



2009/ED/EFA/MRT/PI/35

Background paper prepared for the
Education for All Global Monitoring Report 2009

Overcoming Inequality: why governance matters

CASE STUDY: HONDURAS

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2008

This paper was commissioned by the Education for All Global Monitoring Report as background information to assist in drafting the 2009 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 2009, Overcoming Inequality: why governance matters" For further information, please contact efareport@unesco.org

UNESCO
EDUCATION FOR ALL – GLOBAL MONITORING REPORT 2009
CASE STUDY: HONDURAS

FINAL DRAFT

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27 May 2008

EXECUTIVE SUMMARY

This report aims to describe in broad outline how the EFA initiative, the main effort for coordination between the Government and the community of cooperating partners in the education sector, has been implemented in Honduras. It has been a learning experience for both the Government and the cooperating partners, yielding a number of important lessons. This document accordingly analyses the dynamics of ownership, harmonization, alignment and capacity development, using examples to illustrate them in the most concrete way possible. The general conclusion is that while major coordination efforts have been made in these areas, even greater challenges lie ahead if targets and commitments are to be met. With the benefit of hindsight, it may be said that for all the initial optimism and the determination on the part of everyone involved to apply consistent planning in support of basic education, there was no proper analysis of what the procedures needed to implement this would have to entail, so that combinations of difficulties had to be met as they arose over time. This shared learning process has created a body of experience that will prove crucial in improving the operation of EFA in Honduras and achieving the long-awaited goals of education for all.

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CHAPTER I: INTRODUCTION

I.1 Background

(a) Purpose of the study

Within the broader framework of the effort by the UNESCO Global Monitoring Report (GMR) group to record progress with the Education for All (EFA) goals and commitments, the main purpose of the present case study of Honduras is to carry out a critical review of how the Government and donors have been trying to improve the effectiveness of assistance in the education sector, and what barriers there are to progress.

With this purpose in mind, this report is mainly intended to show how the EFA Plan is being implemented in Honduras. The relationship between governments and cooperating partners¹ is explored using concrete examples that are illustrated both by objective data and by subjective opinions expressed by different actors with a direct or indirect role in the initiative.

In pursuit of its purpose, the present report is divided into six chapters. The first, this introduction, describes the purpose and the methodological strategy followed. It presents a brief analysis of the context mapped out by the main developments in the implementation of the EFA Plan, which is part of EFA-FTI (Education for All Fast Track Initiative) in Honduras. Lastly, it presents a summary of what the EFA Plan is, the state of its indicators, and the involvement of international cooperation agencies in the Plan in terms of assistance methods and amounts.

Chapters II, III, IV and V analyse the dynamics of ownership, alignment, harmonization and institutional capacity development, respectively, with reference to the way the EFA Plan has been implemented in Honduras. Chapter VI summarizes the main lessons learned from implementation of the Plan.

Each of the thematic chapters incorporates both secondary information from reports, statements and official documents (memoranda, joint reviews, evaluations, analyses and studies) and information generated especially for this study through interviews with key informants.

(b) Methodological strategy

To illustrate each of the dimensions of analysis in this case study, the methodology concentrated on the following activities:

- compilation and analysis of information from documents dealing with the education sector, particularly the EFA Plan in Honduras (memoranda, joint reviews, evaluations, specific reports relating to the Plan, and statistics);
- compilation and analysis of documentary information with an indirect bearing on the EFA Plan: studies and research projects, individual consultancy exercises conducted for different international cooperation agencies, civil society proposals, and analyses of the Honduran education sector;

1. The term “cooperating partner” is used advisedly, because the community of agencies and organizations supporting the education sector in Honduras includes both donor agencies and lenders.

- In view of the terms of reference for the case study (attached in ANNEX I), open interview questions were prepared (attached in ANNEX II). These were put to 18 key informants (ANNEX III lists the interviewees) interviewed between 25 February and 11 March this year.²

I.2 Contextual analysis: key developments and processes in the relationship between cooperating partners in the Honduran education sector and implementation of the EFA Plan

International cooperation agencies have a long history of support for education in Honduras. This has taken the form not only of specific projects (the predominant approach up to now), but also of technical support furnished by a variety of countries at different times to support particular reform efforts.

Nonetheless, the type of support given by international cooperation agencies to the education sector has changed since the mid-1990s. This is partly because of the implications of the Education for All commitments agreed to in Jomtien, Thailand, and then ratified in Dakar, and partly because the country began to play a more proactive role, committing itself technically and politically to development plans and strategies³ and showing a determination to reform and/or modernize the sector.

The 1990s saw the beginnings of more targeted support for basic education under the Basic Education Quality Improvement Project (PROMEB), which received backing from the World Bank (US \$30 million) and the German Development Bank (KfW) (\$13.1 million), plus a matching contribution from the Government of Honduras (\$8.9 million). In 1998, a loan was taken out with the World Bank to create the Honduras Community-based Education Programme (PROHECO) and address the problems of coverage in the Honduran countryside.

Another important development, in which international cooperation agencies were a major catalyst, was the preparation of the Ten-year Education Plan in 1997. This brought together a large group of local specialists with international agencies to conduct an exhaustive analysis of the education sector. This Plan did not crystallize into any broader national approach.

Although that plan was assessed from a technical point of view by education stakeholders (universities and cooperation agencies), the new government that came to power in 1998 after elections held at the end of 1997 did not include it in their governmental programme or in a specific education sector plan.

It was not until Hurricane Mitch struck in October 1998, with all the devastation it caused in the region and especially in Honduras, that a number of cooperating partners began to coordinate more effectively in the light of the country's reconstruction priorities. One crucial development was the formation of the International Cooperating Partners' Education Round Table (MERECE) in the months immediately following the storm. MERECE initially fulfilled a diagnostic and supporting function for the education sector generally, but it quickly established itself as a coordinating body for the different cooperating partners in the sector.

MERECE now describes itself as follows: "Founded in 1998, it is a team of specialists from international educational cooperation agencies with technical and/or financial resources available for the education sector. The professionals working in our institutions have a wealth of experience and technical capacity in the area of education. Each of our agencies is committed to the International Cooperating Partners' Education Round Table (MERECE), believing this to be a key mechanism for generating strategic alliances to ensure the effectiveness of the support they are

2. The interviews were recorded in their entirety and transcribed for analysis (in Word format). Each averaged 45 minutes in length and 12 pages when transcribed. The consultant carried out all the interviews.

3. For example, the National Plan for Children and Human Development, formulated in 2001, which included educational goals.

offering to Honduran society in the field of education.”⁴ The following institutions are currently members of MERECE:

01. Canadian International Development Agency (CIDA)
02. Japan International Cooperation Agency (JICA)
03. United States Agency for International Development (USAID)
04. Spanish Agency for International Cooperation (AECI)
05. Swedish International Development Cooperation Agency (SIDA)
06. German Development Bank (KfW)
07. Central American Bank for Economic Integration (CABEI)
08. Inter-American Development Bank (IDB)
09. World Bank (WB)
10. European Commission (EC)
11. German Technical Cooperation (GTZ)
12. United Nations Children’s Fund (UNICEF)
13. United Nations Population Fund (UNFPA)
14. Organization of Ibero-American States (OEI)
15. World Food Programme (WFP)

The consensus represented by the Stockholm agreements on the need to support the country’s reconstruction was a crucial milestone in the effort to harmonize international cooperation in the country.

The preparation of the Poverty Reduction Strategy Paper (PRSP), which involved wide consultation and was completed in 2001, and Honduras’s subsequent acceptance into the Heavily Indebted Poor Countries (HIPC) initiative were also developments of the highest importance. Needless to say, this process has greatly alleviated Honduras’s external debt situation in the last two years.

A vital aspect of efforts to reform the education sector is the national consensus represented by the Proposal for the Transformation of Honduran Education (*Propuesta de Transformación de la Educación Nacional*) led by the National Convergence Forum (FONAC), an initiative that brings together a variety of civil society organizations, in 2000-2001.

The invitation by the international community (G8) for Honduras to take part in the Education for All Fast Track Initiative (EFA-FTI) in 2002 was a very important development in the gradual process of coordinating international cooperation agencies in the Honduran education sector.⁵ The efforts made in this area have virtually paralleled the agreements generated by the Monterrey International Conference on Financing for Development, the Rome agreements and, crucially, the Paris Agenda, which emphasizes more effective development cooperation.

4. <http://www.se.gob.hn/index.php?a=Webpage&url=merece>, 10 March 2008.

5. Without attempting an in-depth conceptual analysis of the extent to which the EFA Plan strictly qualifies as a programme-based approach (PBA) in the broader framework of a sector-wide approach (SWAp), we suggest using the definition of the EFA Plan as a “modified sectoral support mode” given in the framework memorandum of understanding (framework MoU) signed between the Government and cooperating partners in September 2003. In any event, the EFA initiative is the closest thing to a programme understood in those terms, even if it does not strictly meet the PBA criteria of the OECD, for example.

Before proceeding to a careful analysis of each aspect of this coordination in the following chapters, we should note that the EFA-FTI initiative in Honduras has already been through two presidential administrations and four education ministers. This needs to be borne in mind because of the problems of discontinuity that have traditionally affected public policies in Honduras, like many countries at a similar stage of development. The following table shows the main events in the development of the EFA Plan, as this is considered the main pivot around which the ownership, harmonization, alignment and capacity development of the Honduran education sector have taken place.

Table 1
Main Developments in the Honduras EFA Plan

Date	Development
Jan-02	New President and new Minister of Education
Jul-02	Honduras invited to join EFA-FTI initiative
Oct-02	Completion of draft national proposal
Nov-02	Presentation and approval of <i>Honduras Todos con Educación</i> (EFA) Plan
Apr-03	2003 AOP planning workshops, 18-month Plan
Sep-03	Preparation of Education Indicators Manual
Oct-03	Signing of framework memorandum of understanding (MoU)
Mar-04	WB EFA-FTI mission, First Assessment
May-04	Appointment of special EFA advisor to the Ministry
Jul-04	Formalization of Strategic and Technical Coordinating Committee (CET) EFA unit
Oct-04	New Minister of Education
Nov-04	First EFA-FTI joint review
Apr-05	Addendum 1 to MoU, Canadian International Development Agency (CIDA) included
Apr-05	Second EFA-FTI joint review
Aug-05	Joint evaluations methodology (Ministry of Education, MERECE, GTZ) ⁶
Dec-05	Addendum 2 to MoU, Spanish Agency for International Cooperation (AECI) included
Dec-05	Amendment to MoU establishing that the CET-EFA unit will be abolished and its functions integrated into the Ministry of Education
Dec-05	Third EFA-FTI joint review
Jan-06	New President and new Minister of Education

⁶ This consists of a methodology proposed for the conduct of joint evaluations (so that they may be standardized and their results comparable) and for other evaluations

Mar-06	Integration of EFA into Programme and Project Coordination Unit
Apr-06	Presentation of follow-up to the Proposal for the Transformation of Honduran Education (FONAC)
Nov-06	Evaluation of results of physical targets in departmental education authorities
Oct-06	Fourth EFA-FTI joint review
Dec-06	New Minister of Education
Apr-07	Strategic Plan for the Education Sector in Honduras 2005-2015 (updated to April 2007)
Apr-07	Fifth EFA-FTI joint review
Sep-07	Regulations for decentralization of EFA funds to departmental education authorities
Oct-07	Draft regulations for the operations of the Sectoral Education Committee
Nov-07	Sixth EFA-FTI joint review
Nov-07	Declaration of Municipality of Jutiapa (on educational decentralization)
Mar-08	Presentation and review of integrated EFA AOP

Source: prepared by the authors from various documents.

I.3 Commitments under the EFA Plan and education sector financing (EFA Plan) in Honduras

(a) The EFA Plan: commitments and components

In November 2002, Honduras was selected among other countries to participate in the Education for All Fast Track Initiative (EFA-FTI). The purpose of this initiative is to close the gap between the efforts of the Honduran State to meet the targets for universal basic education signed up to in Jomtien and ratified in Dakar, and the needs that still have to be met if this to be achieved. The timescale is medium- to long-term, running up to 2015. That aim was shared generally both by the Government and by the partners cooperating with the education sector in the country.

In the view of some of those interviewed, the understanding (or lack of it) of this idea of a gap has strongly influenced views about what the EFA Plan is, how it was structured, how it has been pursued, and what relationship it bears to the efforts of the Honduran State. Most respondents stated that the EFA Plan had been wrongly treated from the outset as though it were just another Ministry of Education project.

The view expressed in the previous paragraph requires an explanation in three respects:

- Some cooperating partners, essentially those with extensive experience in providing support to education through successful projects (USAID, GTZ, JICA) understood generally that, in order to close the gap, success stories under the EFA initiative should be taken into account and those best practices should be raised to a level of policies and plans, as they had yielded good results in specific plans of action.
- Other cooperation partners, who were paradoxically somewhat less experienced in providing support to the education sector in the country (CIDA, SIDA and, in some

respects, the World Bank), understood on the whole that EFA automatically entailed implementation of a broad-based Plan that concomitantly required a sectoral approach (special or modified, as indicated in the memorandum of understanding).

- Despite those differences in vision, most interviewees pointed out that it was wrong to consider the EFA initiative to be just one more project or just another cooperation initiative in addition to those already operational in or with the Education Secretariat as a counterpart (according to a 2003 analysis, more than 27 different cooperation programmes and project initiatives are operational in the education sector, funded by donors).

The proposal that was ultimately approved can be found in the Honduran Ministry of Education document “*Todos con Educación. Honduras 2003-2015. Propuesta para la iniciativa EFA-Fast Track*” of September 2002. This document contains an exhaustive diagnosis of the crucial factors preventing the EFA targets from being met and an initial programme for meeting the goals to which the country was now committed, as summarized in the following table.

Table 2
Main Goals of the Honduras EFA Proposal

Working area	Baseline indicator	Target for 2015
% pre-basic coverage (age 5)	32	100
Admission to first grade at normal age	Age 7 58	100
	Age 6 28	100
% completing second cycle of basic education (12-year-olds)	12-year-olds 32	100
	Multiple ages 69	100
% repetition rate	Grade 1 18.5	0.8
	Grade 2 10.8	0.5
	Grade 3 8.1	0.3
% drop-out rate	3.3	0.0

Source: Republic of Honduras, Ministry of Education, *Todos con Educación. Honduras 2003-2015. Propuesta para la iniciativa EFA-Fast Track*, September 2002.

To meet these commitments, the EFA Plan was structured into five programmes with their respective components, as detailed below:

Table 3
Components of the EFA Plan

Programme	Components
Efficiency of basic education	1. Admission to first grade
	2. Academic standards and supporting materials
	3. Efficient promotion
	4. Remedial arrangements for over-age students
	5. Monitoring and evaluation of internal efficiency
	6. Re-incorporation of students who have dropped out
Teacher quality and efficiency	1. Support for the initial teacher training system
	2. Entry of teachers into the profession
	3. In-service teacher training
	4. Teacher performance and incentives
	5. Management of schools and teaching staff
	6. Supervision and follow-up

Improved pre-basic education	1. Coverage
	2. Teaching resources
	3. Training of teachers, volunteers and study tutors
	4. Supervision and monitoring
Equity and access to bilingual intercultural basic education	1. Creation of a database
	2. Institutionalization of bilingual intercultural education
	3. Adaptation of academic standards
	4. Teacher training and performance
	5. Community involvement
Rural education networks	1. Creation of rural education networks
	2. Networked teaching model
	3. Bonuses for efficient, high-quality promotion
	4. Network administration and oversight
	5. Network information and evaluation system

Source: Republic of Honduras, Ministry of Education, *Todos con Educación. Honduras 2003-2015. Propuesta para la iniciativa EFA-Fast Track*, September 2002, pp. 33-39.

Even though the EFA initiative was approved after a new government had taken office, the authorities decided at the time to link it to the goals of the Poverty Reduction Strategy Paper (PRSP), the national aspirations set out in the Plan of Government and, especially, the Plan of Action and Strategy for the Education Sector 2002-2006. All this was possible because numerous initiatives that the Ministry of Education was beginning to implement fitted in with the overall objective of EFA, which is to universalize completion of sixth grade by under-13s by 2015.

For a better understanding of this initial situation, two aspects of the Plan need to be recalled:

- First, the EFA initiative is a national Plan involving an effort to measure the gap (as explained earlier) between the country's own efforts and what is needed to achieve the goals and targets signed up to. Thus understood, the EFA Plan is a partnership between the country and the cooperation community whereby the latter undertakes to adapt its efforts to complement the country's existing ones, notwithstanding the financial, administrative and technical mechanisms stipulated for it.
- Second, given that it comes essentially in the form of donations, the support of the international community is conditional upon genuine progress towards the goals signed up to. A first review of these goals was planned for 2005, a second measurement for 2008, and a third for 2011, with the aim of meeting the 2015 goals.⁷

⁷ This refers to the evaluations mentioned in the original Plan, which were subsequently taken up by the joint reviews established pursuant to the general memorandum of understanding signed between the Government and the cooperating partners.

(b) Progress towards the main goals of the EFA Plan

A brief analysis of progress with the EFA commitments, in terms of goals added at the national level, reveals a need for a redoubling of efforts and a more head-on approach at the subnational level (departmental and local) so that schools receive more direct support. The following table compares what was planned for 2006 with what was actually achieved.

Table 4
Estimation of Progress Towards EFA Goals
(Indicator Aimed at/Indicator Achieved by 2006)

Goal	Indicator (base line)	Indicator aimed at	Indicator achieved
Repetition rate 1st grade	18.5	11	14.7
Repetition rate 2nd grade	10.8	6.5	9.5
Repetition rate 3rd grade	8.1	4.5	6.4
Repetition rate 4th grade	5.2	2.9	4.3
Repetition rate 5th grade	3.5	2.1	2.9
Repetition rate 6th grade	1.0	0.6	1.2
Drop-out rate 1st to 6th grade	3.4	1.8	1.9
Enrolment in 1st grade (up to age 7)	58	69	47
Graduation 6th grade (up to age 12)	31.9	33	30.3
Performance in mathematics/Spanish	42	52	40.2

Source: Republic of Honduras, Education Secretariat, Education for All Plan (EFA Plan), Ministry of Education, MIDEH-ANED project.

Different analyses have suggested that the goals for repetition and drop-out rates can be achieved if renewed efforts are made and communities are more directly involved (whence the current haste to decentralize EFA activities). For the performance goals, however, there is still a need for innovative strategies, rather than just more investment.

(c) Educational investment and budgetary breakdown highlighting the EFA Plan

The following table gives a breakdown showing the share of total educational investment in the country earmarked for the EFA Plan. As will be shown shortly, the amounts actually spent are still lower than those originally budgeted for.

The education spending/GDP indicator is quite high in Honduras (over 8% in 2007), even by comparison with countries in the Central America region that have been making enormous efforts in the education sector over recent years.

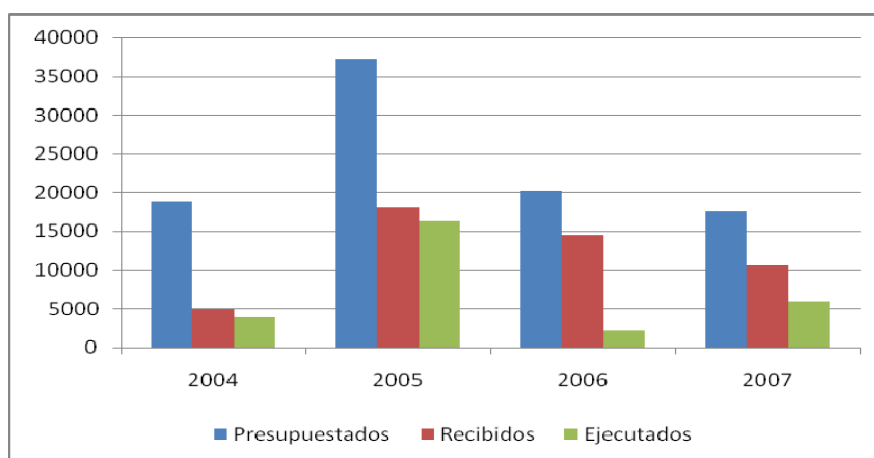
Table 5
Relationship between the national budget, total Education Ministry Budget, Education spending/GDP indicator and EFA Plan budget, 2003-2007

Year	National budget	Education Ministry Budget	%	Education spending as share of GDP	“ <i>Todos con Educación</i> ” EFA budget	%
2003	1,891,271,609	504,224,366	26.7	7.3	28,704	
2004	1,978,081,891	530,450,216	26.8	7.3	18,695,976	3.5
2005	2,086,241,684	637,395,663	30.6	7.2	37,187,808	5.8
2006	2,275,518,493	678,838,440	29.8	7.6	20,227,716	3.0
2007	2,613,570,716	850,286,984	32.5	8.6	17,604,754	2.1

Source: Ministry of Finance and CET-EFA/Ministry of Education report.

The following chart shows the annual ratio between funds budgeted for, actually received and spent, showing that the EFA Plan has struggled not only to ensure that all the funds available are actually received, but also to see that those received are spent.

Figure 1
Ratio between EFA funds budgeted for, received and spent, EFA Plan, 2004-2007 (thousands of dollars)



Source: Romero Anaín (2007).

Legend: Presupuestados Budgeted
 Recibidos Received
 Ejecutados Spent

It would be easy to jump to the conclusion that this discrepancy was due to the kind of purely administrative problems that often arise in complex systems. However, international cooperation agencies must bear some of the blame.

Indeed, both the Government and the cooperating partners had from the beginning the best intentions to proceed with the EFA Plan, as set out in the document. However, they lacked the analyses required to achieve practical progress. Their initial optimism was therefore gradually dented as practical problems arose which had to be solved first before moving on to the implementation stage. For example, there was not even an instrument setting out overall

commitments (the framework MoU of September of 2003). There were no mechanisms to channel the support from the donors who were to participate in the fiduciary MoU relating to the pooled fund (the relevant document was issued in October 2004). The various donors had not stated clearly what amounts they would actually contribute, hence the difference between the funds budgeted, received and spent. There was no analysis of the absorption capacity (execution) of the Republic of Honduras in the sector. With the benefit of time and in view of those aspects and many others such as a public administration context marked by high turnover rates and the teachers' unions strong opposition to governmental initiatives because of failure to comply with the salary provisions contained in the law (Status of teachers), the reason why the total implementation figure for the first three years of the Plan (2003, 2004 and 2005), amounting to nearly US \$20 million, fell far short of the US \$86 million per annum ideally earmarked at the outset.

The following is taken from the analysis recently carried out by the head of administration for the EFA Plan:

“Although instruments exist (EFA administration mechanisms) to manage the planned funding amount of \$86.1 million covering the early years of the 2003-2005 period, only \$23.3 million was received⁸ and \$20.4 million spent.⁹ Much the same happened in 2006 and 2007: in practice, the amounts received by the Government of Honduras do not match those projected, and payments have often been late, especially in 2004 and 2005. This created difficulties when it came to starting the goods and services procurement process, since the Budget Law and its general provisions do not allow commitments to be entered into without the assurance that the funds will be collected or received.

“All this has undermined budget implementation, as can be seen from the expenditure figure of \$20.4 million from 2003 to 2005, and has jeopardized the country’s credibility as an administrator of funds in the eyes of international cooperation agencies; indeed, it could do more than anything else to jeopardize its prospects of receiving further technical and financial support. In view of this issue, the regulations laid down in the administration instruments need to be reviewed and updated to improve the country’s ability to successfully allocate the resources available in coming years.”¹⁰

The following table gives an exhaustive breakdown of financing sources for the EFA Plan between 2003 and 2007 (first half). It is important to note that this table does not include EFA contributions made by certain agencies through specific projects, such as the Inter-American Development Bank (which works more effectively in subjects for the third cycle of basic education – 7th to 9th grade – while EFA places emphasis on the first two cycles – 1st to 6th grade) and German Technical Cooperation, which has been providing substantial technical assistance under the EFA Plan from the outset.

Table 6
Financing sources for the EFA Plan, 2003-2007 (first half)
(US Dollars)

Financing source	2003	2004	2005	2006	2007 (First half)	Total in US\$
Revenue/Spending						

8. Funds received, or receipts: these are funds received in the accounts administered by the Ministry of Finance to finance AOP-Budget activities.
9. Funds used or spent: these are the funds actually paid out for each budgetary allocation over the fiscal period. Funds committed: these are funds set aside from the available budgetary balance to cover the commitments entered into by an EFA operating unit in this case.
10. Romero Anaín (2007), *“Investigación de la educación para todos iniciativa de apoyo ágil: caso Honduras”*, document prepared for the Spanish Coalition for the World Education Campaign (CECME) through the Education Network Coordinating Committee (COMCORDE) in Honduras, p. 3.

A. Revenue	216,004	4,981,308	18,076,378	14,530,745	10,631,808	48,436,243
Donations:		4,271,891	15,192,878	13,870,548	10,327,668	43,662,985
Japan		823,886				823,886
Sweden bilateral		3,107,472	7,338,325	56,43		10,502,227
Canada bilateral		105,013	1,759			106,772
USAID bilateral		235,52	2,291,858			2,527,378
Pooled fund ¹¹			5,560,936	13,814,118	10,327,668	29,702,722
Honduran Treasury funds		61,001	531,801	660,197	304,14	1,557,139
WB/GOB credits						
Com.Educ.Proj.	216,004	648,416	2,351,699	-		3,216,119
Financing source	2003	2004	2005	2006	2007 (First half)	Total in US\$
Revenue/Spending						
B. Execution	216,004	3,943,105	16,255,485	2,210,233	6,011,529	28,636,356
Spending:						
Donations:	-	3,233,884	13,372,862	1,549,290	5,707,389	23,863,425
Japan			670,627	119,704		790,331
Sweden bilateral		2,908,106	7,421,424	165,705		10,495,236
Canada bilateral		90,258	16,025			106,283
USAID bilateral		235,52	2,291,858			2,527,378
Pooled fund			2,972,928	1,263,881	5,707,388	9,944,197
Honduran Treasury funds		60,805	530,924	660,943	304,14	1,556,812
WB/GOB credits						
Com.Educ.Proj.	216,004	648,416	2,351,699			3,216,119

Source: EFA unit, Ministry of Education (taken from Romero Anaín, 2007).

Of all the contributions received, 59% has been spent. In 2006, the first year of a new Government, the execution level was only 15%.

11 Which includes the World Bank for 2005, and Sweden, Canada, the German Development Bank (KfW) and Spain for 2006, 2007.

It is striking that the pooled fund mechanism contributed 61% of the funds received throughout the period, yet only a third of these funds were spent (33%). Strictly speaking, the pooled fund only actually operated in 2006 and 2007, since the \$5.5 million set aside by the World Bank to start EFA.

Considering that the original financial planning for the Plan provided for an annual investment of some \$26 million (executed) over the period from 2003 to 2008, it can only be concluded that this initial exercise was over-optimistic in failing to include as a minimum:

- more detailed analyses of the dynamics, timescales and amounts of actual support from cooperating partners;
- the actual absorption capacity of the Ministry of Education (management and execution of funds);
- the complexity of administrative procedures and the need for the mechanisms created to fit in with Honduran regulations;
- more realistic planning of goals and commitments in the light of the above.

CHAPTER II: OWNERSHIP

II.1 Government leadership

The leadership provided by the Honduran Government for the education sector in general has not always been strong and clear enough to drive development, implementation and monitoring processes in the sector or programmes oriented towards it. For this reason, the EFA Plan in particular represents a crucial learning opportunity for the Government of Honduras, as it has become the first real exercise in coordinating efforts within a specific subsector of the country's education system.

In this regard, it can be said that the Government has not provided uniformly strong leadership in the whole period of the EFA Plan to date (2002-2008). However, there have been times when this leadership was very clear and did command the support and trust not only of the community of cooperating partners in the sector, but of civil society too.

A concrete example of this was the process of preparing the national proposal document in response to the invitation from the EFA-FTI initiative, in the second half of 2002. As soon as the invitation officially arrived in July 2002, the Honduran Ministry of Education, with support and guidance from the World Bank, convened a group of Honduran education experts and assigned a group of specialists from the Ministry of Education so that they could draw up the proposal together. This process was overseen by the Ministry of Education itself through one of its vice-ministries. Three teams were organized, one dealing with information and statistics and one with finance and administration, while the third was responsible for determining the components of the budget. The draft was prepared between July and October 2002. The then Minister submitted the final document in November that year to the technical working group for the EFA-FTI initiative in Washington.

In this process, the Ministry of Education invited the active participation of cooperating partners and other important actors in the sector (civil society, teachers' leaders and a group of educators). The basic document was enhanced by specialized contributions from a number of cooperating partners and was the subject of a MERECE report, with suggestions for improvement.

This leadership was manifested, essentially, because prior to the invitation the Government had a Plan of Action for the sector.¹² Thus, the EFA Plan was complementary in some ways to the efforts the country was planning at the pre-basic and basic levels.

In this period (2002-2003), during the early stages of a new Government, there was talk of sectoral support efforts involving wide-ranging, detailed plans. The IDB and SIDA were two cooperating partners which, acting separately, made it their special concern to explain the merits of these instruments to the new authorities. It was not until 2005, however, that a draft of the Sectoral Plan for education appeared, and it was not until 2007 that this Plan, now reformulated, was officially submitted.

The leadership given by the Ministry of Education in this process varied depending on the political situation. It tended to weaken in 2005, as there was a new Minister and it was an election year. The cooperating partners' unease was apparent. For example, in discussions about the budgetary AOP for that year, some of them questioned certain activities included in the planning by the Ministry of Education. At some of the meetings attended by the Minister and other authorities, cooperating partners questioned, for example, the need to spend money on equipping teacher training colleges with science laboratories (these colleges were in the process of conversion so that teachers could receive a university-level training). In another case, they questioned the

12. *Plan de Acción del Sector Educativo, 2002-2006*, Republic of Honduras, Ministry of Education, Tegucigalpa, 2002.

proposal for the EFA Plan to finance initiatives that would help disabled children enter and stay on in pre-basic and basic education. Their argument was that this had no connection with the components and subcomponents of the Plan as stipulated in the original proposal.

In 2006, when both the President and the Ministry of Education authorities changed, the leadership and thus ownership of the process by the Government and Ministry of Education were extremely limited. This was the first year of the new administration. In addition, the strategy of the new authorities was to relegate all programmes and projects to a new unit called the Programme and Project Coordinating Unit (UCPP). Thus, far from moving towards the logic of a budgetary contribution of a sectoral nature, they reinforced the view that the EFA Plan was just one more Ministry of Education project.

As pointed out in a recent analysis by an international cooperation agency in the country, “the degree of ownership of the EFA Plan appears limited. It seems more of a donors’ plan than a national, State-led plan. This was shown, for example, by the fact that the cooperating partners had to remind the new Government (which began in early 2006) of the existence of the EFA Plan. By mid-2007, the Government seemed more convinced. According to donors, however, it is still treating it as a donors’ project, not as something which it itself wants and which the cooperating partners are financing. Nor is it possible to speak of broader ownership, since unions and other groups are not involved.”¹³

II.2 The relationship between cooperating partners and the Government

Where EFA is concerned, the dialogue between the cooperating partners and the authorities has generally been a respectful one. The cooperating partners have not imposed issues or priorities to a decisive degree. It has happened, however, that some cooperating partners have stressed components of projects they had long experience of, owing to the relative success of these initiatives at the local level.

This is very likely to be due to differences in the way EFA is understood, something that comes out explicitly in the interviews. For example, some of the bilateral cooperation agencies that have not been using the pooled fund approach but have continued to operate through projects have argued that the EFA initiative ought originally to have taken whatever worked well and built it into policy, since the ultimate aim was to narrow the financing gaps between what the country had been doing and what still needed to be done to meet the 2015 goals.

From another standpoint, certain cooperating partners with more of a preference for sectoral support have argued that all cooperating partners should fall in with the Government’s policies and decisions rather than continuing to implement one-off initiatives that often duplicate efforts and do nothing to strengthen the leadership and focus of the authorities.

MERECE has played a vital role as a forum for dialogue. Several of the problems that have arisen from differing views of what the EFA Plan ought to be and how it should be implemented have been solved there. Apart from this, the EFA Plan has its own organizational structures and these have worked well enough, despite changes of government and lack of continuity in the specialists heading them. Among the main ones are:

- EFA Coordinating Committee, responsible for supervising and monitoring implementation of the memorandum of understanding. Its members are the Minister of Education, the Minister of Finance, the Minister of SETCO (the international cooperation ministry) and three representatives of the cooperating partners.

13. International Institute for Social Studies (ISS) (2007), “Informe país – Honduras, 2007, Cooperación internacional y ejecución nacional: ¿importa la calidad? (Evaluación de las estrategias de reducción de la pobreza en América Latina)”, pp. 22-23.

- Executive Committee. This is a collegiate body whose members are the Minister of Education, the Vice-minister of Education, the Finance Ministry Planning and Management Assessment Unit (UPEG), the administration and EFA. Its mission is to facilitate decision-making about EFA implementation.
- Pooled Fund Management Committee, whose members are the pooled fund cooperating partners. The operations of its coordinating committee are governed by the fiduciary MoU. The coordinator is chosen by the partners and holds the position for one year.
- Planning and Management Assessment Unit (UPEG), a specialist support body for follow-up and monitoring of the institutional management of Ministry of Education plans and programmes (legally validated by the Public Administration Law), where efforts have been made to establish these functions in relation to the EFA Plan.

II.3 The conditions attached to cooperating partner support

Where the operation of the EFA Plan is concerned, the conditions of cooperating partners' support have fortunately been laid down officially in the memoranda of understanding (framework and fiduciary) and in the EFA Operating Procedures Manual. This reduces the scope for arbitrary decisions, and the conditions are explicit and unchanging over time. The operating problems of the pooled fund mechanism are due more to administrative and procedural issues, as was explained in a recent analysis of international cooperation in Honduras: "The fiduciary MoU contains many conditions that have to be met before any contribution can be disbursed. The text of the fiduciary MoU is based on the format used by the World Bank for projects and is accompanied by a 200-page manual containing very specific requirements for the financial administration of the fund. These requirements sometimes clash with national laws, and anyway contradict the idea of alignment with national systems."¹⁴

EXPLANATORY NOTE: (as indicated in the document, there are two memoranda: (1) a general one, referred to as the memorandum of understanding, for all partners cooperating under the EFA Plan; and (ii) a fiduciary memorandum for those participating in the pooled fund).

Implementation of the EFA Plan has brought to light conditionality issues that need to be taken into consideration, and that operate in a rather informal way. Let us look at some concrete examples.

The strictness or flexibility of cooperating partners when it comes to conditionalities in the framework of the EFA Plan has been partly determined by the political cycle. For example, as more than one interviewee pointed out, the behaviour of the cooperating partners was generally more demanding and far more belligerent when the 2005 EFA AOP was being discussed than at the time of the 2006 plan. Politically, 2005 was a delicate time since elections were due to be held at the end of the year and the outgoing Government was nearing its end. Accordingly, any action that could be construed as political propaganda, such as putting texts or photographs alluding to political parties or candidates for public office on materials intended for large-scale distribution, was viewed negatively by the cooperating partners. The discussions on the 2006 AOP took place with the new authorities and were far more flexible.

Again, the actual process of preparing the POAs found cooperating partners displaying a critical attitude which, in the view of Ministry of Education staff, was unhelpful and tended to reveal them more "as judges and auditors than as supporters of the Plan". Similarly, some cooperating partners have complained that there is too much "micro-management" by pooled fund participants who involve themselves in detailed discussions of activities and individual tasks in these planning efforts.

14. International Institute of Social Studies (ISS) (2007), "*Informe país – Honduras, 2007, Cooperación internacional y ejecución nacional: ¿importa la calidad? (Evaluación de las estrategias de reducción de la pobreza en América Latina)*", p. 22.

AOP review meetings have sometimes turned into exercises in scrutiny of specific individual activities. For example, the current EFA coordinating committee states that Ministry of Education staff have to oversee certain activities at the deconcentrated local level, which is why the 2008 AOP has included travel expenses for a number of people to carry out this required oversight, whereas some cooperating partners have called into question the “need” for such oversight and certain allocations disproportionate to the purpose.

There is an even more important aspect that concerns the conditions laid down for cooperation. These conditions are established in the relevant documents and the authorities usually try to meet them. On occasion, some cooperating partners have threatened to withhold disbursements from the pooled fund because basic requirements have not been met, for example: (i) an audit of expenditure in the previous period must have been carried out; (ii) the AOP budget of the Ministry of Education must have been approved; (iii) a procurement plan must have been drawn up. But where is the flexibility of the cooperating partners when, for example, one of these conditions is not met because some other body over which the ministry in charge of EFA has no control, such as the National Congress or the Ministry of Finance, is responsible for the failures and/or problems?

II.4 Challenges for government ownership of education sector development

While major efforts have been made to provide the sector with leadership, there are still some obstacles to greater ownership by the Government in general and the Ministry of Education authorities in particular. Review of the documentation available and the subjective opinions expressed by the people interviewed points to some fundamental challenges. To summarize:

- (a) There is no up-to-date legislation to give institutional consistency to a number of major ongoing reforms (structure of the Ministry of Education; linkage and organization of each level: pre-basic, basic, secondary, vocational; legal validity of the basic education curriculum; initial teacher training, among other aspects). The current law for the sector, which does not include post-secondary education (this has its own body of law), dates from 1966.¹⁵
- (b) There is, in other words, a need for plan-, policy- and programme-oriented leadership with a medium- and long-term outlook. Discontinuity in the country’s public policies has been a constant and the education sector is no exception. Even though the EFA Plan initiative is in place, with a PRSP process under way, and the Millennium Development Goals are there to guide the Government’s actions, there is no coordinating authority that can transcend the political cycle, the result being that the changeover from one administration to another greatly affects ongoing processes.
- (c) The Ministry of Education lacks the kind of basic institutional structure needed for the subsystem to be integrated geographically. While efforts have been made, of which the 2005 Ministry of Education Institutional Development Plan (inspired by the third joint review of the EFA Plan) is an example, much more progress is needed. The consensus is that strengthening the departmental education authorities and ensuring they have stable rather than ad hoc structures is an unavoidable priority.
- (d) Another great challenge is to move towards the creation of a unified system of integrated, robust, reliable, timely and systematic education statistics. This is needed to monitor progress not only in the specific indicators of the EFA Plan but in the whole education system, including the third cycle of basic education and the secondary level (which are not part of the Plan and, to judge from what a number of interviewees said, are being neglected).

15. There have been efforts to introduce draft bills, however, for example in 2001 and again now, when what is under discussion is a proposal by the Ministry of Education and teachers’ organizations that has been supported by civil society through the National Convergence Forum.

- (e) These challenges, which need to be confronted in the interests of greater ownership and more assertive leadership by the Government and the sectoral authorities, also relate to the nature of the support provided to the country. Despite the existence of the EFA Plan, whose AOP has been integrated with the budgetary AOP of the Ministry of Education, there are still a number of specific programmes and projects supporting the sector, and these have been difficult to coordinate. In 2007, an integrated AOP was produced for the first time, i.e., one encompassing national funding, money from the pooled fund mode of EFA support, and the contributions of projects implemented by cooperating partners (this only means that they are listed as contributions in terms of areas of concentration, and not that specific monetary contributions are available for the Ministry to spend at its own discretion).
- (f) A further aspect, crucial to proper implementation of plans and policies, concerns administrative and financial procedures. The fact is that two of the greatest challenges when it comes to strengthening ownership are to simplify today's procedures while at the same time integrating these procedures into national systems, in this case the Integrated Financial Administration System (SIAFI).¹⁶

16. SIAFI was not yet in operation when the EFA Plan began, and in fact education is one of the pilot sectors that efforts have been made to include in recent years (2006, 2007).

CHAPTER III: ALIGNMENT

III.1 Education sector priorities in relation to the EFA Plan

On the whole, priority and urgent measures to optimize EFA Plan implementation have been agreed between the Government and cooperating partners. Reading the five (5) joint reviews that have been issued so far as official reports,¹⁷ what emerges is a picture of leadership by the Ministry of Education with cooperating partners playing an active technical role both in implementation strategy and in the review process (which includes not only discussion committees but field trips to collect information, and visits to schools).

Before discussing some sample joint reviews, we shall provide an example of a political nature that concerns the outcome of the first evaluation of progress with the EFA Plan in Honduras, conducted in March 2004¹⁸, and the consequences this had for strategic decision-making by the authorities. At that time, the World Bank brought in one of the consultants who had played a supporting role in the preparation of the national proposal (in 2002 and early 2003) to carry out an initial diagnosis of Plan implementation. The results of this exercise were negative for the EFA Plan administrators in three key respects, with organization, strategy and operations all coming in for criticism, as shown by the selected paragraphs quoted in the box below.

Box 1

Summary of the main problems affecting the EFA Plan (March 2004)

Organizationally, the EFA initiative was structured along conventional project or programme management lines rather than in accordance with a policy management approach. The repercussions appear to include chain-of-command difficulties, unclear functions and inflexible relationships.

The EFA initiative has not hitherto had an organization capable of providing the governance that is required to meet the challenges of the EFA goals, and has not secured the legitimacy it needs in the Ministry of Education and elsewhere if it is to lead the process, order the overall priorities of the Ministry and focus them on improving basic education.

Where technical leadership is concerned, we have yet to see the emergence of strategic and operational leadership that commands recognition from the different parts of the Ministry of Education and the institutions it works with. Nor can the CET-EFA unit be said to have been effectively managed from the outset, since coordination has developed in a context of ambiguity, falling somewhere between pedagogic coordination and general coordination. In point of fact a single person has been fulfilling both roles very energetically from the start, but this situation has become unmanageable as activities have been rolled out.

Strategically, the specialist teams for virtually all the components have not been given an explicit official breakdown of the goals for their component setting out each year's targets for the most important indicators contributed to by the activities laid down in the AOPs. The risk from this is a new proliferation of activities to be implemented without any assurance that they will have a significant impact on the goals.

The EFA strategy has been pursued and perceived as "just another project" among existing initiatives, and this is due both to the way EFA implementation is organized and to the failure to integrate intervention strategies at the basic education level.

17. The sixth joint review was carried out in October-November 2007. As far as we know, the results of this review have not yet been officially presented.

18. This is not a joint review, but an evaluation commissioned by the World Bank at the start of the Plan to ascertain its strengths and weaknesses during the initial operational period.

The CET-EFA team does not have a concrete link to the local level and its relationships with the departmental authorities are very incipient. This means that there is still no decentralized capacity for EFA strategy implementation. What is required is an expanded institutional capacity to give sustainability to basic education interventions and achievements.

Operationally, CET-EFA staff selection criteria have not been based strictly on professional merit and this has detracted in a number of cases from the authority and professional leadership of CET-EFA vis-à-vis other institutions.

Source: Javier Aguilar P., Report, EFA-FTI Mission in Honduras, March 2004.

The criticisms quoted provide an interesting insight into some problems that continued to dog the administrative dynamic of the EFA Plan even with the passage of time. They had an exemplary effect, triggering decisions at the highest level which later had important repercussions on the balance between cooperating partners. The imbalance occurred because one of the cooperating partners had privileged access to the sector's highest authorities, thus influencing decision-making on the implementation of the EFA Plan, which led to some uneasiness among other partners.

One of these was that the then Minister put a trusted colleague, who had been acting as a spokeswoman, in charge of the EFA Plan, thereby depriving the vice-ministry that had been responsible for it of executive power. This decision caused resentment and unease among some Plan cooperating partners for two reasons: (i) first, it further undermined an already weak initiative by heightening the "parallel" character of EFA in relation to the Ministry of Education, an important issue for cooperating partners as they sought to strengthen Ministry institutions; and (ii) this appointment was urged and given contractual support by one of the cooperating agencies, which thus put itself in a different position from the other cooperating partners.

Another political decision was to seek and appoint as head of the EFA Plan someone who met the highest international technical and managerial standards. At the urging of the World Bank, an international competition was held, the vacancy was filled and the winner was presented in due course by the Minister himself but then, for unconnected reasons, never took up the post, so that this remained vacant with all the waste of time, energy and resources implied, sending an equivocal signal to both the Ministry and the cooperating partners.

An example of another kind is an important cooperating partner contribution to the quality of joint EFA Plan reviews. This contribution took the form of technical assistance provided by the German cooperation agency GTZ, which established a homogeneous strategy for evaluating the efficiency of the EFA Plan, involving an impact chain methodology.¹⁹ There were two reasons for that effort: (i) the realization that the first two joint reviews had employed different methodologies, so their results were not comparable, and (ii) the provisions of section 8 of the framework MoU, which refers to the need to move towards common standards for the planning, administration, monitoring and evaluation of the EFA Plan.

Generally speaking, although to differing degrees, joint reviews of the EFA Plan have given expression to the perspectives of the cooperating partners and their special concern to see that the Plan makes headway and that the basic conditions for this are in place. Indeed, there has been more emphasis on this than on the setting of priorities or other topics. However, it is interesting to see where the cooperating partners placed the emphasis in the fifth joint review, for example, and where the current Ministry of Education did so. The following table illustrates this.

19. There is a document on the subject: Republic of Honduras, Ministry of Education, International Cooperating Partners' Education Round Table (MERECE), Metodología de Revisiones Conjuntas, August 2005.

Table 7
Comparison of Cooperating Partner and Education Ministry proposals
during the fifth joint review of the EFA Plan (April 2007)

Proposals made by the International Cooperating Partners' Education Round Table	Proposals and priorities expressed by the Ministry of Education
Institutionalize the EFA Coordination Committee as part of the Education Ministry with set functions and roles	Improve coordination between the Coordinating Committee (EFA) and the line units of the Education Ministry
Speed up the technical and administrative decentralization process	Coordinate with the Finance Ministry to speed up decentralization
Implement the acquisition plan proposed in a consultancy exercise	Implement the acquisition plan
Establish effective administration and financial management procedures	Improve efficiency
Generate data to show what factors are preventing municipal, local and central targets from being met	Socialize EFA achievements
Immediate distribution of warehoused books and educational material	Work for teacher ownership of the EFA Plan
Strengthen departmental education authorities	Raise awareness among parents
Gradually train 18 local education authority managers in fund management and execution	Involve teachers' organizations

Analytically, what do these differing emphases reflect? For at this stage in the implementation of the EFA Plan they do not concern one-off issues but matters that are crucial for its rapid and effective implementation.

- In the first place, there is consensus in four key areas: (i) managerial coordination (between EFA specialists and Ministry of Education units), (ii) decentralized action, (iii) implementation of the procurement plan, whose ultimate objective is to speed up the administrative process for purchasing and contracts, and (iv) greater efficiency.
- Second, a careful appreciation shows that the main emphasis of the cooperating partners' suggestions is on strengthening internal, institutional aspects so that the following activities can be implemented more quickly: (i) distributing school textbooks, (ii) generating data in a more disaggregated form and (iii) strengthening the departmental education authorities, among other things.
- The emphasis of the Ministry of Education recommendations, thirdly, is on an exogenous matter, namely the sustainability of the Plan: (i) socialization of the EFA Plan and (ii) integration of key actors such as teachers, parents and teachers' organizations.

In Honduras, this technical-political tension can be identified in a number of areas, and it may have negative consequences if the cooperating partners disregard the context in which an initiative is

going to have to be developed, implemented and evaluated, and focus only on execution and not on the impact of the actions concerned. Contextual factors are fundamental and need to be considered by everyone. This is particularly true in the education sector of a country like Honduras where the political variable and, crucially, the power of teachers' organizations remain a very substantial factor in the functioning and implementation of any education sector initiative.

This is matched by another problem, already noted earlier, which is that there has been no tendency for support to become more predictable. Issues of two types mingle here: (i) planning issues addressed by the Government and (ii) the relationship between money pledged, money actually received and low execution rates for the latter. The challenge here is to improve procedures by making them swifter and less bureaucratic without neglecting the necessary controls.

Lastly, while the interim evaluation of the availability, use, appreciation and impact of the basic national curriculum design yielded the positive conclusion that EFA Plan material was actually reaching classrooms, it is not at present possible to establish the extent to which the Plan, and more specifically the pooled fund method, has had a real impact on the country's educational disparities. What is significant is that, marginal political factors aside, material has been beginning to reach all schools without distinction since 2006.

III.2 Using government systems and procedures to channel financial support and monitor education sector development

On this point, it needs to be said that the use of systems and procedures to channel cooperation support is a very recent initiative in the country. This is not only because SWAp methods are new to Honduras, but because the country's systems for administering and managing modern plans and programmes are recent too, as are its budgetary planning and follow-up systems. As was explained at the beginning, the pooled fund mechanism has really only operated for 2006 and 2007 and, because of administrative procedural problems, stemming from the functioning of the national planning and public expenditure systems, presents the lowest level of overall execution.

In its pooled fund mode, indeed, the EFA Plan represents a considerable learning experience for the whole country. Furthermore, despite the initially optimistic view of the prospects for supporting the sector, both cooperating partners and the Government found themselves in difficulties when EFA began, since it very soon became clear that there was a vast gulf between declaring unstinting support for mechanisms of this type and actually implementing them, and this continues to have repercussions today for the operation of the Plan. More than one of those interviewed has rightly stated that there was "over-optimism" at the outset about the scope for implementing the EFA Plan. Some of this history will be analysed in detail in the next chapter.

Before going on to the next chapter, however, it is necessary to say something about the use of national systems to plan, follow up and evaluate the development of the education sector and, most particularly, the state of the goals and indicators established as national commitments by the Millennium Development Goals and their targets, the PRSP and, more specifically, the EFA Plan.

A first major issue here concerns the demanding, complex process of preparing the budgetary AOP for the different ministries of State. Planning is in fact carried out in the traditional way with reference to activities rather than goals and/or outcomes. This clearly has its effect on an organizational and institutional culture used to equating achievement with the mere performance of an activity or, at best, with financial execution.

Owing to the complex national planning procedures, it is understandable to some degree that international cooperation agencies in the education sector should traditionally have operated by a project logic, often without even being required to give the authorities an account of what they are investing in the activities shaping the initiative. Even now, there are bilateral cooperation agencies

in Honduras that are not obliged to give an account to different partners such as, the Education Secretariats, of their budgets or of how much they spend on each component of their projects.

A second issue is the collection, use and formalization of statistics on the sector. This has been a key problem in the education system generally, but it is with the EFA Plan that it has manifested itself in the most practical way. Let us look at some very concrete examples.

In 2003, a ministerial decision was taken to create a new unit to deal with the challenges of producing sound information and taking informed decisions. The Infotechnology Unit was thus created with the support of certain cooperation agencies. The objective was to create a unit that would collect and use information in the system more efficiently. This change, which was given no legal basis whatsoever, was implemented by dismantling the information technology department belonging to the Management Planning and Evaluation Unit (UPEG), which does have a legal basis and mandate in this area. The effect of this decision was to weaken UPEG. Subsequently, people went back to their respective units (UPEG). In addition, money and a considerable amount of time were invested in preparing an exhaustive Education Map, which was actually presented in outline during the ministerial administration running from 2002 to 2004 but which no longer exists and is not among the planning tools used at the Ministry of Education for decision-making purposes.

Another interesting development in the production and analysis of basic information has been the creation of a parallel system of pre-basic and basic education information in the 18 departmental education authorities for the purposes of a particular USAID project (MIDEH-ANED project),²⁰ the argument being that the information circulating in the Ministry of Education system is unreliable and unsound. This has got to the point where the project has sought to formalize these statistics, something that is wholly illegal given the powers entrusted to the Ministry units responsible for this and indeed the National Institute of Statistics (INE). It is interesting, then, that the EFA Plan indicators used to evaluate the progress of that Plan are generated from information produced by this project.

20. Improving Student Education Achievement in Honduras (*Mejorando el Impacto al Desempeño Estudiantil de Honduras*) (MIDEH)/National Association of Former Scholarship Holders (*Asociación Nacional de Ex Becarios*) (ANED).

CHAPTER IV: HARMONIZATION

IV.1 Donor coordination methods for planning, for calculation and disbursement of contributions, and for sector monitoring and evaluation

It has already been noted that, as in many other social sectors in Honduras, support from international cooperation agencies in the education sector has generally operated and continues to operate in accordance with a traditional project logic.

Thus, the EFA Plan is a unique and pioneering exercise involving support modes (essentially the pooled fund) that approximate to what might be called a sectoral type of support (or perhaps subsectoral, since it concerns pre-basic education and the first two cycles of basic education).

This section will concentrate on identifying some of the main arrangements that have arisen in practice among EFA Plan donors, and between these and the Government. It will be seen that, certain one-off approaches notwithstanding, both the community of education sector cooperating partners and successive Governments have consistently sought to move in step, even if there has sometimes been a lack of clarity in this respect.

Following the initial acceptance of Honduras for the EFA-FTI initiative in November 2002, the question was how, operationally, EFA should begin. The decision taken was this: since a credit granted through the World Bank (No. 3497) was in operation but presented a low level of execution, and a number of its components tied in with the EFA goals, \$5.5 million were taken from it to provide the start-up capital for the EFA Plan in Honduras in 2003 and 2004.

With leadership from the Ministry of Education, World Bank planning workshops were held in April 2003 to develop what was known as the 18-month Plan, which constituted an initial planning exercise. There were no coordination mechanisms in operation at the time, only a determination to proceed, so the first thing was to draft a framework document, known as the framework memorandum of understanding (framework MoU), which was signed by a first group of cooperating partners in October 2003.²¹ Two addenda were later incorporated to bring in the Canadian International Development Agency (CIDA) and the Spanish International Cooperation Agency (AECI), in 2005. The first memorandum established the overall reference framework for the cooperating partners' support for the EFA Plan and the Education Secretariat's commitment to leading and guiding the process as a whole.

But this framework MoU was not enough, as it did not establish mechanisms to govern actual contributions to the Plan. The initial euphoria about coordination gave way to the puzzled realization that each cooperating partner's approach to implementing its initiatives would have to be respected. A process of exploration began and more than a year would pass before the signing of a new document called the Fiduciary Memorandum of Understanding for Contributions to the Pooled Fund (fiduciary MoU), which set out the possible modes of support. As part of the agreements established there, cooperating partners can use their own mechanisms to support the EFA Plan via four possible methods:

- (a) Contributing to a pooled fund which will provide financing directly to Honduras for use in the EFA Plan, in the form of funding for the EFA-FTI annual operating plan (AOP). Sweden was the first to participate in the pooled fund in 2005, followed in 2006 by Canada, Spain and Sweden again and in 2008 by Sweden, Canada, Germany, Spain and the European Union.

21. The MoU was signed by Germany, Japan, Spain, Sweden, the United States of America, the Organization of Ibero-American States for Education, Science and Culture, the Inter-American Development Bank, the United Nations Children's Fund, the United Nations Educational, Scientific and Cultural Organization and the World Bank.

- (b) Contributing technical assistance or planning with a project approach (traditional project or specialists under contract). Participation under this bilateral approach began in 2004 when agreements were signed with the donor countries (essentially bilateral cooperation) and agencies that were to be contributors to the pooled fund.
- (c) Providing assistance without any formal project. The cooperating partner uses specialists in different areas to transfer capabilities in order to strengthen educational processes.
- (d) Adjusting the planning of certain related interventions with a view to complementing EFA Plan implementation. For example: training interventions, textbook provision, building or improvement of infrastructure, equipment, etc. Investments of this type are topped up by national funding from the Government of Honduras.

In the meantime, however, with much of the funding made available by the World Bank remaining unused, the EFA Plan continued. What arrangements were made in general among government in order to continue when 2003 did not strictly speaking represent the start of the EFA Plan as originally conceived in a document?

“In 2003, EFA began operations with a limited budget of Honduran funds and with support from the Community-based Education Programme (credit 3497). However, the CET-EFA unit based its planning on the projections in annex 5 of the summary of financial distribution by programme and year of the ‘Fast Track Initiative, Education for All Honduras 2003-2015’ document, an 18-month budget for \$47.5 million covering the second half of 2003 and the whole of 2004, based on the financing intentions expressed by the cooperating partners. This never found its way into the central government budget, because the funds were not received.”²²

Besides the initial support provided by the World Bank, in November 2003 Sweden and the Government of Honduras signed a donation agreement for an amount equivalent to \$10 million, which was administered through World Bank mechanisms and procedures.

In March 2004, the United Nations Development Programme (UNDP), acting on behalf of the PROMESAS programme of the Canadian cooperation agency (CIDA) and the Ministry of Education, signed a contribution agreement worth \$2.5 million. In July 2004, the Japanese embassy, the Ministry of International Technical Cooperation (SETCO) and the Ministry of Education signed an agreement on strengthening ongoing in-service teacher training worth \$822,368.

The funds for the 18-month Plan were not forthcoming in the amounts and at the times planned. This made it necessary to reformulate the budgetary AOP for 2004 and 2005 and adjust it several times to the amounts actually approved under the administrative mechanisms of the agreements signed. This led to delays in planning acquisitions, time, signing and compliance with the conditions of the framework and fiduciary memoranda and, ultimately, the implementation of the Plan.

2005 was a critical year for EFA-FTI implementation because of developments with the planning of activities, budget execution, pooled fund management, acquisition of goods and services, and distribution of educational materials:

- the Ministry authorities and the pooled fund partners approved the Operating Manual of the EFA Plan as part of the fiduciary MoU agreements;
- the Governments of Canada and Sweden signed individual contribution agreements with the Government of Honduras to finance part of the Plan under the pooled fund system;

22. Romero, Anaín (2007), op. cit.

- bank accounts were opened at the Central Bank of Honduras by both the Ministry of Finance and the Ministry of Education to manage the resources held in the pooled fund;
- the interim EFA-FTI financial administration system began to be implemented.

Because 2006 was the first year of a new administration, very little happened in terms of implementing and progressing with the EFA Plan. Far from integrating EFA into the Ministry of Education, it helped to distance the specialist unit yet further by integrating it into an umbrella unit called the Programme and Project Coordinating Unit (UCPP). This unit also operated away from the other Ministry of Education facilities and heightened the feeling that EFA “was just another Ministry project”.

A new Minister of Education arrived in 2007. The UCPP was broken up and efforts were made to reintegrate EFA into the Ministry of Education so that it would be the line units, especially UPEG, that actually took responsibility for the administrative and technical management of the process.

For the first time, the 2008 AOP (the one under discussion now) presents the actions of the different support modes for the Plan in an integrated fashion, i.e., actions whose financing is meant to come from the pooled fund mechanism and those to be carried out by agencies that work mainly with other kinds of support, such as technical assistance (especially USAID, JICA and the German technical cooperation provided through GTZ).

It is important to realize, however, that a divide of sorts has been opening up between the group of cooperating partners that joined the pooled fund and those that did not. There has been friction on occasions, often exacerbated, according to those interviewed, by the personal characteristics of agency representatives. Two examples will go some way towards illustrating this dynamic and show that there are sometimes different perspectives on what EFA is and how it ought to operate in the interests of rapid development.

- All the cooperating partners agreed that curriculum approval was an important exercise. To hasten the process, two bilateral agencies (USAID and GTZ) decided to carry out an evaluation upon receipt of the curriculum (which was called the curricular validation process). They engaged a firm to carry out the study in two stages. Once the first two findings of this exercise were published (providing interesting information on what is happening to the materials provided by EFA at the local level and in schools), these agencies sought financial support from the EFA Plan pooled fund to carry out the third and last part of the study. Representatives of the fund, essentially the World Bank and AECI, argue that if they are to finance this then administrative procedures need to be followed and a competition held, which will obviously take a great deal of time.
- Another example: the Ministry of Education has presented an integrated EFA AOP proposal for 2008. This AOP was not reviewed jointly by all cooperating partners; instead, it was analysed in separate meetings, with members of the pooled fund working among themselves and those agencies forming part of the so-called technical assistance group (GAT) doing so on their own account. Even the Ministry of Education met separately with the two committees, through the EFA Plan coordination committee, to try to pull everything together subsequently.

The fact that the cooperating partners have been meeting in a single forum, namely MERECE, has reduced the friction. Indeed, it has been agreed that the MERECE participants should appoint committees to settle which of the EFA Plan support methods should be adhered to.

Lastly, it is impracticable now to discuss the effects that pooled fund management arrangements have had on transaction costs. Although the pooled fund method is identified in the fiduciary MoU (signed in 2004), it was not until 2006 and 2007 that this method really began to operate. The low level of execution in 2006 (because of the change of government) and continuing administrative

difficulties in the operation of this method have given the general impression that other methods are less cumbersome and reach the deconcentrated level, particularly schools, more quickly.

Meanwhile, a recent analysis (cited earlier) states that “EFA transaction costs have been high so far for both the Government and the cooperating partners. There are two main reasons for this: (i) the tendency of donors to micromanage (to interfere in detailed planning issues, for example) and (ii) the Government side does not always understand how to work with budgetary support or, in this case, the pooled fund (the Ministry of Finance, for example), or feels insecure (the Ministry of Education, for example). Thus, they are still treating the pooled fund as a project, asking donors for approval before any activity for which resources are required.”²³

EXPLANATORY NOTE: as the above text is a quotation, I cannot “reinterpret” the meaning of what is said.

IV.2 Achievements and challenges in the effort to harmonize the approach of education sector donors to the EFA Plan

The achievements of the harmonization process in relation to the education sector, and particularly the EFA Plan, have been very considerable, even though progress has not been as quick as was envisaged at the outset. No other public policy sector in the country has seen greater progress in this respect. The creation of a body such as MERECE (and the success achieved in turning it into a force for integration, despite the differing outlooks of the cooperating partners), the active participation in its development, the creation of agreement models like the two MoUs, the orientation of activities towards the Plan components and participation in support methods identified in the MoU have all unquestionably been great achievements that reflect a process of harmonization.

For progress to be made towards the 2015 goals, however, even greater efforts are required. The challenges of harmonization lie in the following areas:

- First, harmonization of the cooperating partners greatly depends on government leadership: the clearer the leadership and direction given, the greater the potential for harmonization among cooperating partners. This may sound rather obvious, but in a country such as Honduras where each cooperating partner has been operating on the basis of its own project logic, the harmonization process is less than simple. What is the main problem that has arisen in the absence of clear leadership and guidance from the authorities? According to what was said in the interviews, each cooperating partner tries to approach the authorities individually and prioritize its agenda, since there is no clarity and it is assumed that execution levels will be relatively low.
- A second challenge is for the authorities to provide clear guidelines for the integration of new and existing contributions, thereby creating consistency, preventing duplication of effort, optimizing transaction costs and enabling all cooperating partners to coordinate in a horizontal fashion rather than one or another of them occupying a privileged position. To give a recent example, in March the Honduran press reported that the Taiwanese embassy in the country was entering into an agreement with a group of broadcasters to finance an advertising campaign to discourage children from dropping out of school.²⁴ This, of course, is one of the key problems the EFA Plan is meant to address. When the interviewees representing cooperating partners in the education sector were asked about this initiative and how it fitted in with the EFA 2008 strategy, no one could give an answer, and nor could the

23. International Institute of Social Studies (2007), “Informe país – Honduras, 2007, Cooperación internacional y ejecución nacional: ¿importa la calidad? (Evaluación de las estrategias de reducción de la pobreza en América Latina)”, p. 23.

24. “Campaña de emisoras unidas. Guerra a la deserción.” News article published in *El Heraldo de Honduras*, 4 March 2008, p. 6.

coordinator of the EFA Plan at the Ministry of Education, even though the Minister of Education was present at the launch of the initiative.

- A third major challenge is to carry out a thorough review of the fiduciary MoU, the EFA Administrative Procedures Manual and the various administrative arrangements for the financial execution of the Plan (this is the consensus among interviewees) with a view to simplifying them and facilitating greater use of pooled fund type support methods. At the present time, most of those interviewed feel, and the figures for execution by EFA Plan method that were analysed earlier seem to confirm, that the most practical thing would be to operate on a project basis: (i) disbursements are easier as they are not subject to cumbersome oversight mechanisms, and (ii) they can go more directly to the local level and thus to schools where, when all is said and done, EFA has yet to fully penetrate.
- An additional prerequisite for further harmonization, lastly, is to re-establish confidence between the cooperating partners. There still seem to be different views on what the EFA Plan is and ought to be. Five (5) years after the Plan commenced, it would be wise to reassess the general conceptual approach of EFA and the way this is applied to technical and administrative matters. This is not just a theoretical issue but also affects the way the Plan is conceived in practical terms. According to most of those interviewed, one of the great problems of EFA is that it has never really taken off because it has been treated like a project by both sides, even though it lacks the virtues of one (flexibility, rapid penetration on the ground). Some interviewees suggest it may be advisable to concentrate again on the strategic aspects rather than getting bogged down in the details of activities.

CHAPTER V: CAPACITY DEVELOPMENT

V.1 Official priorities for improving planning, implementation and results monitoring of education policies and programmes

If the governmental education sector programmes of the last four (4) administrations are analysed, all their initiatives take account of the need to improve planning and results follow-up systems. Why? Because the usual perception is that programme activities barely penetrate to schools. One might say that the system is broken, and geographical conditions within the country²⁵ are another factor making it hard to get through to schools promptly.

Thus, it is not too much to say that the best initiatives in well-run schools stem from the school itself, some local, municipal or NGO initiative, or some specific support project. Paradoxically, therefore, education is decentralized in practice within the context of a highly centralized system where only half-hearted efforts are being made to deconcentrate functions to local education authorities.

In these circumstances, planning and follow-up efforts have not led to flexible, responsive systems. Successive Governments have looked in vain for a way of using two-way planning with schools to integrate actions and endow them with consistency. This has not worked because conceptual clarity has been lacking, and the efforts that have given the best results have tended to be part of projects needing to be implemented rather than sound policies and strategies consistent with development planning legislation at the subnational levels.

To take a concrete example, the last administration executed three credits, two from the IDB (IDB 1000 and 1069) and one from the World Bank (3497), which had major institutional strengthening components. One of the strongest elements of these projects was the strengthening of rural schools with a view to decentralizing funding and not just responsibilities. At a time when the Government was clashing with teachers' organizations over pay, the Ministry of Education made a great effort to organize, train, legalize and transfer funds to 4,000 schools by creating the Local Education Development Associations (ADEL) in traditional rural schools. Over 1,400 PROHECO schools were organized, expanding the 1,028 that existed before the administration took office to over 2,400. All these schools were to receive support following the development of a basic planning system under the School-based Education Project (PEC). There was no clear idea (or at least none took hold) of how this PEC stood in relation to the higher authorities, how it was going to operate, and what its relationship with ADEL and PROHECO was going to be. Notwithstanding positive impacts as funds began to be received and invested by the neediest schools and their communities, these efforts did not crystallize into a decentralization policy. With the change of administration, PROHECO continued to operate because it essentially deals with schools created by parents and is protected by a programme, whereas ADEL did not form part of any consistent strategy and was disliked by the new authorities and the teachers' organizations because of its orientation towards "privatized education", so that it was not given the necessary continuity. EFA Plan specialists, among whom the cooperating partners should be included, are still confronted with the question of how EFA is to reach schools. Why not build on these existing efforts, which permit rapid, direct decentralization to the very schools whose education indicators (EFA commitments) are lowest?

Despite the example cited (and there are others), the Ministry of Education has made substantial efforts to improve planning and follow-up procedures. These efforts have generally stemmed from projects or project components, but they have not always been aligned or given the necessary institutional structure. Over the last seven (7) years, for example, there have been at least two

25. The country is divided into 18 departments containing 298 municipalities, most of them rural, which are still home to more than half the population. Almost 15,000 schools have been registered, of which over 65% are single- or dual-class (with two basic cycles, i.e. from first to sixth grade).

strategic planning exercises in the departmental education authorities. These were major efforts oriented towards capacity development, but they suffered, once again, from a medium-term outlook: (i) when the departmental education authorities changed, these efforts came to nothing, and (ii) the planning exercises conducted have not been formalized by any institutional legal framework, i.e. they have no prescriptive force.

Generally speaking, the cooperating partners have made major capacity development efforts, but these have been confined almost exclusively to projects and project components. On occasion there has been very considerable duplication of efforts in this area, and when harmonization has taken place it has owed more to project leader personalities and informal coordination than to consistent strategies. One example of such coordination was the sharing of the strategy of an IECI project in the area of Spanish with JICA so that the latter, working in conjunction with the Ministry of Education, could carry out its own work in the area of mathematics.

Another example, and a crucial one for the development of the EFA Plan, has been the implementation of the Basic National Curriculum (CNB). The haste to get the CNB to schools, as an education policy, led in 2004 and 2005 to “cascade training” activities, with teams going from the centre to the local education authorities with the idea that those attending these events would pass on what they had learnt down the chain. Everyone with knowledge of that experiment now acknowledges the failure of “cascade training” and agrees on the need to implement a National Integrated Training Plan run by the appropriate body, which is the National Institute for Education Quality Research (INICE), answering to the Ministry of Education, and to put in place a system for coordinating and prioritizing training efforts. On numerous occasions, projects, NGOs and others have gone out into the field to “train” and caused specialists and teachers to lose hours and/or days of classroom time without coordinating these actions in any way or, on many occasions, even notifying the authorities, whether at the central or deconcentrated level.²⁶

Thus, for the cooperating partners’ support to be aligned with capacity development efforts, the Ministry of Education first needs to establish a basic strategy and commit itself to following it. On many occasions, “technical assistance” provision has become mired in coordination problems and exacerbated yet further the lack of clear direction. In other words, the authorities find it hard to say no to a capacity development offer that is free and that may serve to increase the capabilities of their staff (in the form of seminars, workshops and training events). Usually, it must be said, these offers are not part of a deliberate plan with a longer-term outlook.

V.2 Capacity development challenges in the education sector

To begin with, there are two major challenges for capacity development in the education sector:

- First, the capacity development process needs to be tied in with a broader strategy that at present, the EFA Plan and a Sectoral Plan notwithstanding, is not really in place. The question as to what structure a modern education ministry requires and what type of functions and capabilities need to be strengthened is not asked. On occasion, cooperating partners tend to become impatient with low execution levels and disappointingly slow progress and back ad hoc strategies that do not contribute to capacity development in the institution responsible for managing processes (Ministry of Education), with all the lack of process empowerment this implies. To give an interesting example, the EFA Strategic and Technical Committee (CET-EFA) was created in 2004 with a view to its moving towards the Ministry of Education once the process was under way. What was created with CET-EFA was in fact a parallel structure, with little or no involvement by Ministry of Education units. This is why the cooperating partners pressed for an amendment to the framework MoU, designed precisely to ensure that EFA would be fully integrated into the Ministry rather than continuing to be owned by a group of specialists outside it. Exercises of this type, involving

26. The EFA Plan diagnosis states that there are 110 days of actual classes a year on average, well below the international standard of 200.

the creation of parallel units with no legal existence or responsibility, create a good deal of unease: they generally operate outside the Ministry and have the infrastructure they need, specialists there are paid more than those working in the Ministry, and they do not have to deal with the State bureaucracy. They form enclaves with the potential for political influence in appointing activists who, needless to say, do not always have the specialist profile expected.

- Again, capacity development must involve measures to strengthen the Ministry of Education institutionally. What does this mean? It means respecting the current institutional arrangements, i.e. their current structures and functions, without generating parallel organizations and, vitally, it means creating the organizations that are needed at the subnational level to connect up the education system. According to the interviewees and the evidence of empirical analyses, this means strengthening the departmental education authorities. Five (5) staff positions are currently budgeted for in these. All other staff are on secondment, being taken from schools, where they may be employed in teaching and/or administrative positions. Thus, virtually all posts of a technical character (such as the specialist pedagogical units in the departmental education authorities) are held by staff borrowed from schools. What happens when the director of the department or, come to that, the government changes? Most if not all staff return to their normal duties. These staff have been trained, attended motivation and professionalization sessions, toured other departments and/or countries and participated in planning exercises and then, after two (2) or four (4) years, left the departmental education authority concerned. This is obviously a fundamental problem for any effort to implement initiatives in the sector, and the system is unlikely to become really connected until some concrete solution to this is found.

CHAPTER VI: SUMMARY OF THE MAIN LESSONS LEARNED

Implementation of the EFA initiative in Honduras has been a great learning experience for everyone involved: the Government, past and present sectoral authorities, and the cooperating partners. What are some of the lessons learned from the documentary information and the insights of those who have been directly involved?

In the first place, determination and enthusiasm are not always seconded by administrative schedules and the realities of harmonization and alignment. The funds offered to the EFA Plan by the cooperating partners were very substantial to begin with (\$89 million for the first three years, for example), but the availability of these funds, the difficulty of getting them to their destination and the cumbersome procedures for executing them were a problem that delayed planning and the implementation of the Plan in general.

In the second place, ownership and, most particularly, leadership are essential for real harmonization and alignment. Cooperating partners' room for manoeuvre is constrained where there is conceptual clarity, strategic vision and an open invitation on the part of government. The track record of the EFA Plan in Honduras shows that the less leadership the Ministry of Education has shown, the more harmonization and alignment efforts have tended to dissipate.

Third, it is essential that the information be available to establish commitments (goals) and identify realistic, conservative baselines that can be used to properly follow up and evaluate the impact of actions, and this is something the competent authorities cannot externalize or relegate; rather, there needs to be a constant effort to strengthen it.

Fourth, any process that follows the logic of a SWAp, or a PBA, needs to allow for long coordination times (a year or two) to create coordination mechanisms and, more precisely, mechanisms or forms of financing to collect money and administer it in accordance with a consistent timetable of disbursements, among other issues. Before the Plan begins, these instruments need to be aligned with national legislation and procedures and not with an extra-national body (such as the World Bank), however tried and tested they may be.

Fifth, the basic nature of the Plan must be very clearly identified from the outset, under the leadership of the State partner (the Government, ministerial authorities). Is it meant to fill in gaps? Is it an overarching Plan meant to systematize and project what is already happening? Or is it rather an initiative that is reshaping everything and for which new components are being created?

Sixth, progress with the harmonization and alignment of cooperating partners means treating Plan activities as sectoral and/or subsectoral initiatives. Initiatives of this type cannot be treated as if they were just another traditional project. They require a new lucidity and a new way of working, with no place for cooperating partners to impose themselves and their conditions.

Seventh, any kind of support of a technical nature needs to be designed to strengthen the requisite technical capabilities of the units legally and institutionally empowered to operate a policy or plan. Experience shows that parallel structures sooner or later have three perverse effects: (i) they usually inhibit process empowerment in the very administrative structures responsible for ensuring sustainability, (ii) they result in demotivation and unease among the line staff responsible for giving continuity to these initiatives, as these work under different pay and infrastructure conditions but have increasingly heavy responsibilities, and (iii) the creation of parallel structures to run initiatives such as EFA opens the way to a range of political problems, such as the paying of political favours.

LIST OF ACRONYMS

Acronym	Meaning
ADEL	<i>Asociación de Desarrollo Educativo Local</i> (Local Education Development Association)
AECI	<i>Agencia Española de Cooperación Internacional para el Desarrollo</i> (Spanish Agency for International Cooperation)
AECO	<i>Asociación Educativa Comunitaria</i> (Parent School Association)
AMHON	<i>Asociación de Municipios de Honduras</i> (Association of Municipalities of Honduras)
ANED	<i>Asociación Nacional de Ex Becarios</i> (National Association of Former Scholarship Holders)
AOP	Annual Operating Plan
CEB	<i>Centro de Educación Básica</i> (Basic Education Centre)
CET	<i>Coordinación Estratégica y Técnica</i> (Strategic and Technical Coordinating Committee)
CIDA	Canadian International Development Agency
DDE	<i>Dirección Departamental de Educación</i> (Departmental Education Authority)
EFA	Education For All
EFA-FTI	Education For All Fast Track Initiative
FONAC	<i>Foro Nacional de Convergencia</i> (National Convergence Forum)
IDB	Inter-American Development Bank
INICE	<i>Instituto Nacional para la Investigación de la Calidad Educativa</i> (National Institute for Education Quality Research)
JICA	Japan International Cooperation Agency
MERECE	<i>Mesa Redonda de Cooperantes Externos en Educación</i> (International Cooperating Partners' Education Round Table)
MoU	Memorandum of Understanding
NGO	Non-governmental organization
PEC	<i>Proyecto Educativo de Centro</i> (School-based Education Project)
PROHECO	<i>Proyecto Hondureño de Educación Comunitaria</i> (Honduras Community-based Education Programme)
PROMEB	<i>Proyecto Mejoramiento de la Calidad de la Educación Básica</i> (Basic Education

	Quality Improvement Project)
PRSP	Poverty Reduction Strategy Paper
SIAFI	<i>Sistema Integrado para la Administración de Finanzas</i> (Integrated Financial Administration System)
SIDA	Swedish International Development Cooperation Agency
UCPP	<i>Unidad Coordinadora de Programas y Proyectos</i> (Programme and Project Coordinating Unit)
UPN	<i>Universidad Pedagógica Nacional</i>
USAID	United States Agency for International Development
WB	World Bank

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ANNEXES

ANNEX I

Education for All Global Monitoring Report 2009

Terms of Reference for Honduras case study of government and donor efforts for improved aid effectiveness in the education sector

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Background and context

The Education for All Global Monitoring Report (GMR) annually assesses progress towards the achievement of the six goals of Education for All agreed at the World Education Forum in Dakar in 2000. The Report aims to inform and influence education and aid policy through an authoritative, evidence-based review of progress and a balanced analysis of critical challenges facing countries. It is the result of a broad research exercise, including gathering evidence from background papers prepared by researchers and institutes around the world. Six reports have been published thus far: *Is the World on track?* (2002); *Gender and education for all: The leap to equality* (2003/4); *The Quality imperative* (2005); *Literacy for life* (2006), *Strong foundations, early childhood care and education* (2007), and *Education for all by 2015. Will we make it?* (2008). All reports can be consulted at www.efareport.unesco.org.

The 2009 Report will provide a comprehensive and comparative picture of the role of governance, management and financing for the achievement of the EFA goals, particularly as regards overcoming inequality and exclusion. The specific objectives of the thematic part of the Report are to:

- identify different models of governance, management and financing of education systems across the world and examine the inter-play between education, poverty and other dimensions of human development;
- provide an analytical framework and global mapping for the discussion on governance, management and financing of education. The framework aims to structure the discussion and to show the linkages between governance, management and financing for the achievement of EFA;
- synthesize international research on critical factors contributing to a well-functioning education system, in terms of governance, management and financing, and on factors affecting inequalities in access and quality;
- critically examine actual reforms, policies and practices in the GMF of education and discuss actions needed by governments, civil society and international agencies in terms of governance, management and financing of education systems;
- examine different models of aid to education systems and to analyse receipting government and donor efforts for more effective aid to education, in fragile and less fragile country contexts.

Terms of Reference

To contribute more effectively to the achievement of Education for All, the Dakar Framework for Action in 2000 called upon donors to better coordinate their aid and to strengthen sector-wide approaches. More recently, in 2005, the Paris declaration pointed to ownership, alignment,

harmonization, managing for results and mutual accountability as key principles and stressed the importance of capacity development for the work towards more effective aid.

The implementation of the key principles of the Paris declaration implies major shifts in the way development cooperation is managed and delivered in different country contexts. The sector-wide approach (SWAp) can be seen as a way to make the principles of the Paris declaration operational at the sector level by promoting coordinated support for nationally owned education sector or sub-sector programmes and more extensive use of national systems. The underlying assumption is that using national systems for the planning, implementation and monitoring of aid will help improve these systems.

The EFA Global Monitoring Report 2008 notes a declining share of project aid and increasing programme support to education sectors since 2000. The Report highlights some country and donor experiences in moving towards sector-wide approaches and points to some of the challenges involved. It is noted that while more governments and donors have adopted the sector-wide approach, the necessary initial conditions of national ownership and sufficient national management capacity hinders the use of this approach in other countries. For the countries that have adopted the sector-wide approach, the process does not automatically imply more effective aid. Various country experiences show that for improved harmonization and alignment, national governments need to be fully involved and be willing to develop new capacities. For a variety of reasons, these conditions are not always present.

In recent years, a couple of large-scale evaluations have emphasized the need for each partner country, together with the present donors, to find its own way forward for improved aid effectiveness. It has been stressed that reliance on blueprints that are 'copied' across different country contexts can be harmful to aid effectiveness (IDD and Associates, 2006; Netherlands Ministry for Foreign Affairs, 2003).

The assignment

The 2009 Report, with governance, management and financing of EFA as special themes, intends to further explore issues of **aid** governance, management and financing. Country efforts for improved aid effectiveness will be a central aspect of this analysis.

The main purpose of the case study is to examine critically how the government and donors have improved aid effectiveness in the education sector and what barriers there are for further progress. The GMR team is particularly interested in examples that examine the **dynamics** between in-country stakeholders (in particular national government bodies, donors, civil society) that have contributed to or hindered improved aid effectiveness. Although each country context differs, the overall question is from recent experiences what lessons can be drawn about key elements for improved aid effectiveness in education sectors.

In the introduction, the study should **briefly** describe:

- the share of aid in the financing of the education sector;
- which aid modalities (project, pool/basket fund, sector budget and general budget support) are used by donors in the education sector, including their amounts and relative shares.

Thereafter, the following areas and guide questions should be considered in the study:

Ownership – The term implies that the government is in the “driving seat” and exercises leadership over education sector development, including coordination of donor support.

- How has the government exercised its leadership in developing, implementing and monitoring its education sector (or sub-sector) programme?

- What influence have donors had on education policies and programmes (including examples)? What characterizes the dialogue between the government and donors? Are there instances of donor priorities being added to the education sector plan? Has the donor influence changed in recent years and in that case how, and why?
- Has the development of a sector-wide approach helped or not to strengthen the government's capacity to exercise its leadership of education sector development?
- What kinds of conditionalities have been used by donors for their support to the education sector and what has been the impact of conditionality on national ownership? Have patterns of conditionality changed over time?
- What are the major challenges in relation to the government's ownership of education sector development?

Alignment – Donors use and adopt the country's education sector plan as the basis of their support and use the government's systems and procedures for channelling their financial support and for monitoring the performance of the education sector.

- Do the government and donors differ on the priorities they give to different aspects of the education sector programme, for example during review missions? Please provide examples.
- To what extent do different donors use the country's system and procedures, especially the budget and the budget cycle, for their aid management and how has this changed since 2000? Please note differences among the present donors.
- What have the implications been of the use of the country's systems and procedures? Has it contributed to improved sector management? Or has it rather put too much pressure on national capacities? What has been the effect on transaction costs for the government as well as for donors?
- What concrete efforts have been made to make education aid flows more predictable? What are the results and remaining challenges?
- How effective has the sector-wide approach been in contributing (for example through policy dialogue and additional finance) to reduced education disparities in the country? Please provide examples.

Harmonization – The use of common donor arrangements for managing aid.

- What steps have been taken since 2000 to use common arrangements among donors for planning, funding, disbursement, reporting, monitoring and evaluation?
- What has been the effect of using these common arrangements on transaction costs, for the government as well as for donors?
- What are the major achievements and remaining challenges for more harmonization across donors in the education sector?

Capacity development – The efforts of individuals, schools/learning centres and the education system as a whole to improve their ability to manage education more effectively.

- What priority does the government give to improved planning, implementation and results monitoring of education policies and programmes and how are improvements being made?

Annex I

- How is donor support for capacity development provided and to what extent have donors aligned this support with government priorities?
- To what extent is donor support for capacity development harmonized?
- What are the major achievements in relation to capacity development and what challenges remain to be addressed?

The study should draw on existing government and donor documentation, including agreed minutes from review missions, and existing evaluations and studies. In addition, interviews should be conducted with government officials, bilateral and multilateral donor agency representatives and civil society representatives.

Output

The assignment is expected to result in a report of no less than 7000 words including a 200 word executive summary, excluding tables and references. The report should be structured as follows:

- Executive Summary;
- short introduction which outlines the focus and methodology of the study and aid volumes and aid modalities used in the education sector;
- a section on each area (ownership, alignment, harmonization, capacity development) identified in the TORS;
- a concluding section summarizing the main lessons emerging from the study.

A full reference list is to be attached to the study. The study will be written in Spanish.

The study should include as many **concrete examples** as possible.

Deadline: First draft by 31st March 2008, final draft by 18th April 2008.

Fee: \$8,000 upon approval of the final draft.

ANNEX II

UNESCO Education for All Monitoring Report 2009 – Case Study Honduras

Information gathering instrument for key informants

1. What is or has been your relationship with the EFA Plan, and in what period or periods?
2. What can you tell us about the origins of the EFA-FTI initiative in Honduras, in terms of the following?
 - (a) nature of the invitation to the country (when and how issued);
 - (b) preparation of the national proposal (relationship with PRSP, sectoral plan, MDGs, etc.);
 - (c) role of international cooperation agencies in the process;
 - (d) level of participation by other key actors in the sector (Honduran specialists, teachers' organizations, teachers, parents, students, universities and institutes of higher education).
3. Looking back to the first steps, please give us your views on the early stages of Plan implementation (reference to 2003 18-month Plan and the drafting and signing of the framework MoU of September 2003 and the fiduciary MoU of June 2004).
4. As the initiative has been implemented, what in your experience has been the degree of Plan ownership by governments in respect of the following:
 - (a) characteristics of the dialogue between government and donors. Influence of donors on education policies and programmes (examples) and changes in this;
 - (b) consideration of donor priorities in the education sector plan;
 - (c) has implementation of the sector-wide approach (SWAp) helped enhance the ability of governments to exercise leadership in the development of the education sector?
 - (d) what conditions have donors attached to their support, how have these changed and how have they affected national ownership?
 - (e) challenges for governmental ownership in education sector development.
5. Alignment:
 - (a) examples (from reports, evaluations, joint reviews) where donors and governments have differed over priorities in the sector;
 - (b) use of the country's systems and procedures by donors to administer their support, and how this has changed since 2000;
 - (c) implications of the above in terms of whether the running of the sector has improved, or national capabilities have been overstrained. Effects in terms of transaction costs for both the Government and cooperating partners;

Annex II

- (d) specific efforts deployed to make the flow of cooperation assistance more predictable (outcomes and challenges);
 - (e) examples of how the SWAp has helped reduce educational disparities in the country.
6. Harmonization:
- (a) examples of arrangements entered into among donors since 2000 for the purposes of planning, disbursement, reporting, monitoring and/or evaluation (MERECE, MoU);
 - (b) effects of these common arrangements on transaction costs, both for the Government and for donors;
 - (c) achievements and pending challenges in the effort to harmonize education sector donors.
7. Capacity development:
- (a) government priorities for improving planning, implementation and monitoring of education programme and policy outcomes, and how these have been established and implemented;
 - (b) donor support for capacity development (technical assistance) and degree to which this support is aligned with governmental priorities and to which donors are harmonized;
 - (c) main achievements and challenges in the national capacity development effort.
8. Going by your experience and knowledge, to what extent do you think EFA-FTI has:
- (a) penetrated to the deconcentrated level, particularly the country's schools?
 - (b) had an impact in terms of products generated and progress with Plan components, indicators and goals?
9. What in your view are the main lessons from the implementation of the EFA Plan, for the country and for the education sector cooperating partners involved?
10. What recommendations would you make for reorienting Plan efforts in view of the commitments entered into (goals), considering the new situation?

MANY THANKS FOR YOUR VALUABLE ASSISTANCE

ANNEX III**UNESCO Study
List of people interviewed**

Name	Position	Date held
Elia Del Cid	Former Vice-minister of Education	25/02
Vilma Pagoaga	Former head of EFA-FTI	25/02
Anaín Romero	Former head of EFA-FTI finances	11/03
Daliver Flores	Current head of EFA-FTI	11/03
Ibis Boquín	Former director of the Planning and Evaluation Unit, Honduran Ministry of Education	06/03
Mia Rimby	Head of education and health matters, Swedish International Development Cooperation Agency (SIDA)	26/02
Jeffrey Lansdale	Former World Bank EFA-FTI coordinator. Now deputy director of the USAID MIDEH-Honduras project	05/03
Inés Antón	Education specialist at the Spanish Agency for International Cooperation (AECI)	05/03
Evelyn Rodriguez	Head of education, USAID	27/02
Lidia Fromm	Education specialist working for the World Bank in Honduras	07/03
Dolly Moruja	Representative of the Organization of Ibero-American States (OEI) in Honduras	04/03
Miriam Rojas	Assistant, education specialist, EFA programme, GTZ	03/03
Nieves Alvarez	Head of EFA programme, GTZ	26/02
Mayra Pérez	Assistant, EFA pooled fund and International Cooperating Partners' Education Round Table	26/02
Gloria Palacios	Education advisor, Vice-ministry of the Presidency	27/02
Ricardo Morales	Education specialist, Universidad Pedagógica	25/02
Josefina Gamero	Education specialist, FEREMA foundation	03/03
Ana Berta Rodríguez	Honduran National Business Council (COHEP)	05/03