the donors address largely similar issues. There is a feeling that there is duplication of efforts. The JRM presents content that focus on implementation challenges and problems while the Consolidated Report presents activity reports substantiating those with data. While the Consolidated Report covers the whole sectors of education, the JRM covers only the primary and sometimes the secondary levels of education only. The JRM is hardly critically and thoroughly looked into by the ministry of education in their preparation for ARM and it is not uncommon that misunderstandings on the findings and recommendations of the JRM and unnecessary dialogues are opened during the review meetings. It may be necessary that the JRM and consolidated reports be harmonized and jointly endorsed by government and donors prior to the ARM.

The JRM and ARM are generally linked to the broader poverty reduction strategy programs and annual progress reporting process as well as other government-development partners' dialoguing processes (DAG meetings, DBS dialogue, etc.) helping to raise awareness on issues of the education sector to a wider process of consultation. As such it will impact the planning, dialoguing and reporting processes of the MOFED as well as development partners in relation to the education sector. For instance, the proposal of the 2003 JRM indicates the need to focus on the responsibility and expectations from MOFED in providing appropriate and timely information. There is a strong need to urge other sectoral ministries and the broad macro level consultative modalities to take recommendations of the ARM and JRM seriously and in time. The mission states that MOE and donors need to have access to relevant financial analysis carried out as part of the overall budget and expenditure analysis of MOFED (**JRM, 2003a**). This is a clear indication of how the JRMs contribute to influence the relationship of MOE and MOFED in terms of information generation and dissemination to stakeholders. The annual review meetings and the joint review missions largely meet the monitoring requirements of government and donors.

### **3. Consultative Dialoguing Experience of Government and Donors**

The importance and critical role of development partners in the several development agendas of Ethiopia have been clearly stressed by government (MOE, 2004a, 1997; MOFED, 2005, 2002). These documents describe in greater emphasis the crucial role and contribution of development partners to better efficiency and effectiveness of the development assistance. Active participation, technical missions and jointly agreed meetings have been recognized by government as important components of its effort in the mobilization of development partners in its development endeavors. Systematic, active and extensive participation and consultations of government with education donors in Ethiopia started during the preparation of the sector development program for education in the 1990's. Education sector development program (ESDP I) was a completely government of Ethiopia initiated and owned example of sector wide development approach. Since then, the process, cooperation and coordination between government and development partners is growing in scope, understanding and mutual trust. The strong ownership and leadership demonstrated by the government in the planning, preparation and implementation of education sector development programs has proved to be one of the success factors. However, the Ministry of Education needs to demonstrate more leadership and ownership to encourage participatory consultations and accommodation of the concerns of donors positively and flexibly. It has to push the donors to come up with suggestions based on relevant studies and facts to assist the Ministry in making informed decisions.

Consultative dialogues between government and donors of education are mainly made through joint review missions and annual review meetings that are undertaken every year, as well as monthly donor-ministry of education consultative meetings. In addition to these, consultations are also made through sector specific missions of donors, preparation of sector development programs and studies. Furthermore, consultative meetings involving the active participation of the ministry of education are made through the Ministry of Finance and Economic Development (MOFED), including meetings of development assistant groups (DAG), technical assistance missions on Sustainable Development and Poverty Reduction Program (SDPRP), Joint Budget Support Missions, Country Assistance Strategy preparations, etc. Such consultative dialoguing mechanisms were developed, agreed upon and endorsed by government and development partners upon the continuous engagement of the donor community and government. The consultation and dialoguing are adopted as furthering provision of comprehensive information exchange on implementation progress and challenges within the framework of mutual accountability and spirit of partnership. One basic understanding that has grown in importance is the recognition by development partners of the ministry of education's or generally the government's ownership of the program and its prerogative to develop plans and formulate policies. However, the government has also recognized the role of the education development partners in the design and

preparation of plans, monitoring of program implementation and the need for transparent and timely information exchange.

Over the preparation and implementation of the three ESDPs, most donors have become less prescriptive and are trying to support the government's initiatives. However, many donors have continued to question and influence the policies and plans of government particularly after the 2005 election and the problems that ensued. Due probably to lack of tact or presentation of concerns with relevant study and facts and arguments, many of the differing opinions and suggestions of donors have become confrontational rather than fueling positive dialogue. Few concerns of donors that have constrained the dialogue include issues such as (a)donors consider the structure of primary education covering grade 1 to 8 to be unachievable in the time frame for the MDG and suggest a change that the primary level to cover only grades to 1-4 or 5 (b)donors suggest to recruit teachers from grade ten completers to teach in primary schools to alleviate teacher shortage, (c)donors insisted that there should be piloting on few selected high schools before the implementation of the government School Net program, and (d)donors express their disagreement to the rapid expansion in higher education and TVET without any market demand studies and looking in to the balance in budget allocation for these sectors viz a viz the primary level.

However, the government has continued to use the original definition of primary level covering grades 1-8. Many regions have adopted the strategy of using diploma level trained teachers for the lower grades and have largely rejected the use of grade ten completers except in the case of pastoralist regions and alternative basic education modes. The School Net program of connecting all high schools (over 500) in the country with ICT and plasma screen networking and facilitate video conferencing, reaching out all schools with standardizing quality and relevance of curricula, and partly alleviating teacher shortage has been successfully implemented without piloting. The expansion of higher education and TVET has continued, largely successfully, with justifications that the country needs medium to high level trained human resource for the growing economy and to become competitive in the global knowledge based world. Generally, government insists that national ownership must mean that national decisions, with the opportunity of taking risks and innovation for nationally owned successes or mistakes, would be made even if they differ from donor priorities and established practices.

Although both government and donors agree on the need to alleviate poverty and bring about development in Ethiopia, sometimes they differ in the modality and time frame. The government stresses that all plans have to be ambitious in order to bring about accelerated development and alleviation of poverty in the shortest possible time. Many donors, on the other hand, are more guarded and cautious requiring for what they call realistic plan and gradual or phased interventions in the light of limited implementation capacity and finance. These are probably the major reasons that confrontations and misunderstandings are created in consultative meetings on some issues.

During the preparation and implementations of the three education sector development programs of Ethiopia since 1997, these mechanisms of dialoguing and consultation have been growing in importance and have been refined through experience, mutual understanding and continuous learning processes. The 2004/05 ARM (MOE, 2005b) has recommended that the existing partnership through continuous consultations and open dialogue need to be strengthened to enrich the formulation and implementation of ESDP3. It further recommends that open discussions be carried out to be able to utilize the collected data for planning and decision making during the implementation of the sector development program.

These mechanisms have also become part and parcel of the several development programs of the government, such as the Education Sector Development Program Implementation Manuals (MOE, 2004a), the plan for accelerated and sustained development to end poverty, PASDEP (MOFED, 2005) and Sustainable development and poverty reduction program, SDPRP (MOFED, 2002). The first PIM was published in 1998 and a revised PIM has been prepared in 2004. The TOR for the PIM preparation is developed by the ESDP secretariat in close collaboration with donors, and approved by the Steering Committee of the ESDP. The PIM is drafted/prepared by consultants with the ESDP Secretariat at the MOE overseeing and coordinating the work. A range of government agencies and donors are represented to serve as a technical reference group for the preparation of the PIM. The drafts are reviewed by the steering committee and a validation workshop involving both government entities and donors. The need for and the modalities of partnership and consultations such as the joint review missions and the annual review meetings in the education sector between government and development partners is clearly described, agreed upon and endorsed in the implementation manuals of the education sector development programs.

The consultative dialogue mechanisms developed and adopted were not without their problems. While the information flow and collaboration is strong in many areas and improving, there are still a number of areas where dialogue is problematic. This is mainly related to the attitude of some donors in the way they see their assistance and whether they are furthering partnership or want to continue their assistance through their own modality and using the dialoguing forums mainly for promotion of policy changes and specific donor interests. Although almost all education donors have agreed to the attainment of the MDGs, PASDEP and the previous SDPRP, many still have problem of aligning and harmonizing their systems of support to that of the government. Many bilateral and multilateral agencies still continue to prefer the project approach with its limitations of sustainability, duplication of efforts and little long-term impact to the community. The difference in the modality of aid by different donors has brought tension among the donors themselves due to differing interests and pressures from head quarters largely influencing the formulation of common agenda to further dialogue and engage the ministry of education. Some donors push the government to prepare more realistic plan and budget (most education donors in the country) while others (those international agencies and groups

that advocates for the fulfillment of the MDG, including the Fast Track Initiatives) encourage it to have ambitious plans in order to meet the MDG and poverty alleviation goals. This on the one hand creates false expectations by government and on the other hand unpredictability in assistance and commitments from donors.

On the part of some government bodies there is also a misunderstanding of the forums as if they are pledging grounds. These problems are related to the misunderstanding of intentions, poor information exchange and difference of opinion on policy issues that are usually outside of the framework of the objectives of the consultative meetings. During the preparation of the first ESDP, there were some critical issues raised by participating donors that revolve around the lack of participatory policy dialogue involving all donors, problems of differing requirements of procedures and documentation, varying degree of readiness of donors to experiment with budget and program support, delays in commitment and provision of funds by many donors, and the need for capacity building at all levels of the education sector that is not addressed in the ESDP. Most of these issues are also discussed and a number of measures to deepen engagement are frequently agreed in the subsequent ESDPs. There is, therefore, a need to achieve a deeper and more open dialogue in these areas and build the confidence of some donors who have not decided for program or budget support, while sustaining the collaboration evident with many of the donors.

Goals set out could be successfully achieved through transparent participation of all relevant stakeholders from the time policies emanate, develop and are. Active involvement and participation at all stages will develop and ensure ownership of the policy agenda, assist in inculcating creativity and innovation, and facilitate mobilization of resources and stakeholders for successful implementation of initiatives. Consultative process helps stakeholders to contribute, build consensus and commit to a shared vision or goal, helps establish wider acceptance and networking, helps identify gaps and design mechanisms of overcoming those, and helps bring debate, interaction, learning from one another and build capacity to mobilize for future changes, challenges and innovation and implementation. This has been largely witnessed in the Ethiopian experience which has shown that regular and consistent consensus building efforts are essential to bring many development partners on board and for the success of the education policy initiative. The desire by donors to ensure effective use of their assistance to the benefits of the sector and the people of Ethiopia and their growing interest in partnership with government have also contributed to the increasing need for active engagement with government and operation within the national framework.

The consultative dialogue and consensus building mechanisms that have been developing in the period of the education sector development program, in the last eight years, have grown in importance. The system is also becoming more maturing and sustainable with continuous learning and developing trust, particularly in the last few years. It has been and still is the belief of the government that the interaction with its development partners shall be based on constructive and beneficial dialogue and consultations guided by mutual respect, partnership,

transparency and accountability. The Ministry of education as well as other government sectors was nurturing the partnership and worked towards enhancing the consensus building mechanisms. This is clearly demonstrated in the education sector through the joint review missions (JRM) and annual review meetings (ARM) which are undertaken every year since 1999, and other forums organized for the same purpose. In general, although there is a lot to be desired in areas such as timely information exchange, harmonization and alignment and open transparent dialoguing based on mutual respect, the dialogue and consultations between government and donors have improved over the years. Common understanding of the objectives of the consultative forums, narrowing gap on focus and interest in agendas set and components of the plans of ESDP, willingness to harmonize and align systems with that of government are some of the issues that still need further development and refinement. The consultative dialogue mechanisms need to be cultivated to serve the development challenges of the country within the framework of the country's national policies and strategies in the spirit of partnership. Ministry of education and donors need to refine and clearly outline the details and types of information they need to exchange, mechanisms of mutual accountability and design a modality of having a liaison office in the ministry.

#### **4. Education Donors and Aid Practices**

Information on development partners in education is critically important and helps in understanding and following commitments and disbursements that will assist the sector as well as the government in general. It is crucial towards effective planning, coordination and implementation of the development program. Stakeholders could also be informed about the status of funding, expenditure and future prospects of financing in a transparent manner.

In an effort to identify funds committed and disbursed to the education sector, both under the project and program approach, agreements were reached during the ESDP consultative meetings between the ministry of education and donors and initiatives were taken to map education donors. The mapping was expected to show who the donors of the sector are, which donors are interested in which aspects of the ESDP and how much they have allocated and will commit in the coming future to the sector. Although the recent information shows that there is improvement in the exchange of information, there is generally a poor feed back from development partners in terms of mapping education donors in a comprehensive and detailed manner. The responsibility for tracking development partners across all sectors and their tiers of government belongs to MOFED. Compounded with the problems of mapping the donors fully, the information provided to the sector by MOFED is generally incomplete. Although there were some efforts by the ministry of education and ministry of finance and economic development to have the full picture of the development assistance to the sector, it has proved to be difficult to make a comprehensive mapping. The issue was also raised and discussed repeatedly in the annual review meetings and the monthly consultative meetings.

Better designed and systematic donor mapping is increasingly becoming important with the need for more open and timely exchange of information, coordination and budget support. The ministry of education has reiterated, particularly during the annual review meetings and the monthly consultative meetings of donors and the ministry, the significance of better information exchange and flow. Donors have worked primarily with the Ministry of Education in the attempts to identify and map flows to the sector. Results have never been very satisfactory and data remain incomplete. There was an expectation that Annual Review Meetings could review the sector's funding in detail and help to channel funds for the coming year to where they were most needed, but this has hardly happened.

Although the information is not complete and comprehensive, annex 1 gives the recent compilation of education donors in Ethiopia. This list of donors and aid modalities clearly indicates the request by government for donor mapping, alignment of procedures and move towards the more effective and efficient budget and sector program support. A systematic approach and mutually agreed mechanism of tracking donor support and possibility for revision and improvement of the status of information is not yet developed. According to the recently compiled information (annex 1), the major development partners in the education sector in Ethiopia include UNICEF, European Union (EU), USA/USAID, UK/DFID, UNDP, World Bank (WB), Japan, Ireland, Finland, World Food Program (WFP), Germany, ADB and UNESCO for the general education (primary and secondary) levels of education. The TVET sector is mainly supported by Italy, Germany, Iran, Belgium and WB. The tertiary level gets development assistance from Sweden, Norway, the Netherlands, Ireland, Italy, WB and EU. These supports are mainly provided as financial and technical assistances. The WFP support is the major support provided in kind, feeding school children in many drought prone and affected areas.

Annex 2 shows forecast for the 2004/05-2009/10 ESDP3 period from external assistance. Although this is a big improvement in information exchange, it is far from adequate as the table could not give the complete picture of support that would be forthcoming. This forecast also shows that, although not significant, a number of donors still continue in the project approach to development. Out of the expected external assistance of 3.8 billion birr about 11% is expected to be provided following the project approach. Considering the 2004/05 external assistance of about 961 million Birr, about 4% is actually considered to be provided through the project approach. One critical issue is to clearly detail what have been stated as projects, whether these actually fit within the education sector program or not. It seems that most of the assistance distinguished as projects could also be part of the sector program support. The growing importance of budget support, timely information exchange and open dialogue that enhances mutual accountability reinforces the need for a broader view of donor mapping.

The education donors could be grouped into two broad categories. One group refers to those that have strong commitment to work in developing partnership. These try to align their system with that of government and narrow gaps in understating and notions with dialogue and consultation. The second group refers to those that have a strong interest to continue their support through project approach which they manage. This group more often has the attitude of “I know the solutions for your problems” and disregards or undermines the government capacity and systems. Even if the amount of financial assistance provided by many of the donors in the second group may be significantly small, they are usually ‘noisy’ in their involvement in the dialoguing mechanisms and always try to pacify their interest at all costs without acknowledging the government’s ownership of the development agendas. There is also a group of donors who are undecided and usually seem to agree with government during consultations and hardly align their systems with that of the government. The common positive pride and self confidence of the government and people of Ethiopia are also taken as negative aspects in some quarters of the donor community and specifically with inexperienced expatriate experts. It is usually seen as inflexibility and stubbornness of government. The difference in the way donors provide their assistance and the modality of engaging with government creates tension between donors and the government. As described in chapter three above, donors give differing messages to government and amongst themselves. However, government and its development partners largely concur that reaching the MDGs and alleviating poverty require significant scaling up in the external development assistance and aid effectiveness with little constraints and burden to government and mutual accountability.

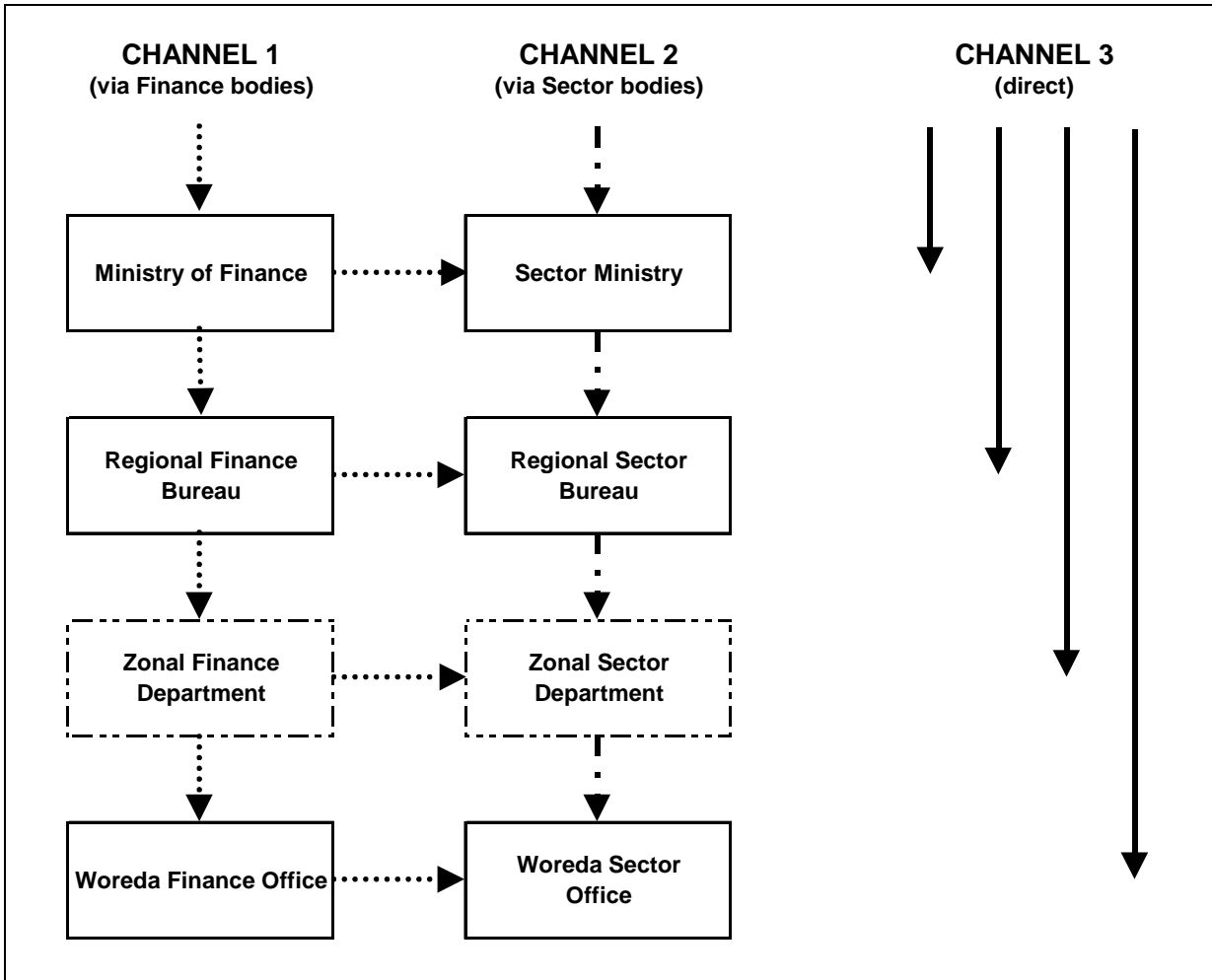
The Ethiopian education sector is getting its external support through a number of channels, from donor managed projects to direct budget support (Annex 1 and 2). As indicated earlier, government has expressed its preference for program and direct budget support since the early 1990’s. The government has a strong conviction that budget support is more valuable to Ethiopia than other aid modalities. The major reasons are that direct budget support is generally more flexible, it is able to support recurrent as well as capital budgets and can more easily be allocated in line with national sector priorities. Government recognizes that aid agencies are constrained by their own organizational mandates and by the concerns of home constituencies. Not all agencies are equally able to adopt government channels of disbursement or to provide aid as budget support, although this is clearly the most efficient form of aid. The Government's own financial and procurement regulations allow it to defer to donor requirements and procedures when necessary. Most, if not all, donors will have their specific requirements for reporting which is different from the national system and which creates poor performance in disbursement and utilization of funds for the intended use in due time (**Teshome, 2005**). Nevertheless, evidence continues to accumulate on the high costs of project aid that is disbursed outside regular government channels and the Government continues to encourage donors to provide as much aid as possible by means of budget support provided through Channel 1. In practice, official aid has been disbursed via three main channels (**MOE, 2004a**), illustrated in Box 1:

- Channel 1 is the same channel as is used for Government's own budget disbursement. Management, disbursement and control of public funds is the responsibility of finance bodies at each level of government, from the federal Ministry of Finance and Economic Development, to Regional Bureaus and Woreda Offices of Finance and Economic Development. Using this Channel places responsibility on the appropriate professionals, enables them to take a consolidated view of resource availability and allocation, and is consistent with Ethiopia's system of decentralization. Channel 1 funds (disbursed via the finance agencies) are brought fully into the picture in the budgeting process. But they fall into two categories: funds which are fully discretionary (no earmarking) and ones which are earmarked in some way. Direct budget support can be treated in exactly the same way as government's own resources. There are also funds provided through Channel 1 that have to be disbursed to the regions accompanied by the restrictions agreed between government and donor. These may include requirements for separate bank accounts and additional budgeting procedures resulting in problems of cash flow and utilization of funds. Examples of such supports include those of the IDA and the Teacher Development Pool Fund.
- Under Channel 2, donors use sector bodies to hold and account for their funds, including their transfer to lower levels of government where implementation takes place. Channel 2 reflects a donor tendency to deal directly with particular sectors, and has the disadvantage of fragmenting resource management, undermining the finance bodies and straining the capacity of the sector bodies. It is also inconsistent with the country's system of fiscal decentralization.
- Under Channel 3, resources are not handled directly by government agencies at all. Donors or their agents take direct responsibility for disbursement and procurement, and the resource transfer to government takes place in kind. Channel 3 (direct disbursement by aid agencies) funds do not enter directly into the budget. In principle, they should be taken into account by government, but reliable advance information on such flows is rarely available. The comprehensiveness of the budget process is compromised by the inability to take Channel 3 funds fully into account, as whether these assistances are captured in government budget depends on willingness of the donor and/or the beneficiary agency to disclose the information..

With respect to the direct budget support, serious negotiations between government and development partners took place in 2003. As a result of these negotiations a policy matrix for the World Bank Poverty Reduction Strategic Credit (PRSC) and other donor direct budget supports was designed and agreed upon. The number of development partners providing direct budget support as well as the total amount of resources provided through this instrument is showing an increasing trend. According to a recently drafted aid memoirs (Trina, 2005) the share of the overall ODA to Ethiopia has increased from estimated 39% in 2002/3 to around 47% including HIPC resources in 2004/5 fiscal year. According to **Catherine (2004)**, the 2004/5 projected external

assistance was 8.3 billion birr of which 43% will be direct budget support and HIPC savings (35% of the direct budget support). Direct budget support was 30% of the reported external assistance in the fiscal year 2003/04 and less than 10% in the fiscal year 2001/02.

Box 1: Alternative Aid Disbursement Channels



Generally, the government acknowledges that donor partners have agreed to support government implementation of the SDPRP through the budget for an increasingly large proportion of their assistance (MOFED, 2002). Between 2002/3 and 2004/5, the education sector has received around 5.7 million USD (4.99 million USD agreed and 688,000 USD indicated) in the form of a direct budget support from African Development Bank, European Commission, Swedish Embassy, UK DFID and the World Bank. Government and donors providing Direct Budget Support have identified a set of indicators and targets which will be used to assess progress in implementing the SDPRP and guide further disbursements and policy actions. These developments have important implications for the way the education sector is financed.

**5. Lessons Learnt and Conclusions**

Effective expansion of quality education at all levels ensures poverty reduction, promotes democratic culture and creates cohesive society in Ethiopia. Thus, the education has become one of the priority development agenda of the government. As the challenges of the education sector are complex and massive, it is necessary to mobilize resources and use those effectively. The Ethiopian experience, as demonstrated by the preparation and implementation of ESDP, has shown that government ownership and leadership in designing, initiating, and following the implementation of policies and strategies for expansion and reform in Ethiopian education to be one of the major factors to the success of many of the education development initiatives. Through government ownership national decisions would be made with the opportunity of taking risks and innovation for nationally owned successes or mistakes that may significantly differ from the priorities and established practices of donors.

Leadership provided by government in shifting from project approach to program approach and direct budget support was forward looking in addressing societal and national challenges of development. The government has adopted a program and direct budget support approach to development assistance and its own planning and implementation of development programs. The program and direct budget support, unlike the project approach, enhance effectiveness of support, minimize duplication of efforts, promote coordination, reduce administrative burden, provide for more flexibility and ensure better resource use to priority development areas.

Once the need for mobilization of resources for the education development is appreciated, the recognition of the importance of designing and agreeing on a set of consultative dialoguing mechanisms has proved to be crucial to the success in the implementation of the education sector development strategies and programs. The explicit inclusion of the consultative dialoguing mechanisms in the ESDP and PIM structures has proved to be crucial for successful implementation of the program, timely and comprehensive information exchange, monitoring of progress and performance, learning experiences and effective engagements of donors and government.

Such mechanisms have facilitated better understanding and trust between development partners and government, and enhanced the timely exchange of information and harmonization of procedures. The consultative mechanisms have served as the forum for problem solving on issues of misunderstanding, differences of opinion and mutual accountability. While differences of opinion on content of policies or strength of implementation may arise in some areas, government and donors have committed themselves to the final goal of reducing poverty in Ethiopia. The experience shows that involvement and active participation of donors in formulation of policies and strategies, development programs and their implementation are important to the success of their interventions and assistances and also the overall success of the implementation of the program.

The preparation and implementation of ESDPs, with the active participation and contribution of the donors have encouraged coordination and harmonization of requirements, duplication of efforts, redundancy of individual monitoring and evaluation missions and reports. However, the Ethiopian experience shows that harmonizing and aligning monitoring, progress reporting and procedures and processes is not simple. Such endeavors have been recognized to be complex and difficult to attain in a short time period. Furthermore, a strong commitment for the design and implementation of effective coordination and harmonization mechanisms, mainly through mutually agreed consultations, require a considerable amount of flexibility, willingness to take risks and to admit possible mistakes and learn from them..

The problem of timely information exchange is one important aspect of the partnership that has come out as a major limiting factor to speedy and transparent engagement of donors and government. Regarding donors the lack of timely provision of current and future commitments and particularly project based support disbursements have been identified as bottlenecks. Since the inception of ESDP I, efforts at "donor mapping" for the ESDP have focused on identifying funds promised to the education sector, checking them against ESDP requirements and trying to identify gaps in funding. Although not successfully documented, the initiative to map donors has a lot of promise in informing all stakeholders about commitments and future pledges to the education sector. Donor mapping has the advantage of showing who the donors of the sector are, which donors are interested in which aspects or components of the ESDP, how much they have allocated and will commit in the future to the sector, thereby assisting the government in its planning and budget allocations in its decentralized system. However, the mapping of donors has not been successful.

The timing of the announcement of donor commitments affects government's ability to follow an efficient financial calendar, to plan resources efficiently over the medium term, limits budgetary flexibility and undermines the principles of decentralized budgeting. On the side of the government, timely consolidation and reporting of physical performance, up to date financial disbursements and performance reports of recommendations of the ARM have been hardly forthcoming in a transparent and comprehensive manner. A proactive sharing of financial and overall macro-economic disaggregated data from MOFED to sector ministries is usually lacking or untimely.

The willingness or readiness of many donors and the speed at which procedures and processes of donors are harmonized and aligned with government preferences and procedures is sometimes limiting effective implementation of the education program at different levels. Donors of education have legitimate interests in ensuring the proper use of their funds and accountability to their home constituencies. Government recognizes that aid agencies are constrained by their own organizational mandates and by the concerns of home constituencies. However, lack of harmonization or alignment brings additional burden to the already stretched capacity at local levels, and results in a very high cost of project aid that is disbursed outside regular

government channels and government processes/procedures. Government wish to have multi-year predictable resources flows in the spirit of partnership, shared values and goals for growth and poverty reduction in Ethiopia, and use reporting formats that are compatible with the government system. With frequent missions of development partners, several issues are discussed and a number of measures to deepen policy engagement are usually agreed.

The nurturing, further development and refinement of consultative dialogue mechanisms within the mutually agreed organizational structure of the education sector development program is significantly important to ensure deeper partnership, mutual understanding, trust and effectiveness in the implementation and fulfillment of the stated objectives. Annual review meetings, joint review missions, monthly consultative meetings and other mechanisms of engagement of government and development partners the last few years have proved effective in pacifying understanding, bringing about timely exchange of information and enhancing better coordination of development efforts.

The government is required to critically look into JRM and ARM reports, findings and recommendations in a timely manner, pacify ESDP in line with the woreda decentralization closely linked with capacity building, make disbursements and reporting more effective, develop clear and agreed collaborative relationship with other sectors such as health, labor, rural development, trade and industry, infrastructure, etc. and engage with development partners. The government, and particularly the Ministry of Education, needs to enhance and play its leadership and ownership role. It has to be more proactive in following up ARM and JRM recommendations and also engage donors in issues that the tow parties have differences. For the dialogues to be effective and fruitful, there is a strong wish by government that development partners focus their efforts around the country initiated and owned, prioritized and defined, as well as mutually agreed objectives and expected results. It is clearly stated by government that it is in the interest of all that consultative dialogues be within the framework of constitutional bounds and government designed and owned policies. Government recognizes the need to report promptly and fully on public expenditure as a whole, in the spirit of mutual accountability.

The annual review meetings and joint review missions need to be further strengthened to meet the monitoring requirements of partners in terms of information exchange, stocktaking, evaluation of progress and performance and making informed decisions at all levels by government and donors. They should also be sharpened/refined to ensure broad participation and focus on past implementation of ESDP and the future emerging practical issues and possible dialogue needs and mechanisms.

The education sector development program is a consolidated and comprehensive national sector program that has a multi-year planning of activities that are implemented at different levels. The monitoring, evaluation,

implementation and reporting of the progress and performance of such a program require the availability of the required capacity at all levels. Education bodies, from the level of the Ministry down to the Woreda and school level, have limitations in capacity in terms of human resource, systems and organization. Therefore, there is a strong need for sector-specific technical assistance and capacity building to strengthen planning, budgeting, resource projection and allocation, procurement, and success of the overall implementation of the program. Unlike the experience to-date, the desirability and extent of using technical assistance, local and international experience sharing and short term trainings to build capacity need to be appreciated by the MOE. Technical assistance and support to capacity building have to be included in the Program Implementation Manuals of the ESDP.

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