

**Preparation of the Education
Sector Development Program in
Ethiopia**

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Abbreviations

ADB	African Development Bank
ADEA	Association for the Development of Education in Africa
ARM	Annual Review Meeting
DfID	Department for International Development
EMA	Educational Media Agency
EMPDA	Educational Materials Production and Distribution Agency
ESDP	Education Sector Development Program
EU	European Union
GOE	Government of Ethiopia
HSDP	Health Sector Development Program
ICDR	Institute of Curriculum Development and Research
IDA	International Development Association
JDTAM	Joint Donor Technical Assistance Mission
JRM	Joint Review Mission
MEDAC	Ministry of Economic Development and Cooperation
MOE	Ministry of Education
MOF	Ministry of Finance
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
NOE	National Organization for Examinations
PAP	Program Action Plan
PER	Public Expenditure Review
PHRD	Policy and Human Resources Development (Project)
PIM	Program Implementation Manual
PMO	Prime Minister's Office
PPD	Planning and Projects Department
REB	Regional Education Bureau
SDP	Sector Development Program
SID	Sector Development Program Implementation Document
Sida	Swedish International Development Cooperation Agency
SIP	Sector Investment Program
SNNPR	Southern Nations, Nationalities and Peoples Region
SSDP	Social Sector Development Program
TA	Technical Assistance
TESD	Teacher Education and Staff Development
TOR	Terms of Reference
TVET	Technical and Vocational Education and Training
WB	World Bank

Introduction

No executive summary is included in this report because the main issues and findings are summarised in sections 4 and 5. For readers wishing to efficiently capture the results of the study, our advice is to refer directly to these sections. However, it is pointed out that to do this the reader will miss out upon the deepness of the experience described in sections 2 and 3, and that without this the analysis that underlies the summary and lessons contained in sections 4 and 5 will lack full meaning.

Purpose of the Study

On 3rd and 4th November 1998 the Government of Ethiopia and representatives of Donor agencies, active in education and health sectors in Ethiopia, held extensive consultations at Debre Zeit (this meeting is hereafter referred to as Debre Zeit II). This marked the culmination of a preparation process which had led to the development of the Ethiopian Education Sector Development Programme (ESDP). The ESDP is the first five-year phase of a 20-year programme aimed at increasing access, improving quality, increasing effectiveness, achieving equity and expanding finance at all levels of education within Ethiopia.

For the institutions and individuals involved in the ESDP preparation, the planning process was fundamentally different from their previous experience. It covered all sub-sectors of education within Ethiopia from primary through to tertiary. All donors¹ actively participating in education in Ethiopia were eventually involved with the preparation of this programme. The cooperation and coordination between all interested parties and the strong leadership and ownership demonstrated by the Government of Ethiopia constituted a singular set of preconditions. From beginning to end the preparation of ESDP documents and plans was mainly carried out by Ethiopian authorities and agencies. Donor support, in the shape of multi-donor technical assistance missions, was provided to assist and advise in this process, but not to control it.

Throughout the preparation there was a growing consensus, expressed by many participants, that there were important lessons being learnt, and that these were worthy of recording for the benefit of others involved in similar exercises in the future. Several participants towards the end of the preparation period raised the idea of systematically recording and assessing the process.

1. Throughout this document we adopt the convention of using the term 'donor' to refer to all funding agencies, even though institutions such as the development banks are not strictly speaking donors.

This report records the results of a self-assessment of the ESDP preparation by all those who were involved most closely. The study was carried out in a participatory fashion in order to provide all participants—Ethiopian stakeholders, donor representatives and consultants—an opportunity to reflect and contribute their views on the design and preparation of the ESDP. Our aim has been to tap this collective experience and attempt to draw lessons and principles relevant for future preparation and implementation of sector development programmes. More specifically, the aim of the study has been to:

- record the preparation process of ESDP;
- identify those conditions special to the Ethiopian experience and those which might apply more generally;
- identify and reflect on the positive aspects gained in Ethiopia;
- identify and reflect on the most important unresolved issues or areas conceived as problematic arising from the ESDP preparation process;
- draw lessons and principles that might be valuable for future development of the ESDP in Ethiopia, or other sector development programmes elsewhere.

In a broader perspective, we note that existing analyses of sector development programmes (SDPs) or sector investment programmes (SIPs), whether in education or in other sectors², have typically been more concerned with the aims and principles that characterise the sector wide approach, rather than with an analysis of experience gained in preparation of such programmes. These analyses are thus more focused on the structures and formal procedures designed for the implementation of SDPs than on the micro-level processes, largely unplanned and unrecorded, through which the programmes have been designed. Some papers that take stock of the experience gained with SDPs, particularly in the health sector, do pay greater attention to the issues at micro-level (Cassels & Janovsky 1997, Pavignani & Duraó 1998, Oxford Policy Management 1997). The former Minister of Education of Ghana (Sawyerr 1997), writing for ADEA, also gives an account of the micro-level processes involved in moving towards a sector wide approach, from an insider's point of view. The study of the ESDP preparation in Ethiopia is thus a contribution to this relatively neglected area of analysis.

The preparation process in Ethiopia was characterised by flexibility and context-sensitivity. We believe that this approach significantly contributed to the positive achievements of the process. Consequently, the aim of this study is not to provide a blueprint for preparing other ESDPs, but rather to highlight general principles and issues that might prove of importance.

A self-assessment by people who were intensively involved in ESDP preparation obviously has one major shortcoming—that of being subjective and circumscribed in its perspective. We acknowledge that an independent evaluation by “outsiders” would be more objective. However, it is our view that there are valuable insights and reflections that can only be contributed by participants in the process,

2 For example: Jones 1997, Okidegbe 1997, Cassels 1997, Education Experts of the EU 1997, DANIDA 1998.

and that these are equally important in understanding the positive achievements, and identifying different approaches which might have facilitated further achievements.

Finally, it is important to note that many of the ideas for improving the process, included in this document, were generated with the luxury of hindsight. Many conclusions that have become obvious in retrospect were either not discernible or not sufficiently developed to actualise during the preparation process.

Conduct of the Assessment

The methodology used during the assessment combined several parallel data gathering approaches aimed at facilitating contributions from all participants in the ESDP preparation.

The views of the Ethiopian stakeholders were mainly gathered through interviews, conducted during visits to the Regions or in Addis Ababa. In all, representatives of eight Regional Education Bureaux (REBs) were interviewed, either individually or in small groups. A pre-selected list of questions (Annex 1) was used as a basis for structuring these interviews. However, interviewees were actively encouraged to raise issues that they themselves found most relevant, even if these fell outside of this pre-designed agenda. Three regions could not be directly contacted, and these were sent the list of questions and invited to respond in writing. One out of the three contributed through written answers. Three group discussions were also organised with representatives of the Central institutions:—one for the representatives of the PMO, another for the representatives of the PPD of the MOE, and a third for the representatives of other departments of the MOE and the central education institutions (ICDR, EMA, NOE etc³). These discussions used the same interview format as for the Regions.

The views of the technical specialists and donor representatives who participated in the three Joint Donor Technical Assistance Missions were also sought. For this purpose, the list of interview questions, used with the Ethiopian stakeholders, was modified slightly. Some were interviewed in person, and others were invited to contribute in writing. Altogether, 16 out of the 34 TA mission members provided their comments and views.

A one day Donor Forum was held in Addis Ababa in November 1998 immediately following the Debre Zeit II meeting. Eighteen representatives of 10 different international development agencies participated. A senior MOE representative took part as an observer. All participants had either already been involved in ESDP preparation or will be closely involved with the implementation of the ESDP in the future. The Donor Forum was divided into group discussions and plenary sessions. Group discussions were conducted according to a pre-designed agenda

3 A full list of Central Institutions and their acronyms are given at the beginning of this document.

that focused on lessons learnt from the ESDP preparation process, and unresolved issues affecting its eventual implementation. In addition, brainstorming during plenary discussions generated ideas and contributed to further development of the framework for the assessment. In particular, as a direct result of a suggestion made at the Donor Forum, it was decided to commission a study to explore the processes which led to the decision to embark upon the preparation of an ESDP. This study covered the period from the 1994 Education and Training Policy and Strategy by the Government of Ethiopia, to the presentation of the ESDP proposal document at Consultative Group meeting in 1996 (see **Annex 2**).

A draft of this report was circulated to selected participants for comment and several important points were raised which contributed significantly to the final report.

Contents of the Report

A condensed factual description of the ESDP preparation process is given in **section 2** of the report. It describes the organisation and phases of the preparation mainly based on existing documentation. **Section 3** reports on the different, at times conflicting, perceptions of the process as viewed by its participants. These are drawn from the results of the interviews, written feedback and discussions with the participants at the Donor Forum. **Section 4** summarises achievements so far in the ESDP process in Ethiopia, and describes the main unresolved issues. Finally, **section 5** contains the lessons and principles that emerge from the study, for the implementation and further development of the ESDP in Ethiopia, and—as far as possible—for other ESDPs in Africa.

Description of the ESDP Preparation Process

Principle Events in the Preparation

The ESDP preparation can be divided into three phases, each of which include several significant events. These are listed below:

Initiation Phase

- 1994
 - Education and Training Policy and Strategy prepared by the Government of Ethiopia
 - Education Master Plan (20 yrs) prepared by MOE
 - Short-Term Education Plan (5yrs): Major Intervention with Focus on Primary Education prepared by MOE
- 1995
 - Education Sector Investment Programme prepared by an Ethiopian consultant assigned by the PMO
- Dec, 1996
 - Submission of ESDP to Consultative Group meeting in Addis Ababa
- March, 1997
 - Debre Zeit I: “Government-Led Workshop on Ethiopia Social Sector Investment Programs and Indicative Budget Support by Donors”

Mission Phase

- May, 1997
 - First Joint Donor Technical Assistance Mission
- Sept-Oct, 1997
 - Second Joint Donor Technical Assistance Mission
- Jan, 1998
 - Study on “Implementing Sector Development Programmes in Ethiopia”
- Feb, 1998
 - Third Joint Donor Technical Assistance Mission · First draft of Programme Action Plan (PAP)

Post Mission Phase

- May, 1998
 - Study on “Harmonising Requirements and Procedures among Potential Funding Agencies Supporting Education and Health Sector Development Programmes in Ethiopia” focusing on monitoring, reporting, reviews and evaluations
- Sept, 1998
 - Study on “Financial Reporting System on the Use of Donor Funds” · First complete version of PAP
- Oct, 1998
 - Programme Implementation Manual (PIM)
- Nov, 1998
 - Debre Zeit II: “ESDP / HSDP Government of Ethiopia / Donor Consultations”

A common feature throughout the different phases was the strong leadership asserted by the Government of Ethiopia. The three phases differ from each other in terms of donor involvement, and in terms of level of donor coordination. The initiation phase led to the development of a national policy and strategy, with active participation by Ethiopian institutions, but minor involvement of the donor community. The mission phase was characterized by intensive Government-donor cooperation, and active, coordinated participation of the whole donor community led by the WB. All donors also participated in the post-mission phase but in comparison to the mission phase, coordination within the donor community was looser. During this phase the Government and the WB worked closely together to fulfill the conditions for the USD 100 million IDA credit. This work included preparation of the first complete version of the PAP, production of the PIM and development of the financial management system. Preparations for a Memorandum of Understanding (MOU) were also initiated by Sida and, while this process was initially open to all donors, a new sub-group emerged which was particularly interested in assisting the MOU to address the issues outstanding in relation to disbursement through Government structures (“Channel 1” funding). WB and ADB did not participate in drafting of the MOU.

Parallel Preparation of the Health Sector Development Programme (HSDP)

In parallel to preparation of the ESDP, the Ethiopian Government was also undertaking the preparation of a Health Sector Development Programme (HSDP). Many major Government/Donor meetings, and all of the supporting studies and design work for implementation, were shared by ESDP and HSDP. The ESDP preparation was scheduled to proceed a step ahead of the HSDP, and as a result many important lessons learned in the ESDP work were able to be immediately reflected in the HSDP.

Education Sector Review and Studies by the Policy and Human Resources Development Project (PHRD)

The bulk of the analysis that preceded the preparation of the ESDP was produced and facilitated by the Policy and Human Resources Development (PHRD) project. This project was carried out in collaboration between the Government and the WB and was funded by a Japanese Government grant. The PHRD project was a reaction to the need for accurate and comprehensive information in health, population and education to create the basis for implementing changes in the social sectors. The studies developed by the project generated primary data through household, institutional and community surveys, and combined this with secondary data from

central and regional institutions and previous studies. The majority of the work was carried out by local staff and consultants, with some assistance from international consultants. Altogether nine separate education sector studies were produced by the PHRD, including the following topics:

- Access to and supply of educational facilities,
- Demand and supply of educational manpower: Alternative scenarios,
- Private and social returns to education,
- Demographic analysis and population projections,
- Household demand and schooling,
- The role of NGOs and private sector in social services delivery,
- Cost and financing of education,
- Community consultation and participatory development, and
- Cost effectiveness of key inputs in education.

Initiation Phase

A detailed description of the initiation phase 1994–96 is included in the full report of the Ethiopian experts in **Annex 2**. It describes the background of the ESDP in the context of the overall situation in Ethiopia and in relation to the general policies and priorities of the Transitional Government.

The Education and Training Policy of 1994 was the basis for the ESDP. Following this endorsement of the policy, the Ministry of Education commenced preparation of plans for its implementation. Two plans were prepared in 1994: the 20-year “Education Master Plan” and a 5-year “Short-Term Education Plan: Major Intervention with Focus on Primary Education”. To carry on the work resulting from these plans, in 1995, the PMO commissioned an Ethiopian consultant to prepare a more comprehensive Education Sector Investment Programme. In 1996, after the Government had approached the World Bank for support in final editing of the document, the ESDP was presented to the Consultative Group meeting in Addis Ababa.

Annex 2 also addresses the reasons why the Government decided to launch a sector-wide programme instead of adopting a more traditional project based approach. The Government’s initiative should be seen in the context of the economic liberalisation that had already started to pay dividends, and Ethiopia’s commitment to the global social development strategies simultaneously being discussed in the international arena. The problems in education in Ethiopia were massive, and isolated projects were felt to provide an inadequate strategy for improving the situation. The results from evaluations of donor supported projects had also pointed to several short-comings inherent in the project-approach. Finally, the Government’s cooperation with UNDP in the evaluation of UNDP’s Fourth Country Programme, and for preparations for the Fifth Programme, significantly contributed to the perception that a programme-approach might offer significant advantages.

Mission Phase

Between May 1997 and February 1998, three multi-donor missions visited Ethiopia to assist with the preparation of the ESDP. Each of these missions was approximately 3 weeks in duration and was composed as follows.

◆ Composition of Mission Team

From the outset the Mission team was split into 11 technical components:

- Curriculum Development;
- Teacher Training;
- Distance Education;
- Educational Materials;
- Examinations and Learning Assessment;
- Non-formal Education;
- Technical and Vocational Education;
- Tertiary Education;
- Capacity Building;
- Civil Works, Equipment and Furnishings;
- Education Finance and Economic Analysis.

In addition there were also three cross-cutting components:

- Gender;
- Monitoring and Evaluation;
- Implementation.

The selection of the ESDP components was originally discussed and decided upon at Debre Zeit I⁴, and was based upon the new Education and Training Policy. The components were intended primarily as means of organizing the preparation dialogue, not to shape the structure or the management of the programme.

Sub-teams of international specialists were engaged to offer technical assistance within each of these components. Interested donors were invited to appoint specialists to one or more of these sub-teams and to act as lead donor in one component. The number of donors participating in the ESDP preparation grew from 11 in the first mission to 15 by the final mission⁵. As a consequence, the overall size of the preparation team on each mission was much larger than has been the norm in comparable exercises elsewhere—ranging from 19 on the first mission to 30 on the third mission. In all 34 technical specialists were involved in the three missions. Significantly, a core of 12 technical specialists was present on all three missions and a further 12 were present for two missions. Some of the

-
4. The “Government-led Workshop on Ethiopia Social Sector Investment Programs and Indicative Budget Support by Donors” was held in Debre Zeit in March 1997. This is now commonly referred to as Debre Zeit I.
 5. Donors involved in ESDP *missions*:—World Bank, European Commission, Sida, ADB, UNDP, UNESCO, UNICEF, DFID (UK), Ministry for Foreign Affairs (Finland), GTZ, Irish Aid, NORAD, JICA, Italian Cooperation, The Forum for African Women Educationalists.

donors used their own representatives as technical specialists but for the majority these specialists were independent consultants hired specifically for the ESDP and, as such, they were not empowered to act as official representatives of the donors. The WB in particular included several of its own employees as active members of the technical teams at various times. Although, many donors chose to also send their own representatives to act as observers at various points within the process, this gave the WB comparatively greater influence over the shaping of the ESDP. This state of affairs was further reinforced because the World Bank also took on the role of leadership of the preparation missions, at the behest of both the Government and the other donors.

It is worth noting that the large numbers of participants inevitably led to lengthy team meetings.

◆ Composition of the Ethiopian Teams

The Regional Teams

At the Regional level, each region was represented, during relevant mission events, by up to 4 members of the Regional Education Bureaux. These were usually the Bureau Head and/or the Head of Planning, plus one or more education specialists. Clearly, with such small teams, the regions could not match the full breadth of technical expertise represented in the Mission team and hence had to act as “generalists”. This put severe demands upon their individual expertise. Some components such as Technical and Vocational Education were relatively new to Ethiopia and few REB representatives had knowledge of the issues they entailed.

The Central Institutions

At the Centre, dialogue was carried out at a number of levels and with a number of different institutions and bodies. At a technical level the Mission teams liaised variously with ICDR, EMPDA, EMA, TESD, and other central education institutions and MOE departments. The Implementation and Finance Teams met regularly with their counterparts in the Planning and Project Department (PPD) of the MOE. Regular policy level discussions were also held between the Mission Team Leader, the Minister of Education and the Minister in Charge of the Social and Administrative Sub-sector of the Office of the Prime Minister.

Organisation and Conduct of the ESDP Joint Technical Assistance Missions

◆ Mode of Operation of the Mission Team

It is important to realise that the various sub-teams of technical specialists were not responsible for the preparation of the ESDP. With the exception of the

Programme Action Plan (PAP) and Programme Implementation Manual (PIM), all documents were wholly written by the various Ethiopian stakeholders. The role of the Mission teams was purely to evaluate the ESDP plans as developed by the Regions and the Ministry of Education, and to offer assistance and advice where required. Naturally, they also reported back to their respective agencies to inform the agency's decisions on ESDP funding.

◆ Mission 1

The first mission commenced with a one-day retreat in Addis Ababa: to brief Mission members on the background of the ESDP, to further define their tasks, to present them with first drafts of the five-year plans prepared by the Regions⁶, and to carry out preliminary assessment of these. This was followed by a series of meetings, over a period of 1½ days, with the various central institutions mentioned above. These meetings were essentially investigative in nature and helped Mission teams to form an initial picture of the existing educational structures.

Following this the Mission teams left Addis Ababa to carry out a series of three Regional workshops. The first of these was held at Bahir Dar and included representatives from Amhara, Tigray and Dira Dawa; the second was held in Awasa and was attended by representatives from SNNPR, Harari and Benishangul; and the third took place in Addis Ababa with Oromia, Addis Ababa, Somali and Gambella in attendance. The Afar Region was unable to attend any of the three workshops but their plan was available for mission members to review.

All three workshops took a similar format: with each Region taking turns to present its Regional plan, followed by comments and suggestions from Mission members and representatives from other Regions. In the final session of each workshop, the regions were given an opportunity to ask general questions of the team members, including questions concerning their relevant international experiences from other contexts. Each presentation and discussion took approximately 3 hours.

It would be fair to say that the quality of the Regional reports varied immensely. Although there were positive features to be found in all of them, none were judged ready for appraisal. In the limited discussions following each presentation, Mission members attempted to offer ideas and options for improving plans. A general set of guidelines, for improving both the structure and the content of these plans, was also developed by the Mission team.

Upon return to Addis, Mission teams revisited the various central bodies to discuss their findings and pose questions of a more focused nature. At this stage there was no Central plan outlining the role of the central institutions in the ESDP.

Mission Findings

The presentation of the findings for the first mission established the pattern for the following missions. The Aide-Memoire consisted of a set of general find-

6 Not all Regional plans were available at this stage.

ings that focused on identification of the best elements of the various Regional plans for inclusion by all. Suggestions were also given on elements that were missing from some of the Regional plans. These elements included:

- analysis of the social and economic context in each Region;
- consultation with lower level stakeholders such as teachers, parents and local officials;
- consideration of alternative approaches;
- prioritisation of goals and activities;
- capacity building ;
- risk analysis and clarification of critical assumptions;
- development of an implementation plan, within the main plan; and
- more attention to the development and costing of monitoring and evaluation systems

This list was aimed not only at encouraging Regions to develop their plans further along many lines, but also to recognise those things that they had already done well. The list was by no means exhaustive.

These general findings were followed by more detailed and specific findings from each of the component teams. Each component team also produced a set of 'Next Steps' that were consolidated in the final section of the Aide-Memoire. The Aide-Memoire was consequently a relatively long document compared to documents of a similar nature produced elsewhere. However, it should be pointed out that different sections of the Aide-Memoire were written for different groups of people and that it was only necessary for a few individuals to be able to take an overview of the whole document. The level of detail and number and breadth of issues raised are such that it would not be useful to try to list them all in this report.

At the end of the first mission component-specific general reports were produced by the team upon return to their own countries. These were then sent to Ethiopia for onward transmission to interested parties. Unfortunately, during the second mission it became obvious that many of the regions had not received copies of these. As a consequence, from the second mission onwards, all reporting was completed on the spot to provide instant feedback and ensure access to all.

◆ Mission 2

The second mission commenced with a period of four days in Addis Ababa during which technical teams again met representatives of the Central institutions. During this period the first draft of the five-year plan of the central agencies was also presented to the teams.

A full set of comments concerning the Central plan was left behind by the Mission team, before they travelled to a workshop with the Regions at Debre Zeit. Prior to their return a number of modifications were made based upon these comments.

The workshop at Debre Zeit lasted for eight days during which the Mission team met with representatives from all the Regions (Afar included). The make-up

of the Regional teams was as before but lessons were learnt from the first mission and the format of workshop was radically altered. Over the eight day period, each technical team met with each Regional team for a period of 3 hours—a total of $10 \times 11 = 110$, meetings in all⁷. These meetings were far more focused than before and teams were able to examine the fine details of their various components within each Regional plan. After each meeting, Regions were supplied with written feedback, usually by the following morning.

In general, Regional plans had already improved out of all recognition from their first draft and technical discussions centred round the rationale for various components within the plans, and the various options which had been considered as alternatives. Regional representatives were extremely receptive to new ideas and many of these suggestions were later incorporated into their plans. Implementation and financial discussions centred round the gaps in information, which would need to be filled before the plans could be fully appraisable.

During this mission, work on the cross-cutting implementation component commenced. Two out of the three technical specialists in the implementation team were full time World Bank employees. The scope of this component included:

- Governance arrangements: Steering Committee issues and review procedures (including technical review missions and annual Government/donor review meetings);
- Financial management; and
- Procurement.

Immediately after the second ESDP mission, several alternative channels for disbursement of donor funds (see Figure 1) were presented to the team preparing the Health Sector Development Programme (HSDP). Identical channels were adopted for the ESDP and became the subject of discussion during the third mission.

Mission Findings

The major outstanding issues at this stage concerned financial management of the ESDP and its implementation. Although these were eventually developed in much more detail later in the process, during this mission they were still at a very rudimentary stage. Also mentioned were several other critical issues for consideration by the Ethiopian Government. These included:

- Planning with a constrained budget
- The need for ToRs defining roles and responsibilities of the Central & regional Steering Committees
- Coordination of Ministry and regions

A National Programme Action Plan (PAP) was also first suggested during this mission and a Harmonisation Study, which had been the subject of discussions for

7 Neither tertiary education nor learning assessment were included, distance education & non-formal education were combined and gender was treated as a cross cutting issue in all discussions.

some time, was also formally proposed in the Aide Memoire. Significantly the need for technical assistance to help Regions prepare their plans was also identified. However, for various reasons, this assistance did not materialise in the period between the second and third missions.

Disbursement Channels

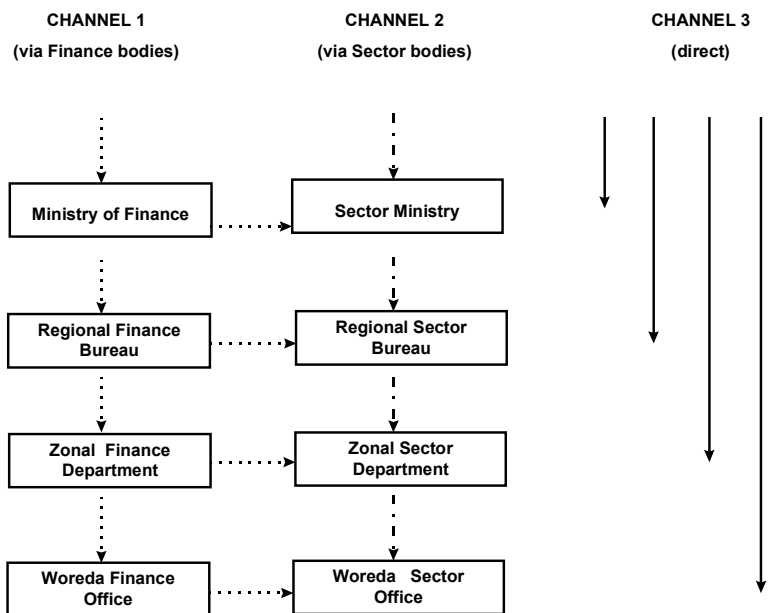
In principle the proposed system for financial flows is relatively simple and consists of three so called ‘routes’ or ‘channels’ (see *Figure below*).

The purest is **Channel 1**, under which donors give their funds directly to the Government to allocate within the ESDP. Under this channel the funds pass through the normal government finance channels.

Under **Channel 2** funds pass via Government sector bodies. This option is frequently used by donors to bypass the normal finance bodies where they consider these do not possess sufficient capacity and/or means of accountability.

Channel 3 is the traditional donor funding system under which funds are fed into specially created project and over which donors maintain more or less complete control. Normal Government channels are bypassed completely. Usually donors appoint their own managers to manage these funds, either internally or through a management agency.

Figure: Alternative Donor Disbursement Channels



Source: Lister, 1998.

◆ Mission 3

The format of the third mission largely echoed that of the second mission. The Mission team spent an initial period of one week in Addis Ababa, where the revised Central plan and the Programme Action Plan (PAP) were presented. The Central plan had not altered significantly from the second mission and extensive discussions/workshops were held between the technical teams and their counterparts in the Central institutions. These discussions identified some of the remaining gaps in the plan and for the first time, the technical specialists assisted in the actual drafting of the document. This led to a final plan that was far more detailed and comprehensive.

The Mission team then travelled to Debre Zeit for a round of meetings with the Regions, organised in a similar format to Mission 2.. Again it was readily apparent that the Regions had made significant progress with their plans and, with the exception of one or two, were very close to finalising their documents. The focus during this round of meetings was much more on ensuring that activities were adequately budgeted and implementation procedures well thought out.

At the end of the period in Debre Zeit, a one-day workshop was held to discuss the PAP. This workshop was attended by the Minister of Education along with officials from all the concerned central agencies. At this stage, the PAP was intended as a summary description of the ESDP as well as a ‘manual of procedures for guiding the implementation of the ESDP’.

It is worth noting that the World Bank used this mission to carry out a pre-appraisal for its own support to the ESDP. The Mission was also joined for the first time by technical specialists from the European Union, charged with the responsibility of preparing EU support to the development and production of textbooks. The technical team dealing with implementation was expanded to include further specialists hired by other donors.

Mission Findings

After a brief description of the organisation of the third mission, section II of the Aide Memoir is taken up with a critical review of the PAP, and offers extensive advice and suggestions for improving this. This is further supported by a ten-page annex with much more detailed advice on matters such as: the flow of funds, financial reporting, procurement and governance. It also offers advice on key improvements and raises issues concerning technical assistance and mapping of donor funds. Comments from the technical teams concerning all sections of the PAP were also included in this section. In addition there was also a separate annex on implementation arrangements which pointed out the two distinct uses of the PAP:— to describe the ESDP and to provide guidelines concerning implementation procedures for the ESDP. It was proposed that the parts relating to this second function should be called the SDP Implementation Document (SID). In the event this later evolved into a separate Programme Implementation Manual (PIM).

In section III several outstanding issues and priorities are identified. Of paramount importance was the fact that it was becoming increasingly apparent that not all of the ESDP objectives might be contained within the planned expenditure ceiling of 12.25 billion Birr. It was becoming increasingly probable that the planned 10% contingency would not be sufficient to cover the cost of price and quantity contingencies, inflation, and allowances for taxes and duties. It was suggested that it might be necessary to look for other sources of funding outside the public purse.

The need to build capacity in the form of staffing and skill requirements, better organisational structures and information systems, was also a prime concern. In particular capacity constraints in technical components such as curriculum development, teacher training, monitoring & evaluation, examinations and assessment and textbook development were considered a serious threat to the eventual success of the ESDP. At this point technical assistance was not systematically included in the ESDP plans and a recommendation was made that MEDAC should develop guidelines for the use of technical assistance. Concerns were also expressed about the extreme lack of capacity of a few disadvantaged regions—Afar, Somalia, Benishangul and Gambella—to implement the ESDP.

Other major issues included the absence of a textbook policy, the necessity for the removal of subsidies to EMPDA and the need for a strategy to achieve this. Concerns were also expressed about the way in which Regions had been instructed by the MOE to downsize budget estimates by, amongst other things, reducing unit costs of buildings.

◆ Development of the ESDP Budgets

Throughout the mission phase, there was constant pressure upon the Regions and the Central agencies from the Mission team to ensure that all activity and spending was accounted for in their budgets.

There was a problem with the budget ceilings. Although there was an overall limit of Birr12.2 billion, put on the ESDP over the five year period, the Regions had not been informed what would be their ‘share’ of this. Consequently, they felt relatively free to first plan all their activities and only then cost them. The only constraint imposed upon them was to ensure that physical targets were met, e.g. enrolment, school buildings etc. They were not expected to prioritise the items in their budget or choose between them. This led to great variation in the amounts budgeted by Regions, which were not in proportion to their population, area, sources of income or any other rational criteria. The main factor influencing the size of the budget was how imaginative and ambitious the Region had been. This in turn, was generally reflected by their capacity to plan.

When the figures were belatedly added up, the total of the Regional budgets alone exceeded the funds available for ESDP, without taking into account spending at the Central level. At this point, it became necessary to give each Region its own budget ceiling based upon a complex formula developed to determine the

general recurrent and capital budget transfers from Federal to the Regional Governments. This resulted in some Regions being asked to scale back their projected spending. However, they were instructed to achieve this by reducing unit costs (mostly for school buildings), rather than by cutting areas of spending and activity.

Related to this was the fact that the budgets for operation of the Central agencies were not sufficient and did not cover all the activities that would be necessary under the ESDP. In particular not enough funds had been allocated to capacity building activities (and it was not clear where these should be budgeted). Many of the Central agencies and Regions had not made any provision at all for activities aimed at monitoring and evaluation of their plans.

There were several other problems which arose. The first concerned the format of budgets and the classification of capital and recurrent expenditures. Naturally at the outset, the Regions used their normal budgeting format. However, the Mission team did not consider that these gave sufficient detail or included all necessary items, and therefore introduced several modifications to the budgeting format. There were also several areas of confusion about which elements should be in Regional plans and which elements should be in the Central plan.

Supporting Studies

◆ Nature of the Studies

During 1997-98, three different studies were carried out to support the preparation of the social sector development programmes. All of these studies dealt with issues relevant to both education and health sectors. The underlying principle that justified these studies was that implementation and management of the ESDP and HSDP should, as far as possible, be based on existing Ethiopian structures and procedures. These were to be adjusted and further developed to accommodate donor requirements. The donor-specific guidelines on projects and programmes were studied to identify the minimum requirements of each donor and to look for ways of harmonising these procedures. The general objective was to produce an Ethiopian implementation and management system that would satisfy the requirements of all donors. The subsequent burden on Ethiopian institutions would be consequently lighter compared to the plethora of project-specific management procedures that the Government would otherwise have to satisfy.

◆ Study on Implementing Sector Development Programmes in Ethiopia

The study on Implementing Sector Development Programmes in Ethiopia (Lister, 1998) was carried out between August 1997 and January 1998. Funding for the study was provided by DFID / UK, but the work was carried out under direct supervision of the WB.

This study established the foundation of the subsequent development of ESDP governance aspects. The study had two main purposes:

- To provide a “mapping” for the institutional frameworks of the SDPs; and
- To make recommendations concerning three broad aspects of SDPs, namely (i) financial management and monitoring; (ii) planning and review structures; and (iii) capacity building requirements.

The descriptive part of the study on the results of the “mapping” includes:

- An overview of the development of education and health sector development programmes in Ethiopia as per January 1998;
- A description of the overall decision-making structures of the Ethiopian Government at federal and regional levels, and relations between the centre and the regions;
- A stage-by-stage explanation of Government decision-making and implementation in policy formulation, planning and budgeting cycle;
- A review of various options for aid management with special focus on the extent to which this has followed or by-passed regular Government channels and procedures.

Recommendations on Financial Management and Monitoring

The study makes four key recommendations which are summarised below:

- (i) It concludes that the basic principle in terms of financial management and monitoring of Ethiopian SSDPs should be that implementation of the programmes is not primarily about the disbursement of donor funds but about Government financial management. It is essential that regardless of the channel used for resource flows, all aid is programmed to and accounted for against the SDPs.
- (ii) It recommends close coordination between the SSDPs and the on-going Public Investment Programme exercises. A central recommendation is to develop and use common project profiles for the Public Investment Programme and the SDPs.
- (iii) It highlights the importance of viewing the SSDPs in the wider context of the on-going development of the public expenditure management system. It recommends that the Government should put forward a “menu of options” to donors outlining interim arrangements that would systematically aim at eventual integration of aid into Government resources.
- (iv) It emphasises that it is important that the officials responsible for these issues are more closely involved in the development process. These include officials from, for example: MOF, MEDAC and relevant regional institutions.

Analysis of the Planning and Review Structures

As its starting point for the analysis of the planning and review structures, the study takes the view that in a sector-wide programme, management and implementation arrangements cannot be described in isolation. Rather they need to be

seen in the context of regular planning, budgeting and implementation structures and procedures of the Federal and Regional Governments.

In the Ethiopian SSDPs donors are asked to accept less detailed control over, and involvement in, individual projects in exchange for access to a broader dialogue on sector policies, strategies, and expenditure priorities and targets. The study concludes that to facilitate this it is necessary to broadly map the various structures, forums, key documents and schedules that are involved in SSDP management, and their relations. One single structure, such as a Steering Committee, cannot cater for all needs.

While the study indicates that the details of planning and review mechanisms need to be worked out during the remaining SDP preparation processes, it also presents ideas and preconditions on how SDP management can be made to fit into existing Government management and budget systems. It also analyses implications for donor involvement and coordination.

To ensure the macro-economic sustainability of the SSDPs, it is proposed that their formulation needs to be linked to credible aggregate public expenditure targets. This implies that SDP planning documentation should be available early enough to be fed into the budget preparation, and that the Ethiopian fiscal calendar must be followed. It is also recommended that preparation should be part of the regular Government planning and budget process, not a separate and additional exercise. A link is made to the wider civil service reform.

To ensure that key decisions on strategies and expenditures in the social sectors in Ethiopia are taken by the mandated Federal and Regional bodies, the study recommends that the roles of the Central and Regional Steering Committees should be solely consultative. The additional consultative forums that already exist (including the annual education conference, the PER process, donor coordination groups, joint missions etc.) should be used to further strengthen consultations with a range of stakeholders.

Issues of Technical Assistance and Capacity Building

The point is made that even though the need to improve capacity for the management and implementation of the SDPs in Ethiopia is not disputed, the question of how to achieve this is an issue of continuing controversy. This issue is taken up in some detail and various suggestions are made to resolve the situation. It is pointed out that during ESDP preparation the conception of what ‘capacity building’ is, has been extended to include the development of institutional frameworks, staffing and skills, information flows and logistic support. The on-going capacity development activities by the Government are also briefly reviewed. A useful précis of the usual purposes of Technical Assistance is also given and differentiates between four main purposes:

- (i) **Gap filling:** TA required because the recipient agency does not itself have (enough of) the requisite skills.
- (ii) **Training:** Educational scholarships overseas and training programmes in-country obviously come into this category, but training may also be one of the assignments of the TA advisors.

- (iii) **Technology transfer/institution building:** TA associated with establishment or reorganisation of an enterprise, process or institution, with the objective of generating capacity to continue operations without further TA.
- (iv) **Gate-keeping:** where the primary purpose of TA is to ensure that aid, of which the TA is part, is delivered properly and to the satisfaction of the funding agency. For example, an aid agency might insist on providing a project manager or accountant, even though, in principle, recruitment of external personnel is not necessary.

It is pointed out that none of the definitions implies that TA has to be foreign, and that TA personnel may be asked to fulfil several of the purposes simultaneously. (Lister, 1998).

Recommendations concerning technical assistance include:

- drawing up a short summary of the principles that the Government seeks to apply concerning TA, and to seek donor consensus on these;
- mitigating the factors that frustrate the effective use of TA, e.g. by preparing long term work programmes, making flexible funding available, developing durable organisational networks;
- reviewing the implications of the budget offset rule when applied to TA;
- developing innovative approaches to reduce capacity demand, e.g. harmonisation of donor requirements and improved information sharing;
- developing criteria for judging adequacy of capacity to be able to better target capacity building measures;
- systematically encouraging inter-regional cooperation .

◆ Study on Harmonising Requirements and Procedures among Potential Funding Agencies Supporting ESDP and HSDP in Ethiopia

Between February and May 1998, a study was carried out on “Harmonising Requirements and Procedures among Potential Funding Agencies Supporting ESDP and HSDP in Ethiopia” (Oksanen – Lönnqvist, 1998). The study was financed by Sida, Sweden.

The overall objective of the study was to contribute towards the development of harmonised procedures and requirements for monitoring, reporting and evaluation of the ESDP and HSDP in Ethiopia. Its purpose was to produce information, analysis, ideas and concrete proposals to be used to promote decision making by concerned agencies and institutions—both in the donor countries and in Ethiopia. The study describes and compares the procedures and requirements of both the Government’s and the major funding agencies’. In particular it includes an analysis of their main similarities and differences and makes suggestion for common requirements for progress and financial reports, guidelines for monitoring and common evaluations. It also makes recommendations on the steps needed to achieve this harmonisation.

Most external funding agencies have developed and published their own guidelines for the management of their development interventions. The most obvious

similarity found by the study is that they are all based on an objective and results-oriented management framework—variously known as a ‘Logical Framework’, ‘ZOPP’, ‘Results Framework’, ‘Project Design Matrix’ etc.. It should therefore be possible for harmonisation to be achieved through the use of an agreed common language.

The differences between the various procedures and requirements of donors are more diverse and the effects of harmonisation will therefore vary from agency to agency. The main conclusions presented by the study include:

- The focus of monitoring and reporting varies. Different elements of the project and programme designs are emphasised by different agencies.
- The monitoring and reporting schedule of an Ethiopian SDP should follow the Ethiopian fiscal year. For some external funding agencies this might mean additional reporting burdens in order to meet the reporting demands that are linked to their own fiscal years.
- In the past external funding agencies have had a dominant role in reviews and independent evaluations carried out in education and health sector in Ethiopia. In SSDPs the leading role in these activities should also be with the Government. This would mean that funding agencies have fewer opportunities for affecting the Terms of Reference of reviews and evaluations, selection of evaluation teams, etc.

Recommendations include:

- ***SDP monitoring and reporting both in education and health sector should be based on overlapping quarterly and biannual cycles.*** The quarterly report would mainly serve the day-to-day management at implementation level and focus on efficiency of implementation. The semi-annual reports would be the main source of information on the macro-level with a focus on effectiveness and impact. They would also inform sector management at regional and national level as well as the community of donors and lenders.
- ***SDP reviews should be carried out as joint Government / donor exercises.*** The ***organisation*** of the review missions should be the responsibility of the Central Joint Steering Committees assisted by their Secretariats and in consultation with the community of external funding agencies. In addition to assessing progress, the missions would also focus on further developing the monitoring system, assessing sustainability issues and identifying topics for independent joint evaluations.
- ***An annual workshop should be organised after the second review mission of each year to disseminate the results of reviews and evaluations.*** The workshop would serve as a forum for policy dialogue between the Government and the external funding agencies.

The report ends with a set of recommendations on how to implement harmonisation. It is proposed that the Central Joint Steering Committees and their Secretariats assume the leading role in co-ordinating this. Proposed next steps

include the development and final selection of indicators as an essential basis for the assessment system. It is proposed that the launch of the harmonised system should be accompanied by training of the personnel responsible for monitoring and reporting

The study also recommends that work on harmonisation should be continued for financial management and procurement activities, so as to ensure that the aim of a Government-led, harmonised SDP management system can be created.

◆ Study on Financial Reporting System on the Use of Donor Funds

The study on “Financial Reporting System on the Use of Donor Funds” (Excellence Management & Accounting Consultants – EMAC, 1998) was carried out between June and September 1998, and was funded by the EU.

The purpose of the study was to examine financial management systems of the Federal and Regional Governments, identify problems of reporting through these systems, and propose solutions. The study mainly focuses on the needs of those donors considering the use of Channel 1, but also to some extent addresses the needs of those intending to use Channels 2 and 3. The system proposed by the study is an interim solution. There are various reforms underway in Ethiopia for the modernisation of the Government financial management system as a whole. These are expected to provide a more permanent solution and be responsive to donor requirements.

As a result of the study:

- Five types of report were defined for use in reporting on the utilisation of donor funds.
- It was proposed that the responsibility for aggregating reports would be assigned to the Central Accounts Department of the Ministry of Finance, and procedures were identified for compiling the reports.
- The use of the existing Government Chart of Accounts was recommended, with the addition of an expenditure classification that provides summaries based on the existing account codes. This new expenditure classification corresponds to the SSDPs’ budget structures.
- Recommendations were made for software and hardware investments needed for operating the new system.
- Training in computing and accounting for those implementing the new system was recommended. It was also recommended that the resources of the Central Accounts and Donor Fund Reporting Unit of the Ministry of Finance should be strengthened.

In October 1998 the Ministry of Finance prepared an “Implementation Plan for Donor Fund Reporting System”, which officially endorsed the recommendations of the EMAC-report. In addition, the Ministry of Finance document included an implementation plan and budget for establishing the new system.

Post-Mission Phase

◆ Preparation of the Programme Action Plan (PAP)

The preparation of the PAP had already commenced during the mission phase, but the final printed version was not published until September 1998. The development of the PAP was mainly carried out by the MOE supported by a WB consultant in the period between the 2nd and 3rd missions. During the 3rd mission the Mission team produced a detailed analysis of this draft version of the PAP, and suggestions for further improving the contents. The WB also contracted an editor to finalise the text of the PAP.

The original idea for the PAP was that it would serve the dual purposes of:

- i) communicating to all stakeholders the national commitment to education and clearly describing a programme for fulfilling this commitment, and
- ii) providing a manual of procedures for guiding the implementation of the programme.

The final version of the PAP serves only the first of these purposes. The PAP is a summary presentation of the ESDP which justifies the ESDP by describing the existing problems. It also outlines the objectives, strategies, programme components, implementation arrangements, risks and a budget for the ESDP. The PAP is intended to provide general information to a wide public audience, i.e. “assemblymen and women, the media, regional leaders and donors” (PIM, 1998).

◆ Preparation of the Programme Implementation Manual (PIM)

During the 3rd mission it was recommended that the guidelines for ESDP implementation, which were interspersed throughout the PAP should be spelled out distinctly and separately. It was eventually decided to do this in a separate document, and the outcome is the PIM. The purpose of the PIMs was to facilitate rapid and efficient implementation of the ESDP. It includes practical guidelines for the people who are responsible for implementation at the operational level by answering the questions: how, what, when and by whom. More specifically the PIM includes guidelines on:

- governance and the annual planning cycle;
- financial management;
- procurement management;
- management of school construction;
- community participation; and
- monitoring and evaluation of ESDP.

The PIM is a Government document that has been prepared in partnership with the WB. Several consultants were involved in drafting sections for the PIM. The final compilation and editing of the document was carried out by a senior PMO officer. It is intended to be a ‘living document’, i.e. subject to change and improvement as necessary.

The PIM was finalised after the mission phase and prior to Debre Zeit II, in exclusive negotiations between the Bank and the Government. It should be noted that this document was a precondition for World Bank funding to become effective. The PIM itself was not directly discussed during the mission phase, although elements of it were included in the then PAP. Most other donors were only given the opportunity to view the final version of the PIM shortly before Debre Zeit II.

◆ Debre Zeit II Meeting

The “ESDP / HSDP Government of Ethiopia / Donor Consultations” (Debre Zeit II) held in Debre Zeit from 3rd-4th November 1998 marked the closure of the ESDP preparation process

The meeting was opened by the Minister in Charge of the Social and Administrative Sub-sector of the Office of the Prime Minister, with a summary of the SDP preparation processes. He informed the participants that loan agreements with IDA / WB and African Development Fund had been signed and also expressed the Government readiness to move into negotiations with bilateral donors. He made special mention of the lessons that had been learned during the preparation process, in particular the importance of working together and the necessity of commitment and determination on all sides. He explained that the preparation process had not only demonstrated that there is capacity in Ethiopia to cope with such large scale programmes, but had also further developed that capacity. The Minister also noted that donors had shown interest in pooling of resources and direct budgetary support and stated that implementation would be the responsibility of the respective Ministries. The PMO would be “taking the back seat”.

One of the main items on Debre Zeit II agenda was the presentation and discussion of the Programme Implementation Manual (PIM). It was agreed that the changes and additions to be made in the PIM would focus on

- **arrangements for flexibility**—including issues such as contingency planning, procedure to amend PIM, and the idea that development of indicators to be included in ToR of Joint Review Missions (JRMs) and Annual Review Missions (ARMs).
- **financial management**,—in particular the functioning of Channel 1b (earmarked support channeled through Government finance bodies) needed further clarification; outlines of financial reports proposed by the EMAC-report should be included as annexes; and MoF and OAG were to be consulted for a more complete and detailed description of internal controls.
- *monitoring and further development of quality and outcome indicators.*
- **capacity issues.**

The second main issue on the Debre Zeit II agenda was the financial reporting system for the donor funds. A representative of the Ministry of Finance introduced this topic and explained the capacity limitations for managing the financial administration of the SDPs and the improvements that were needed. He explained that because of these shortcomings, and to accommodate donor reporting require-

ments, the EMAC-study had been carried out. The recommendations of this study had been approved by the MoF, and they were confident that by implementing the recommendations donor requirements would be met. The MoF representative also informed the meeting that an action plan for implementation of the ESDP had been prepared. A brief presentation of the EMAC-study was then made by the consultant responsible.

The ensuing discussion mainly revolved around the fact that the proposed 17-month period for establishing the system was considered too long, and that all measures should be taken to shorten the timeframe. Some donors expressed interest in providing resources for supporting an accelerated implementation.

◆ Development of a Textbook Policy and Strategy for Private Sector Involvement

At the time of writing, all textbooks in Ethiopia are published by EMPDA, a state owned corporation. Throughout the mission phase there was considerable discussion concerning the desirability of private sector involvement in the development and production of textbooks, including the possible privatisation of EMPDA. However, it was not until the third mission that sufficient consensus had been established for this issue to take front stage. By this time, uncertainty surrounding this issue was seriously impeding potential support from donors interested in this sector. Both the EU and Sida were keen to provide support to the textbook sector but were unable to do so in the absence of a clear policy framework.

During the third mission two technical specialists hired by the EU were able to join the technical specialist from Sida in the materials development component team. These technical specialists were also able to commence preparation of the necessary EU documentation for support to this sector. They continued this latter task after the main ESDP mission phase was completed, making several additional visits to Ethiopia. In addition to preparing the EU documentation, the materials development team were also requested by the GoE, to develop a Textbook Policy and a set of guidelines which would steer a course to privatisation. These tasks were duly completed successfully, and at time of writing EU support to the ESDP was under negotiation.

2. Views of the Participants

"We had a goal and a vision of increased enrolment. ESDP has given us a future. If implemented, we can improve quality of education. We have prepared a reasonable, implementable plan." Head of REB

"Generally, I found the ESDP planning one of the most fruitful and rewarding experiences of my 20 years as a consultant." Member of the Mission team

Introduction

There were a large number of stakeholders and other participants directly involved in the preparation of the Ethiopian ESDP. These can usefully be divided into the following groups:

- representatives of the Ethiopian Federal Government—from the Prime Ministers Office, MOE etc;
- representatives from the various educational institutions at Central level;
- representatives from the Regional Education Bureaux (REBs);
- team members of the multi-donor technical assistance Mission (technical specialists, both expatriate and Ethiopian);
- representatives of the various donor agencies.

Some of the Regions reported that lower echelon stakeholders at the Zonal and Woreda levels were also consulted, but this involvement does not appear to have been significant. The aim of this section is to compare the views of these parties concerning the positive and negative aspects of the preparation process, to analyse the reasons for these as perceived by the participants and to consider their suggestions for an improved process. The structure of the following discussion reflects very much the format of the interviews, discussions and questionnaires used to ascertain the views of the various parties.

The Structure and Organisation of the ESDP Preparation

◆ Technical Components

The ESDP components that structured the preparation during the mission phase were chosen to reflect the structure of the education and training policy. It was apparent both in the interviews with the Central agencies and with representatives of MOE and the PMO, that there was strong ownership of this selection from the Ethiopian side. MOE representatives also pointed out that some of the compo-

nents were further developed during the preparation process and that flexibility was very important. Examples included a stronger emphasis on non-formal education and a re-conceptualisation of the TVET components. It was clear that some donors and technical specialists felt that there could have been more consultation about the selection of the components but this was not perceived as a major issue.

Participants from all sides pointed out that inter-linkages between components were missing and one suggestion was the formation of larger multi-disciplinary teams for primary education, secondary education, etc. Another suggestion was for some form of conceptual mapping to capture the important linkages. In practice the strong commitment and relaxed team spirit among the technical specialists helped in covering some issues that were not adequately addressed on the “official” mission agenda. An example of this is that some of the inter-linkages between technical components were discussed informally between Mission sub-teams, in cases where other forums for such discussions did not exist. Cross-sectoral linkages were also absent and links to the macro economy were not explicit. However, it should be recognised that the ESDP is a huge programme. Time and resources were limited and this naturally led to a focus on one sector with discrete components and discrete issues within those components. Although there were many other ways the preparation might have been structured, these would probably have resulted in problems of a different nature.

Regional plans were structured around primary and secondary education. Civil works, teacher training, curriculum development, distance education, and some

“One drawback of the ESDP is the focus on one single sector. Sight of multi-sectoral issues was lost. The ESDP does not directly threaten a multi-sectoral approach—but it does not help.” Donor representative

“I wonder if the extensive reports were read with the same passion as they were written.” A TA mission member

“Finding comments relevant to us was difficult from the extensive Aide-Memoires.” Head of Department, REB

elements of the other technical components in use by the Mission were integrated into these plans rather than treated separately. This mismatch between the Missions technical components and the Regional plans created some difficulties for Mission teams, who had to trace elements relevant to their specialisms, across several portions of the Regional plans. In particular it was not

always easy to ensure that all activities were adequately budgeted. Surprisingly, this was not perceived as a problem by the Regional teams, who clearly appreciated the general advice they were receiving, and did not perceive a need for a one-to-one match between the technical components and the sections of their plans. Arguably, the large number of components led to extensive and detailed reporting,

which was difficult to manage and use, although the point has already been made that, for the Regions at least, only certain sub-sections were relevant.

A more serious problem was the lack of forum for dialogue (or a component) on policy and strategy development and management issues. This point was made retrospectively by several of the technical specialists and donor representatives, but only gradually became apparent during the preparation process as issues arose which it was difficult to affect in any other way. This study has not been able to establish why such forums were not included except that retrospectively, it seems this need was not strongly perceived at the time.

"There is nothing outside the ESDP in education in Ethiopia. This should apply to policy development also." A technical specialist of the Mission

The fact that there was no such forum or 'component' meant that, by default, the team leader/World Bank dominated the policy dialogue with the Government. This was the main single source of discontent from other donors who would have clearly liked to be included as partners in this dialogue. If such a 'component' had been included then it could have been staffed by donor representatives.

The major difficulty for the Regions was the inclusion of Capacity Building as a separate component. While most understood the need for human resource development, some never came to fully understand all the other nuances of this component such as institution building and development of management systems. Consequently most Regions were unsure how to deal with this component in their plans. This position was also reflected by many representatives of the Central agencies who felt that the advice from different technical specialists was conflicting. For example, some of the Central agencies were unsure whether training activities for their own staff should be part of their own budgets, or part of a consolidated budget for TESD. A proper conceptual analysis and definition worked out jointly by all parties might have helped on this issue.

Comments were also made on the imbalance between the staffing of components, which, to some extent, were more a reflection of donor interest/contribution than technical need. For example, five different technical specialists contributed at some time to the teacher training component but only one contributed to curriculum development. This is despite the fact that both would seem to be equally important components. This was due to the fact that there were several donors already involved with, or considering involvement in teacher training, in Ethiopia but none looking directly at curriculum development at that time. At times there was no technical specialist available for other important components such as learning assessment. At least one technical specialist, who worked alone for two missions but had assistance in the final mission, indicated the advantages of working in a team.

The treatment of some technical components as cross-cutting themes was considered useful by all. This was especially true of gender which it was possible to

‘mainstream’ to a degree that would probably not have been possible otherwise. The gender specialist was able to interact directly with members of all the other teams to ensure that gender issues were given adequate consideration in their reports, as well as producing separate reports of her own. There were however some practical and organisational problems associated with this approach which are detailed in the next section.

◆ Preparation of Implementation Arrangements

As has already been intimated the area which drew the most concern and was the most contentious throughout—certainly from the point of view of the technical specialists and the donors—was that of implementation and financial management of the ESDP. It is also the area in which existed the most discord between the World Bank and other donors. The technical specialists and donors were almost unanimously of the view that these issues should have been addressed more fully and much earlier in the process—there was no implementation specialist during the first mission. It was also suggested that the Ministry of Finance and MEDAC should have been involved at an earlier stage. However, these problems were not immediately apparent and the realisation only grew gradually throughout the preparation. The original intention was for ongoing consultancy work on implementation and mapping of the existing systems to be completed. These would then lay the foundations for choices and options during the second mission.

Comments from donors and technical specialists focus on three major issues:

Implementation Procedures and Preparation of the PIM

The first concerns the move towards implementation procedures and documents. Many donors felt that these were highly biased towards existing World Bank procedures and did not take enough account of other’s systems. The most quoted example is that of the PIM, which was perceived very much as a World Bank document, and was developed over several months. Significantly, at the time of these interviews, many of the Regions had not yet seen the PIM, and those that had, had only done so recently at the Debre Zeit II meeting. Most of those in the Central agencies had not yet seen the PIM either. The Harmonisation study was seen as a useful attempt to involve other donors and consider their requirements, but many thought that it should have occurred earlier.

Another viewpoint, expressed by one of the technical specialists, points out three other major weaknesses of the documentation (not just the PIM): as it emerged:

- (i) It followed the topical divisions of subject responsibility within the TA teams (the ‘components’). This is a sensible way of slicing issues, but it is not an ideal way of slicing budgets.
- (ii) It was ‘ESDP-specific’: It did not directly derive from, or easily translate to, the way things are presented in GOE budgets.

(iii) It did not follow lines of managerial accountability. There was a real opportunity to link ESDP into the broader budget reform work that was going on, and it was missed.

Financial Management

The second major implementation issue was that of management of external funds and the choice of disbursement channels for ESDP. At the outset, the Government was strongly of the opinion that all funds should be pooled and should pass through the Government's own financial management systems. Many donors were very skeptical of this and some remain so to this day. However, throughout the process there was significant movement on both sides. The Government accepted that there would have to be a range of financing options through which the donors could pass funds, and some donors became willing to experiment with a gradual move towards direct budget support. From the second mission onwards there was a gradual development of a system to achieve this (see section 2). However, although this is simple in principle, creating detailed mechanisms that are satisfactory to all, is a more complex affair. Although much progress has been made toward this, and further elaborations were agreed at Debre Zeit II, not all donors are completely satisfied as yet.

Many donors had/have concerns whether funds disbursed using Channel 1 (through the Governments own financial systems) would be used for their intended purpose. It was therefore necessary to develop a transparent tracking system so that donors could easily check where their funds are being utilised. Many participants commented upon the incongruity of this given that, within the ESDP, funds are fungible and targeting funds at one particular area simply releases other funds which can then be used elsewhere. One or two donors have committed themselves unequivocally to Channel 1, others are experimenting with a modified form in which funds are put through normal Government channels but are directed to specific regions or for specific activities (Channel 1b).

At least three donors continue to disburse funds through Channel 3 exclusively and have strong reasons why they should continue to do so. In one case it would appear likely that their own Government legislation would not permit otherwise, and in another it is policy to maintain close control of their own taxpayer's money. Other donors are considering splitting their support between several funding channels.

It is the perceived lack of adequate financial management procedures that has been one of the major reasons for pending commencement of donor funding for the ESDP. There are other outstanding issues that especially those donors considering funding through Channel 1 still wish to continue discussing. The inadequacy of the links between the ESDP and the macroeconomic programming and Public Expenditure Review processes is conceived as a problem. The ESDP and the Medium Term Expenditure Framework need to be brought closer together. The op-

erational modalities of the Education Account, auditing procedures and the annual planning cycle need further elaboration. The donor community has taken an initiative to address these issues in a Memorandum of Understanding, but has so far not reached a consensus with the Government on the need of such a document.

Technical Assistance

Throughout the preparation period, there were several contentious issues surrounding technical assistance⁸ which remain largely unresolved to the present day. The first issue concerns whether there should be any technical assistance at all, and if so how much. Although at the outset of the preparation process the Ethiopian Government were extremely reluctant to include technical assistance in the ESDP at all they have moved some way from this extreme position. This is supported by comments from some of the Ethiopian counterparts involved with the preparation. In contrast, members of the Mission team were strongly of the opinion that there is an all round lack of capacity to implement the ESDP. During the Donor Forum it was apparent that many donors are also seriously concerned about this lack of implementation capacity. In addition to a lack of implementation capacity, those technical specialists concerned with the technical components of the ESDP also emphasise the lack of technical capacity to develop the quality aspects of education. They felt that this issue has been somewhat underestimated. There is still a perceived gap between the Government and Donors on this issue but both have moved considerably.

The second major issue concerned the funding of technical assistance. For a most of the preparation period, the World Bank took the position that all funds for whatever purpose and from whatever source should be included in the total ESDP 'envelope'. Technical assistance would therefore have to be included in Regional Plans and more importantly in their budgets—despite the fact that TA would probably be funded by donors (most likely through grant aid). Indications were that donor funds would not be treated as additional inputs and that the Central Government would probably deduct an equivalent amount from the Region's budget. This scenario represented a significant opportunity cost to the Regions. Most Regions expressed a desire for TA but were not prepared to take the risk of losing other funds. Several technical specialists pointed out that: funding for TA would not generally enter the macro-economy and that TA itself is supposed to be a temporary phenomenon—aimed at achieving sustainability, not being part of it. On these grounds they argue that it is valid to leave TA out of the ESDP envelope and treat it separately.

Many technical specialists and donors felt that this issue should have been on the agenda much earlier, despite the fact that there were clearly potential tensions—not only between the GOE and donors but also between donors themselves.

8 In this discussion we include TA in the form of consultancy—both international and domestic, assistance from the Central agencies to Regions, inter-Regional assistance, and overseas training and study tours, etc.

Others felt that it was better left until later, as the tensions might have derailed the rest of the process. In the event the issue still remains mainly unresolved although suggestions have been made for a separate Social Sectors TA fund. Some donors have simply continued with existing arrangements, others are awaiting further outcomes.

Attitudes from both the Regions and the Central agencies were somewhat contradictory. They all felt that Channel 1 should be the preferred channel of funding as it was the simplest for them. However, most expressed a wish to receive technical assistance (especially in the form of overseas training and study tours) from outside sources but assumed that this would be ‘extra’. When it was pointed out that this might not be the case, some alluded to the fact that not all donors would be following Channel 1, and that these would be able to supply the required TA! Most were of the opinion that TA should be treated separately in some unspecified way.

◆ ESDP Budgeting

It has already been reported in section 2 that much effort was expended by the Mission team in directing the Regions and Central Agencies to present their budgets in a form more closely related to the ESDP structure. Although the Regions did not raise specific objections to this, at least one technical specialist commented upon the fact that these “ESDP-specific” budgets, do not directly derive from, or easily translate to the way in which things are presented in the GOE budgets. Another felt retrospectively that this pressure on the Regions to reformulate might have been a mistake, especially without the involvement of the MoF and Regional finance managers.

Of more concern to most Regions was the lack of a budget ceiling at the outset. They were unhappy with the introduction of the ceilings mid-way through the process, because costings and the level of activities had to be changed several times. In some cases, Regions did not adjust their targets to take account of these cuts. Regions did not approve of the MOE advice (which they perceived as an instruction) to achieve savings by altering unit costs. Most were, however, pragmatic about this, and took the view that in practise it would mean fewer schools, less activity etc. Representatives from the MOE pointed out that at the outset the regions were given physical targets (e.g. enrolment) which were not to be compromised. Planning & budgeting was based on these.

Another issue which worried some of the Regions, was whether it would still be possible for each Region to decide itself, how money is divided between various sectors. Constitutionally, each Region has the power to divide its resources as it saw fit. Under the various SDPs, the Region will not be able to reduce its spending in certain sectors to below that stipulated in the SDP budget. In theory, this might mean that extra resources couldn’t be allocated to education, away from other sectors—even if the Region wishes to do so. However, many were more pragmatic about this apparent contradiction and were confident that they would retain the ability to be able to reallocate unspent funds through one mechanism or another.

◆ Format and Conduct of Missions

The most consistent message that came from all interviewees concerned the developmental aspects of the preparation process and the positive relationships built up between the various participants. This was particularly so between the Regions and the technical specialists, and was the first point made in almost every interview with Regional representatives. Typically, participants spoke of the ‘positive learning experience’ that they had undergone and frequently regretted that this experience could not have been extended to other colleagues. It is well worth

“The ESDP was a significant learning experience for all of us. Before we began, we did not know we would end up with such a detailed plan.” The Head of an REB

noting that early in the process, a language of co-operation was established. It emphasised listening to the various Ethiopian teams and responding to their needs with suggestions and options, rather than instructing them in what they should do. Throughout all three missions and in all documents words such as

‘should’ and ‘must’ are largely avoided

Both the technical specialists and the Regions were happy with the matrix format of Regional workshops in the second and third missions, despite the hard work entailed in such intensive sessions. One specialist pointed out that this format allowed the technical specialists to take an approach which was akin to a comparative study—comparing one region with another and disseminating ideas and best practise between them. One Region suggested that these workshops could have been longer to allow them to carry out revisions of their plans before returning home. There was at least one organisational difficulty relating to the gender component, which combined for meetings with the education finance and economic analysis component rather than being given a slot of its own. Given the large number of important issues which needed to be raised in the economic component, there was insufficient time to raise all the issues of importance to gender.

However, there were differing views concerning the format of the Regional plenary workshops during the first mission. Many of the technical specialists found the workshops tedious and inefficient. Given the breadth of the plans and the number of persons in each meeting there was insufficient time in which to examine the detail of each technical component sufficiently. The Ethiopians responsible for mission coordination were also unhappy with this format and felt that the first mission demonstrated that there were large variations in capacity without producing anything concrete. Large plenary sessions were considered inadequate for

“There was a danger that rather than mainstreaming gender issues into each component, they could be marginalised from the discussions.” TA mission member

building capacity and it was this which directly led to the modified format used in missions two and three.

Comments concerning the first mission were not all negative however. Some of the Regions were satisfied with the format, which they felt gave them the opportunity to learn from each other in the first instance. [Some said they would have liked to repeat this experience again later in the preparation process.] The format allowed them the opportunity to initiate the process with *their* ideas. This was particularly important to them at this stage, as they were very unsure about what was expected of them, or if their plans would match up to expectations. It was clearly important that the first mission allowed them to gain confidence and gather ideas in a non-threatening manner. One Regional representative made a comment that the format of the first mission avoided the danger that the technical specialists might take over the process, or that the Regions would become too dependent on them.

Representatives of the Central agencies were not quite so positive about the way in which the missions dealt with them for several reasons. They felt that individual departments were often working in isolation, and that they were at the ‘beck and call’ of both the Ministry and the Mission teams. They were frequently called to meetings at short notice, usually to be told that they were required to do more work. They would have liked stronger linkages between themselves and the Regions, both to avoid overlaps and to ensure that their plans were consistent with those of the regions. They felt that the missions might have provided a forum for this and a suggestion was made that Heads of Departments might have attended the regional workshops. The most marked example of this concerned the plans of EMA to train large numbers of teachers through distance education courses. Until they were alerted by the Mission team, none of the Regions were aware of this initiative, despite the fact that all their plans contained significant elements of teacher training.

Comments were also made concerning the links between the components—eg teacher training and distance education—and the central agencies and MOE departments dealing with these. Agencies often did not know what other agencies were planning and felt that there was not enough integration between components. Some technical specialists also expressed the desire that they might have been given the opportunity for more direct contact with lower level stakeholders through field visits or forums.

◆ Guidance and Guidelines

The following comments have to be taken very much in the context that this was the first ESDP which was truly sector-wide in scope and was the first to commence from the Government’s own policy framework rather than evolve from pre-existing donor-supported structures/projects

It was therefore not possible at the outset, to form a clear notion of where the preparation process might lead or what would be its outcomes. For this reason, guidance was supplied very much in response to events and needs, and was diffi-

"There were no route maps." Comment made at donor forum

cult to plan in advance. Nevertheless, some valuable comments were made retrospectively about the need for more guidance and the form this might have taken. The avenues for guidance (or not) during the ESDP were several. Both the Regions and the Central agencies received guidance from both the MOE and the Mission teams. In addition the MOE and the Mission worked in partnership and received guidance from each other.

Generally, the Regions appeared happy with the individual guidance that they received from the Mission teams. One region commented that some technical specialists were not critical enough while others were too critical, but this was the only slightly negative comment. Many said that they would have liked more guidance from the MOE on how to prepare the first draft of their plans and some would have liked to have a clear format for their plans at the outset. This was probably not possible, and many recognised this fact. The point was made by one region that if such a format had been presented at the outset, then their influence on the final product would have been lessened. They did not have sufficient confidence or experience to have been able to make sensible inputs into the format design this early in the process. Most were appreciative of the set of 'best practice' guidelines that were produced by the Mission after the first visit, particularly because these were drawn from their own plans. The Regions felt that they had a vision of the overall outcome of the ESDP, but not how it would be operationalised. None had any idea of how detailed their plans would eventually become.

The Central agencies felt that guidance from technical specialists was variable from component to component. Much of this appeared to be to do with personalities and was probably to be expected in such a large and diverse team. Representatives of the Central agencies also considered themselves as specialists, were far more assured of their own views, and far more likely to challenge advice. Some of the representatives of the central education institutions felt that some strategies proposed by the technical specialists, even if appropriate in some other contexts, are not applicable in Ethiopia. In some cases, there was a feeling that strategies proposed had unrealistic financial implications. There were instances where the central education institutions and departments felt that their professional capacity and understanding of the Ethiopian context was not adequately acknowledged. Despite this, relationships were on the whole cooperative and many new ideas were developed and incorporated into the central plans.

The technical specialists were mainly of the opinion that there should have been better and clearer guidelines much earlier in the process—frameworks etc. One view was that each time the Regional and Central teams had completed one task the Mission gave them a new assignment.

An alternative view was that if all the hurdles had been apparent at the outset this might have been extremely discouraging. Retrospectively these views must

now be judged in the light of the ownership which was achieved from taking a flexible approach. Either through accident or design the Mission team did not impose a structure on the ESDP and this undoubtedly contributed to the sense of participation and ownership of the process which all agreed was achieved.

◆ Roles and Responsibilities—Relations and Tensions

The analysis of roles, responsibilities and relations in the Ethiopian ESDP preparation is to be seen in the context of two essential differences, as compared to a traditional project preparation.

"Because the process was being designed as it went along, I think that the Ethiopians had a feeling that new documentation hurdles were put in front of them as they went along—from regional and central plans, to PAP, to PIM, etc." TA Mission member

Firstly, Sector Development Programmes are based on a partnership that should be led by the national authorities. This leadership in Ethiopia arose from a serious Government commitment to solving the huge problems in the education sector. The donor-supported phase of the ESDP preparation was preceded by a national policy and strategy development exercise. In this partnership, donors ideally work as a coordinated group and sacrifice some agency and project-specific guidelines, in exchange for access to a more comprehensive dialogue on sectoral policies, strategies and resource allocations.

Secondly, the Ethiopian ESDP preparation has been among the first practical exercises whereby the implications of decentralisation in the education sector in Ethiopia are operationalised. While the national laws and regulations set the framework, the ESDP planning process has led to practical interpretation of roles, responsibilities and relations within this framework.

Region / Mission Relations

In their comments on the relations between the Ethiopians and the technical specialists, the regions strongly feel that they had full freedom to develop their plans according to their own needs. The technical specialists appreciated the commitment and energy with which the regions developed their plans based on the discussions during the missions. The newly established organisational structure, which was still partly (and in some cases severely) under-staffed, as well as the inexperience of the existing regional staff were the major factors limiting regional ownership of the ESDP.

Other factors further contributed to the leading role of the Ethiopians in the process. The comments of the regional representatives as well as the technical specialists emphasise the positive and constructive interaction during the missions. The atmosphere was open and friendly and it was based on mutual respect among the participants. The technical specialists way of working was characterised

"Nothing was imposed. Advice and ideas were provided by the mission members, but the Regional Education Bureau took the decisions. The only thing that limited our freedom was our own capacity." Head of a REB

"We had the right to say 'No!' at any point." Head of a REB

by listening to problems and ideas presented by the Ethiopian colleagues, giving advice not instructions, and a willingness to compromise and to offer alternative options. At least one region would have appreciated even more advice along these lines:—*How have the strategies that were proposed functioned in other developing countries? What have been the reasons for successes and failures?*

Many of the technical specialists repeated the view that *"We had good luck!"* in having an exceptionally well functioning team. The reasons for this were not merely by chance. A majority of those consulted in this study, from all groups, single out the experience, professionalism and personality of the team leader as the key factor in achieving this positive team ethos. The team leader himself reports that aspects related to team management were consciously on his agenda when guiding the technical specialists. He emphasised constructiveness (especially in the use of appropriate language), transparency, importance of listening, responsiveness as well as discipline (deadlines etc.) in relation to the Ethiopian colleagues, but also in relation to other team members.

"Good human interaction between team members and team members and counterparts is perhaps the most important ingredient of success." Technical specialist

"The mission members were not acting as donors, but as colleagues and partners." Head of REB

Centre / Mission Relations

The overall view of the personnel of the central education institutions concerning the ESDP preparation process is similarly positive—the learning experience and the fact that the process produced feasible implementation plans are highly appreciated. In the comments on the centre/mission relations, however, some tensions also emerge. These are mainly related to the fact that the utilisation and strengthening of the TA capacity of the centre was not as systematically built into the ESDP preparation process as was the case with the regions. The specialists of the central education institutions and departments were also unsatisfied because their potential as specialists was unduly overlooked, as explained previously.

"I learned not to use expressions like 'Should' or 'Must' when my intention was to offer options." TA mission member

It also seems that not all the technical specialists succeeded in being as diplomatic and helpful with the personnel of the central departments and institutions as they were with the regions. Even though the comments are isolated, there is some feedback of individual tensions. One problem that arose frequently was the influx of new specialists into the preparation process mid-way through. This meant that

"There was a gap in the links between the regions and the central agencies. The missions did not facilitate in bridging the gap. Representatives of the central agencies might have sat in at the regional workshops." TA mission member

"There were some tensions when the central agencies were told that they had not done well. These were healthy tensions. The centre thought that they were in good shape when they were not." TA mission member

some discussions and issues which had already been thoroughly gone into previously had to be repeated, thus slowing the development processes considerably.

Many of the technical specialists were impatient with the centre's planning process, which seemed to proceed slower than that of the regions. There were also some feelings of disappointment that advice provided at the end of the second mission was not taken on board and incorporated into the central plan by the start of the third mission.

Centre / Region Relations

The PMO and the MOE were responsible for coordination and organisation of ESDP preparation. The PMO had an important role in ensuring coherence in the preparation of the two social sector development programmes developed in parallel (education and health). The role of the MOE was in overall coordination, organising meetings, in making available background information that the regions were some times missing and in providing documents. The PMO set the regional budget ceilings after consultation with the regional Presidents, to ensure macro-economic sustainability of the programme. The MOE communicated the ceilings to the regions.

The MOE also provided assistance to some of the regions that needed special support in the planning process. For example, a senior PPD official participated in all matrix-workshop sessions with the Afar representatives during the second mission. In exceptional cases, other specialists of the central education institutions and MOE departments also participated in providing assistance to the regions.

In their comments the MOE departments and the central education institutions emphasise that one of the positive achievements of the ESDP preparation process was that it strengthened the links between the centre and the regions. A better

"The process brought the centre and the regions closer together. There was also closer cooperation between central organs." MOE official

understanding of the capacity and plans of the regions is an outcome of the ESDP preparation process. In addition, the links between the central institutions became stronger. Some of the technical specialists also acknowledge the importance of the ESDP preparation in putting decentralisation

in action.

The regions were generally satisfied with the coordinating role played by the MOE and they were pleased with the freedom that they were given in developing their own plans. Many of the technical specialists and some regions, however, expressed concerns about the capacity of the central departments and institutions to provide sufficient technical assistance to the regions.

Relations among the Donor Community

The general feedback from the donors indicates that the ESDP preparation has led to improved donor coordination in the education sector in Ethiopia. Coordination is also considered to be better than in many other countries where the same donors are active. MOE representatives observed that the ESDP preparation has brought the Government and donors together in a new way, and the Government is now dealing with all donors at the same time. Nevertheless, achieving coordination between donors is felt to be one of the most difficult aspects of the process. In Ethiopia, tensions within the donor community focus on two issues, both of which are related to the role of the World Bank and the rest of the donor community during the preparation process.

The first area of tension concerned the policy dialogue with the Government. Policy and management issues were not included as a technical component nor as a cross-cutting theme in the preparation process, and therefore no team was assigned to deal with these issues. The result was that policy dialogue was the responsibility of the World Bank team leader.

The donor agency representatives only participated as observers. The view shared by many donor agencies is that, as a result of this, their access to the responsible officials in the MOE and the PMO was inadequate. In the Donor Forum, it was concluded that in every SDP process, one donor tends to become dominant. Given the magnitude of the SDP exercises, it is likely that a lead agency will be designated, and if so, the requirements set for the capacity of the lead agency are exceptionally high. There was no objection in principle to the World Bank fulfilling this role, only to the way in which the role had developed in this instance.

"The World Bank's role is always going to be pivotal in an exercise like this: They have the most money, the most intellectual resources and the most influence." TA mission member

One representative of the MOE commented that their understanding all through the process was that when they had discussions with the World Bank they were discussing with the entire donor community. A PMO representative justified close cooperation with the World Bank by referring to the large sums of money committed by the Bank with speedy disbursement prospects. Participants at the Donor Forum also concluded that the donor community could have been more pro-active in this respect and could have sought clearer agreement on representation and leadership, jointly with the World Bank. It would have been preferable if this could have been incorporated into the process.

Another area in which the donors felt that the World Bank was too dominant was in the preparation of implementation arrangements. The team responsible for the implementation component did not commence its work until the second mission. Some mission members felt that there was a working assumption that WB procedures would be used for implementation. However, there were several expressions of dissatisfaction with this arrangement, and as a result the implementa-

"Implementation issues were seen initially as technical matters of procurement and disbursement. There was a very strong bias on the Bank's part towards assuming that the solution was for everyone doing things more or less the way the Bank usually did. The importance of wider 'governance issues' was only realised gradually." A TA mission member

"Apart from the World Bank, only a few donors had any idea of the procurement and financial management issues." A TA mission member (WB)

tion team was expanded for the third mission to include additional non-WB experts.

Many of the donor agencies were concerned with how the Ethiopian partners perceived the missions: as World Bank missions or as joint missions involving several agencies? In practice, there seems to have been very little misconception about this on the Ethiopian side: both the regions and the central institutions were very clear that these were multi-donor missions, albeit with the World Bank taking the lead role.

Participations

all Regions the ESDP plans were wholly developed by the various sections of the REB. Few Regions reported significant involvement of lower level stakeholders other than as providers of data and information. Where participation of lower level stakeholders did take place, it was variable in form and not systematic. A few Regions arranged seminars or distributed draft plans down to the Zonal level for comments and Harari (a small City-Region) had consultations with all its teachers. It was commented that, during the ESDP preparation, Woredas and Zones were

in the process of developing their annual plans as usual, but these continued to be developed without knowledge of the ESDP and bore no relationship to the eventual Regional ESDP plans. Another region commented that, in future, they would like to disseminate the ESDP planning process down to the Zonal and Woreda level, and form the Regional plan by consolidating these. Any lower level participation which did exist was mainly for information, much less for consultation or contributing to the planning process. At least one region initially developed its plan in its own language so that it could be read by all.

In all Regions the Regional Councils were deeply involved in overseeing the plans. For many REBs this was a major benefit as it was an important opportunity for them to make their Councils aware of the issues in education. They felt that this opportunity, together with the existence of a plan at all, would strengthen their internal bargaining power when it comes to the future division of resources within the Region. It also represents an important utilisation of their democratic structures.

It was clear that during the preparation process information about the ESDP was not widely disseminated; few persons outside of Regional Bureaux had more than a passing awareness of its existence. Most had none. Many Regions are now taking steps to rectify this situation, but for the larger Regions in particular, this is difficult.

Opinions on whether participation was sufficient were mixed. While all parties recognised that the level of participation and decentralisation of the planning process was already far more widespread than in other comparable countries, some technical specialists and donor representatives felt that inclusion of some bottom-up processes would have been of great advantage. Others pointed out that a more participatory process would have taken more time, and have been even more difficult to manage.

◆ Timing

There are two main issues to consider in this section—the duration and pace of the preparation process, and the timing of events within this process.

Although the initiation of the ESDP by the Ethiopian Government occurred in 1994, donors did not become formally involved until the Consultative Group meeting in December 1996. The main substance of the ESDP was developed in the following 20 months leading to Debre Zeit II, in November 1998. Within this time, the most intensive period of preparation took place in the mission phase between May, 1997 and February, 1998—10 months. For an exercise of this scale, including so many diverse agencies, this might be considered extremely rapid compared to programmes of similar scope elsewhere in the World. Despite this, many of the Ethiopian stakeholders clearly had expectations of a much quicker process. These expectations gradually adjusted throughout the preparation period, as the magnitude of the task and the requirements of the donors became more apparent. However, the sense of urgency and desire to reach completion always remained. This was influenced in no small way by the fact that implementation of

the ESDP itself by the Government had officially commenced in 1997. From the Ethiopian viewpoint the clock was already ticking. Some Regions and technical specialists expressed the view that a start point for the ESDP set in the future—say Jan 1999—would have simplified matters considerably. Certainly, very little funding from donors is likely to flow before the middle of 1999—more than 2 years after the official start of ESDP implementation. Although the normal level of activities will continue, this is nowhere near the activity level envisaged in the ESDP.

Despite the fact that they had to ‘work day and night’ to meet deadlines, the majority of Regions felt that the preparation process was of about the right duration and pace. Many would have preferred an even shorter period, but recognised that they could not possibly have carried out the required tasks if this had been the case. They also recognised that it took time to build their own capacity sufficiently to complete the process. None had significant comments to make about the timing of events except in the above context.

Few of the technical specialists had strong feelings about the duration and pace of the ESDP and most thought that it was ‘OK’. Many felt that implementation issues were not on the agenda early enough and lagged behind other parts of the preparation. From the donors point of view the relative speed of preparation was seen as having both positive and negative consequences. On the positive side it meant that needs are met more urgently and that there is a much greater continuity of personnel on both sides of the dialogue. On the negative side, plans were not always ready on time and there was not enough time to mobilise assistance to the weaker regions. A longer process might have allowed more participation and consultation with lower level stakeholders. More concern was expressed about the timing of events. It was felt that financial management and implementation should have been included earlier and, in retrospect, the Harmonisation Study might have been usefully carried out at a much earlier stage. This latter action would have saved much time later on.

It was also commented that ESDP was a learning process and the pace and timing could not have been perfect.

Outcomes of the Preparation Process

◆ ESDP Plans

Comments have already been made about the learning process involved in the ESDP preparation, and this was nowhere more evident than in the development of the Regional plans and, to a lesser extent, the plans of the Central agencies. The Regional representatives and the technical specialists were unanimously of the view that Regional plans had evolved and improved out of all recognition throughout the three missions. It is not an exaggeration to say that most spoke about their final plans with a true sense of pride. During one interview with Regional repre-

sentatives, they were keen to boast of the seminars that they had held to present their plan to other departments and the consequent standing that they derived from this. For each region, it is their own plan which they view as the central reference point for ESDP implementation

The Central plan did not evolve so quickly. During the first mission no Central plan was under development and the Mission and MOE only belatedly realised that there was a need for one. This meant that discussions between the Mission teams and the Central agencies at this stage lacked focus. This situation was rectified by the second mission but even then, the general view of most of the technical specialists was that the Central plan lagged one step behind those of the Regions. Unfortunately, the Central agencies had not been given the opportunity to learn the same lessons as the Regions and had repeated many of their mistakes. This situation continued into the third mission and it was the view of the Mission members that the Central plan had still not caught up to those of the Regions.. At this stage, it was decided to arrange joint workshops between the technical teams and Central agencies, with the aim of further developing their individual plans. This was appreciated by most participants and was successful in helping to bridge the gap.

Several technical specialists commented on the MOE's failure to recognise problems with the Central plan, and the Mission's relative neglect of the Central agencies. However, this view was retrospective and only became clear during or after each mission. At each point the MOE and Mission thought that they were 'plugging the gaps' only to find another issue to resolve. Quite reasonably, it was thought that it would be the Regions which needed most assistance, and efforts were concentrated in this direction. This was certainly true for some of the smaller and/or disadvantaged regions. However, this ignored the fact that during the previous five years many of the most experienced personnel had been posted to the Regions. This was a policy decision taken for very sound reasons—to increase the capacity of the Regions to take on increased responsibilities in a decentralised system of government. The result was, and is, a decreased capacity in some of the Central agencies and this affected their ability to respond to the demands put on them. A further factor was the uncertainty created by the changing role of these Central agencies. With the devolution of many functions to the Regions, many Central agencies were unclear about what their own role should be, and indeed this was in a state of evolution even during the preparation period.

◆ Programme Action Plan (PAP)

The Ethiopian representatives saw the PAP as a useful summary of the ESDP. Some regions commented that it helped in seeing the ESDP as a whole, and each region's place in this whole. Most regions, however, stressed that their regional plans are the most important ESDP document for them.

Most of the technical specialists who were involved in the TA missions had not seen the PAP. The few who did had a chance to study the PAP, were much more critical about it than their Ethiopian colleagues. Comments were made that the

final PAP is far too general, it does not add much to the ESDP, and therefore its usefulness is questionable. Some technical specialists also felt that the in-depth comments that were prepared on the PAP during the 3rd mission had been completely ignored in finalising the document.

◆ Programme Implementation Manual (PIM)

Some regions had seen the first version of the PIM in the Debre Zeit II meeting. The general feedback from them was that the PIM would provide useful guidelines for ESDP implementation. However, many regions pointed out that, while the first version of the PIM is a good starting point, there is need to develop it further. In retrospect, all regions agree that the PIM should have been available earlier, and optimally it should have been finalised at the same time as the regional plans.

The MOE representatives pointed out that ESDP implementation is based on the Ethiopian management and administrative system. The role of the PIM is to describe the adjustments and modifications that are necessary because of donor involvement and requirements. Senior PMO representatives also agreed that the PIM should have been available earlier as it is a pre-condition for the effectiveness of the IDA loan.

The views of the technical specialists and donors on the PIM have already been amply discussed earlier in this report, and focus mainly on WB dominance during its preparation.

3. Summary of Main Achievements and Issues

Positive Achievements

Throughout this study, the responses from those who participated in the ESDP preparation have been overwhelmingly positive. In the following paragraphs we summarise some of those achievements to which there seems to be a consensus by a majority of participants and which might give direction to others embarking upon future ESDPs elsewhere.

◆ Strong ownership and commitment on behalf of the GOE

Throughout the preparation of the ESDP the Ethiopian Government has demonstrated strong and determined ownership and commitment to the process. The initial decision to embark on an ESDP was entirely on the Government's own initiative and was without pressure from the donor community. It was only after this decision had been taken that donors were asked to support the process. Throughout the preparation this ownership was maintained and this is evidenced for example by the fact that the majority of ESDP documents were prepared and written by Ethiopian participants.

The donor community provided advice, support and comment by making available technical specialists, but did not impose their views on what should be the contents of the programme.

◆ Decentralised planning and involvement of Regional administrations

During the preparation of the Ethiopian ESDP a significant level of decentralised planning was achieved through active involvement of the regional education administrations. Rather than aiming to develop a single plan for the ESDP, the Government and donors set out from the beginning to ensure that each of the 11 Regions within Ethiopia was given the opportunity to develop its own plan. In addition, each separate Central institution developed its own section of the Central plan. These plans were firmly based on analysis of background data and put the GOE policy framework into tangible form. Successive versions of the plans matched objectives and strategies with the financial resources expected to be available.

The considerable variation in the approaches adopted within these documents by different Regions demonstrates the deliberate lack of intervention from the Central Government with development of the contents of these plans. This varia-

tion was the result of the very differing conditions and problems facing each Region, and it is doubtful that a centrally planned ESDP would have been able to produce such a wide set of strategies to address these problems. It is worth noting that this decentralised approach to planning the ESDP was greatly aided by the already existing decentralised federal structure of government within Ethiopia.

◆ Increase in the capacity to carry out educational planning of the Ministry of Education, the Central Institutions, and the Regional Education Bureaux

The way in which the ESDP preparation took place has resulted in significant capacity building in educational planning. The Regions and Central agencies were responsible for preparing their own ESDP plans but were not left completely to their own devices. They were provided with ample support and assistance both from the technical specialists provided by the donors and from the central Government when required. The purpose of the three joint donor technical assistance missions was to provide advice and exposure to best practice from other countries. This assistance was also available to the MOE at all stages. The several iterations through which the plans gradually improved allowed those involved in the planning process to learn in the most powerful way possible—through doing themselves. In addition, planners gained insights into the special requirements and documentation which individual donor agencies need to satisfy their own internal criteria for providing aid. Previously, such requirements would have been met mainly by donors' own employees and stakeholders in the partner country would not necessarily be aware of the process.

◆ The spirit of partnership shared between Government and participating agencies

Throughout the Joint TA missions team members, guided by the team leader, made a conscious effort to adapt their style of work to one of genuine partnership and cooperation. This style, which was perceived by the participants as unique, was non-confrontational and aimed to guide rather than direct. This approach had several positive consequences which included the development of a strong team spirit within the Mission team itself and a high level of trust between the Mission team and the various Ethiopian teams.

◆ Cooperation and coordination between donors

In Ethiopia, an exceptionally large number of external funding agencies were involved throughout the ESDP preparation process. As the process progressed, and was seen to be achieving its goals, the total number of donors gradually grew to fifteen. While donor cooperation of this kind has been achieved in a few other African countries, it is still the exception rather than the rule, and as such well worth noting. The Ethiopian Government itself can take a significant part of the credit for bringing about this cooperation. Throughout the preparation the GOE

remained determined in its preference for joint missions, and actively discouraged individual donors from breaking ranks from this principle. Fortunately, most donors were not difficult to convince and readily accepted this condition. The ESDP preparation also provided an opportunity for collective learning in how to organise and carry out complex joint missions.

◆ The development of a structure to accommodate all support to the education sector

The ESDP represents an overall structure for all activities within the education sector in Ethiopia. All stakeholders have had a hand in its preparation and all stakeholders have therefore implicitly agreed to a common set of goals. Ideally different parties should not be pulling in different directions, overlaps and repetition between donors should not exist, and important sub-sectors should not be missed out or under-funded. This should be the natural result of any SDP, however, the Ethiopian ESDP is unequalled in the scope and detail which has been achieved in applying this principle across the whole education sector. It is also special in that the structure is flexible enough to accommodate vastly varying conditions and access to resources across the country, and is able to accommodate any number of different strategies adopted by different Regions.

◆ Analysis of implementation issues in the context of SDPs and harmonisation of procedures

During the ESDP preparation a considerable amount of analytical work has been carried out by consultants (both Ethiopian and expatriate) on different aspects of implementation arrangements in the context of a sector-wide programme. This work has helped to clarify available options in the design of functions of the GOE and ESDP bodies responsible for monitoring and ongoing development of the program; in harmonisation of periodic reporting; and in reporting on external funds. Much of this analysis is pioneering work and it has led to improved understanding of the complexity of issues involved.

Unresolved Issues

The positive and enthusiastic feedback concerning the ESDP preparation far exceeds any critical comments from the participants. There are, however, issues that remained unresolved throughout the preparation process. When looking at some of these issues retrospectively, it seems that they should have been approached differently. It is worth pointing out that for some of the issues that remained unresolved during the preparation, progress has since been made during ESDP implementation. The first annual review cycle for ESDP is on-going, and has provided a useful forum for the partners to discuss capacity issues and other constraints faced in ESDP implementation. While the preparation phase is over, the improvement process continues as an essential part of implementation of the ESDP.

◆ The lack of policy dialogue between GOE and donors

Throughout the preparation process, the World Bank was able to have a very prominent policy dialogue with the GoE. Other donors, however, felt left out of this dialogue. For many this was a matter of major concern and was clearly unsatisfactory. This situation has since been partially resolved for the implementation phase of the ESDP, and annual review meetings will serve as the principle forum for policy dialogue between GOE and donor agencies. These discussions will take place in conjunction with subsequent discussions and decisions on allocation of funds within the programme. In addition, the ESDP Steering Committee, in which four of the donor agencies are currently represented, and the now regularised meetings between the Minister of Education and resident agency representatives, provide additional opportunities for policy dialogue in between the annual reviews.

◆ Implementation arrangements for the ESDP and differences in donor requirements

The area which was most contentious throughout the preparation process was that of implementation, and in particular the financing of the programme. In hindsight, the almost unanimous view among the consultants and donor representatives is that these issues should have been addressed more fully and much earlier in the process. It was also suggested that MOF and MEDAC should have been involved from an earlier stage. However, this is a retrospective view and these problems were realised only gradually during the preparation process.

A related issue is that, to satisfy their own internal decision-making processes, individual donors have different requirements concerning procedures and documentation. The World Bank is an exception in that it had already determined at an early stage its own minimum requirements necessary for making decisions on funding to the ESDP. Consequently much of the work of the sub-team dealing with implementation issues has been geared to meeting the specific requirements of the Bank. The representatives and consultants of the other agencies only belatedly realised this fact and its implications for the ESDP preparation process. There has therefore been insufficient appreciation of the requirements of the other participating donors for preparing, negotiating, and making decisions on their contributions to the ESDP. One of the reasons may be that many of the smaller donors have very limited capacity in the emerging fields of expertise which are necessary to meet the scope and nature of implementation arrangements in shifting towards a sector wide approach. Another possible reason is that several donor agencies are still undecided concerning their position on sector programme support, i.e. they are not yet able to state in concrete terms, what their minimum requirements for participation in an SDP would be.

◆ The ESDP moves into implementation in a situation where differentiation among agencies prevails.

While most agencies are willing to be involved in a programme approach there are varying degrees of readiness to experiment with direct budgetary support, dis-

bursed through the normal GOE finance channels (“Channel 1”). Some donors have already indicated their willingness to provide such funding unconditionally; others will use Channel 1 as long as their funds can be earmarked to specific purposes, sub-sectors or activities. Others are taking a dual approach and splitting these funds between Channel 1 and other channels, while a few remain sceptical of this approach and for the time being will continue their funding through existing channels. This differentiation is partly a result of variation in the degree of flexibility allowed by the different agencies’ existing regulations, and partly due to their unwillingness to modify these towards a harmonised system. This is not an issue which in itself threatens the ESDP, as the Ethiopian Government has accepted that such variations in approach will have to exist for some time to come. However, the difficulty in setting up accountable systems satisfactory to all is causing significant delays in the flow of funds.

◆ Delays in the provision of donor funding for the ESDP

This was clearly the main problem perceived by the Ethiopian side at the time of writing, aggravated by the fact that implementation of the ESDP was officially commenced by GOE in 1997. On the donor side, one of the major reasons for this situation is what they perceive as lack of adequate financial management procedures. There are also other outstanding issues that those donors considering funding through Channel 1 in particular still wish to continue discussing. These include the inadequacy of the links between the ESDP and the macroeconomic programming and Public Expenditure Review processes. Another concern is that the ESDP and the Medium Term Expenditure Framework need to be brought closer together and the operational modalities of the Education Account, auditing procedures and the annual monitoring, reporting and planning cycle need further elaboration.

The donor community has taken an initiative to address these issues in a Memorandum of Understanding, but has not reached a consensus with the Government on the need for such a document. For GOE, the preference given to Channel 1 was important as matter of principle during the preparation process, whereas at the Regional level, a more pragmatic approach was predominant, emphasising the need for prompt disbursement regardless of what channel is used.

◆ The needs for capacity building at all levels

This is probably the single most difficult remaining, unresolved issue. Perceptions of capacity needs in the MOE, the Central Agencies, the REBs, and among donor agencies and their consultants differ widely. Consequently, there is disagreement on the desirability and extent of using technical assistance (including study tours and overseas training) to build capacity. There is also a divergence of views on the financing and management of TA. This is reflected in the Programme Implementation Manual, where the topic of TA is not included. Many of the Regions and Central Agencies find the provision of TA, from outside their own budgets and outside the total ESDP envelope as an attractive proposition. They clearly

expect that at least some of the donor agencies would continue to supply TA in this manner.

As a way forward, GOE and a group of donors have proposed the establishment of a joint TA fund for the ESDP and the Health SDP. At time of writing this had not been decided and the issue remains largely unresolved.

Lessons for ESDPs Elsewhere

General Considerations

Recognising the strongly context-bound and partly contingent nature of the complex processes of preparing ESDPs, this section does not seek to formulate a blueprint to be followed in other countries, but to rather to present a set of general principles that would merit consideration at the commencement of such exercises. In doing this, it is also possible to draw on existing comparative evidence from other ESDPs in Africa ⁹.

The “Provisional guidelines” document of the meeting of Education experts of the EU Commission and member states in November 1997 (p. 3-4) lists the requirements that are “*most likely to enable an ESDP to fulfil its objectives*”. Among these are:

- government ownership of program preparation and implementation,
- government-led coordination of donors,
- harmonisation of monitoring and reporting arrangements,
- programming in the context of the national budget, and
- programme management designed around and strengthening existing sectoral management.

Somewhat different formulations of basically the same list are found in other documents describing SDPs. As these conditions are commonly conceived as defining characteristics of SDPs, they become “*most likely*” preconditions for success of the programmes. In other words, under for instance of weak government ownership and coordination, a successful ESDP cannot be produced. Thus far there are but a few ESDPs in process, and none of these can be said to have reached conclusion. Existing evidence is not yet sufficient to adequately measure whether these criteria do indeed enable an ESDP to fulfil its goals or whether there are others which are equally important to success.

In practice it is unlikely that existing cases can be adequately classified in terms of “yes/no” on the above-mentioned criteria—instead, finer gradation in their assessment is needed. As shown by the findings of this study, the Ethiopian ESDP is exemplary in Government ownership of the programme and strong in

9 The ADEA Working Group for Education Sector Analysis is during 1999 conducting a study of partnerships between Ministries of Education and donor agencies in Burkina Faso, Ghana and Mozambique. The results of the study will be publicized as part of the stocktaking exercise of ADEA. As experience is gained from preparation and implementation of ESDPs in a growing number of countries, it will become possible to conduct more comprehensive and systematic comparative studies, enabling more nuanced conclusions on the factors that influence the degree of success in translating the sector program approach into reality. See also Gould & Takala & Nokkala 1998.

government-led coordination of donors, whereas on the other three criteria, it has made significant progress, but still faces unresolved issues. Through analysis of the views of the participants in the ESDP process in Ethiopia, this study has been able to go beyond criteria of the above type and identify the kind of unresolved issues and existing tensions that need to be dealt with in practice.

Also mentioned in the same EU document is “adequate attention to institutional and human capacity-building, with appropriate use of external technical assistance”. In this formulation, the principle is non-objectionable as such, but leaves open the determination of what is “adequate” and “appropriate”. Again, the results of this study indicate that these issues can be highly contentious.

Education Policy Framework and Dialogue

◆ Scope of ESDPs

As regards the education policy framework, the Ethiopian ESDP is truly sector-wide in scope, whereas in other countries the ESDPs that are being currently being implemented, or are under preparation, are more confined in scope. Some are confined to basic education (e.g. Ghana, Tanzania, Zambia) whereas others at least exclude higher education (e.g. Mozambique). Achieving sufficient consensus, both in the domestic political arena and between Government and donor agencies, on the issues of vocational and tertiary education is much more demanding than to work on the basis of the internationally well-established agenda for the development of basic education¹⁰. At the same time, once a truly sector-wide programme has been put into place, this should subsequently make the difficult task of allocating financial resources easier to solve in the annual budgetary preparations of both Government and donors. It will also bring to the fore the need to prioritise between different sub-sectors based on the acknowledgement of related opportunity costs, within the limits of available resources, both during the preparation and during the implementation of the ESDP. A specific example of this, which arose during the Ethiopian ESDP, was the debate over the cost of building a relatively small number of expensive TVET schools versus the number of primary schools which could be built instead. All this is expected to reduce the likelihood that intra-sectoral rivalries will complicate the implementation of the programme.

◆ Forum for participation in policy dialogue

An important factor influencing the nature of policy dialogue is that the financial contributions of the various donors differ considerably and this is likely to result in varying amounts of influence in policy discussions. This has certainly been the case thus far in Ethiopia. In countries following macro-economic structural adjustment programmes, general policy conditionalities agreed on between

10 See Takala 1998; Gould & Takala & Nokkala 1998, p. 38.

the Government and the World Bank/IMF are significant in framing educational policy (e.g. a ceiling for public expenditure on education, the share of primary education of total Government expenditure for the sector). To other agencies, such parameters appear as given. As can be seen in Ethiopia this can lead to resentment on the part of those donors left out of the policy dialogue. The lesson would appear to be that a forum for specifically discussing educational policy issues on the basis of relevant professional experience should be part of the joint preparations for an ESDP. The role of all participating donors in the policy dialogue needs to be defined clearly to all at an early stage. As indications of desired earmarking of funds by individual agencies are presently a means of exerting leverage on policy choices, a related issue is, to what extent such earmarking will continue parallel to increasing provision of budget support.

The relationship between the ESDP process in each country (joint review missions and periodic review meetings) on the one hand, and the bilateral agencies' internal decision-making processes and their negotiations with the respective Government, on the other, needs further analysis and discussion.

Even after the initiation of ESDPs, the levels of funding available from bilateral agencies will remain subject to parliamentary approval of annual budgets by their own governments. The allocation of available funding between sectors will remain to be negotiated between governments in a wider perspective than is possible in the context of individual sector programs

Organisation of the Preparation Process

◆ Roles in preparation

An overriding conclusion of the ESDP in Ethiopia, and one which we strongly believe should apply elsewhere, is that consultants should not do the planning but should support local planners in their work. This is the key for the process to become a capacity development exercise both for those being advised and for those providing the advice. The prerequisite for this to happen is that the local planners perceive the planning responsibilities as their priority task and major means for influencing their national education reform. They should not view this task as additional to their "real" responsibilities, carried out merely to satisfy donors. In Ethiopia this happened because the process was "owned" by the Government prior to the donors becoming involved. Credit should also be apportioned to the Mission leadership for supporting this ideal and planning the Mission approach accordingly.

It is also desirable to achieve a significant level of decentralised planning in the preparation so as to spread ownership as widely as possible. In Ethiopia this was achieved very naturally because of the existing federal structure of the country. In other countries appropriate means of organising this will need to be found which fit with the Government structure of each country. It should also be noted

that in Ethiopia this decentralisation only reached down as far as the Regional level. Within some regions there are in fact zones which are significantly larger than other regions. These were never involved in the ESDP planning process. The question for any country embarking on an ESDP is: What is the lowest level of administration that the ESDP planning process should reach down to?

The contributions from Government and from different agencies or their consultants to the preparation of ESDPs will depend greatly on the evolving capacities of the different parties. Over time, the accumulation of technical capacities to contribute to analysis and reporting in a sector programme context will make it easier to share and rotate these tasks.

◆ Mission leadership and collegial approach

The overwhelming message emanating from all parties concerned the exceptional atmosphere of cooperation and trust created during the Ethiopian ESDP preparation missions. Many of the members of the Mission team were widely experienced in project-related missions carried out in other countries yet the majority thought this particular mission special in this respect. It is possible that this atmosphere of cooperation is an accident of personnel selection. However, given the number of participants involved, it is more likely evidence of the importance of mission leadership and the advantages of a collegial approach. This is an important lesson for future ESDPs.

Consultation of all participating agencies on the TOR of missions and of special studies should become routine. In addition, consistent sharing of background information in advance among all members of these teams is important, as is adequate briefing to newcomer mission members by the host MOE, and by their respective agencies and the mission leader.

Ideally, the participants in other ESDP processes would also engage themselves in self-reflection on the kind of issues that this study has addressed.

◆ Continuity of personnel and emerging areas of expertise

Continuity of core personnel on both sides of the partnership during ESDP preparation is important for creation of trust and good working relationships. However a certain amount of turnover of personnel is inevitable and serious attention needs to be given to the way in which newcomers are briefed. This briefing should not only provide them with information, but should also inculcate them into the existing ethos of the preparation team. The Governments and donor agencies also need to engage as members of the preparatory missions both education specialists and specialists in other relevant areas (e.g. economic analysis, public sector reform, financial management, development of information systems, procurement). It is also important that the education specialists participating in the preparation of ESDPs are fully conversant with these other areas, which constitute an essential element of the sector-wide approach. These needs have implications for the development of the respective capacities among Government and agency personnel, and among consultants.

◆ Arrangements for donor coordination during the preparation process

The need to designate one or more of the participating donor agencies as a “lead agency” or a “core group” during the preparation process has to be judged case by case. If there is to be a lead agency or a core group, the implications of such an arrangement for the relationship between Government and agencies, and for inter-agency relationships, should be made explicit. For some smaller donor agencies, this kind of arrangement is the only option available for their participation in the process, as they lack sufficient resources to do otherwise. Under such conditions, consultation on the division of roles and responsibilities is imperative, together with a mapping of the different technical strengths within each donor agency. Simultaneously, for documents that are not joint products (e.g. agency-specific studies and appraisal reports), there needs to be consistent information-sharing across agencies.

◆ Flexibility and orientation during the preparation process

Another lesson from the case of the Ethiopia ESDP is that there is a fine balance between pre-planning the necessary steps in the process (e.g. studies to be undertaken and documents to be prepared) and being over-prescriptive early in the process. On the one hand there is a need for local participants to be aware of the tasks to be accomplished and to avoid “setting additional hurdles” as the preparations proceed. On the other hand, if the process is too tightly defined at the outset, then the opportunities for these participants to be involved in the development of the process itself are limited. At this stage they often lack the necessary experience to contribute judiciously. If anything it is better to accept less pre-planning rather than risk stifling the opportunities for capacity development evident in an evolving process. In any case, as demonstrated in the Ethiopian ESDP, it is unlikely that it will be possible to completely predict the outcomes of such large-scale preparations and an evolving process has many advantages for all to learn from. Useful questions to be asked to ensure structure in the flexible process include:

- What documents will be needed (and by whom) to define and record the strategy and programme that is developed?
- What documents will be needed as guidelines in implementation issues?
- What documents will need to be regularly up-dated or rolled over to keep the SDP current during implementation?
- How do the above documents relate (in content and preparation process) to existing Government planning, budgeting, accounting, progress and financial reporting documents?
- Who will be responsible for preparation of documentation—government, donors or a mixture of both?

- Who will be responsible for the preparation of documents from the Government side and do these people have sufficient existing experience and capacity to perform this task? If not how will capacity be built during the process?

It is also important to realistically anticipate the time and amount of work needed to complete the preparation process. In particular, estimation of the length of the preparation process includes appreciation of the differing documentation requirements of the donor agencies prior to decision-making. These measures will help forestall unrealistic expectations regarding disbursement of donor funds to the program.

Within such a broad framework, the preparation process needs to maintain flexibility in structure and timing, in order to be able to adapt to unforeseen developments (e.g. changes of government in the host country, substantial changes in the availability of funds from the major agencies, or more micro-level complications in the process).

Harmonisation of Management Procedures

The ESDP in Ethiopia has been one of four “focal cases” which attempt to harmonise the management procedures used by external funding agencies in their support to sector development programs, initiated under the Special Program of Assistance for Africa. These cases have presumably been chosen because the prevailing conditions were deemed as relatively favorable for success. The ensuing expectations and commitments in the ESDP process in Ethiopia were at an exceptionally high level, resulting in tangible achievements (above all, the analyses of harmonisation of periodic reporting, channelling of external funds, and the functions of bodies established for monitoring ESDP implementation). These outcomes provide a useful framework for identifying, analysing and discussing important issues that need to be tackled in ESDP preparations elsewhere. On the other hand, successful pilot cases are often—as with the Ethiopian ESDP—characterised by a particular dynamism among the participating actors, which is not repeated in every case.

The lesson here is that realism is needed in expectations regarding the harmonisation of the different agencies requirements for management procedures and the way in which these can be integrated into Government structures, especially in relation to financial management. It seems to be relatively simple to harmonise monitoring and progress reporting, and move towards jointly conducted reviews and evaluations.

It is worth emphasising that harmonisation of these is a relevant objective even when operating in the “project mode”. It is advisable to see harmonisation and integration as a medium-term process, which will pass through a sequence of transitional forms as implementation arrangements move from the project mode towards an “ideal” sector program approach. Progress will require a considerable amount of flexibility from the different actors in negotiating and monitoring the different arrangements, and would be facilitated by maintaining a “pioneering”

attitude, i.e. willingness to take risks, and to admit possible mistakes and learn from them.

In a similar vein, other recent analyses of the SDP approach¹¹ have emphasised that this approach should not be seen as a new generation blueprint for development cooperation, as has tended to happen with the codification of guidelines for design and monitoring in the project approach. This recurrent message notwithstanding, there is a risk that the donor agencies' representatives or their consultants, who have been involved with the preparation of the Ethiopian ESDP, will wish to apply this experience too directly and too literally to ESDPs elsewhere, e.g. for intellectual and procedural convenience. In such cases, the partner Governments may not be well informed of this experience, and may find the generalised approach too intrusive. In addition, the expectations regarding the pace and smoothness of program preparation may become overoptimistic. As a counterbalance to the above-mentioned risk, there is a need for a forum for African Ministries of Education to share their experiences of ESDPs and possibly formulate a set of commonly accepted principles for dealing with funding agencies in the context of sector programmes. Such discussion was initiated under the auspices of ADEA in 1998.

11 e.g. Cassels & Janovsky 1997; Gould & Takala & Nokkala 1998.

Annex 1 – Points for Discussion with Regional Representatives

1. Reflection on ESDP process—major achievements and problems as seen by the Regions
2. Initiation of ESDP, 1994-96
 - What role did the regions play in developing policy documents
 - Were consulted in decision to take programme approach
 - When did they become aware of this?
 - What information did they receive?
3. Structure and Organisation
 - choice and adequacy of technical components
 - management & implementation including: reporting formats, financial management systems, governance/joint steering committee, regional steering committees
 - conduct of missions
 - guidelines given to then regions from Centre and from Mission
 - products expected
 - structure of documents
4. Timing
 - scheduling,
 - time pressures
 - deadlines etc
5. Participation
 - Who was involved
 - At what level
 - Who contributed to documents
 - What information was given to Zones / wordedas
6. Roles and Responsibilities
 - relationships; centre/regions, regions/mission, centre/mission
 - how was the mission perceived—as WB team, as donor reps, as individuals or what
 - how much freedom were regions given and how much direction was given from the centre

7. Budgeting and Financial Management
 - How did Regions prepare budgets
 - What were the consequences of mission requests for reformatting of budgets
 - Have they been informed of new systems
 - What will they be the effects of new systems
 - Have they been adequately consulted, specifically on preferences concerning the channels
 - What problems are they facing
 - Do they think that more attention should have be given to these issues earlier
 - How much flexibility do they now have as a result of the ESDP
8. Project Outcomes
 - How useful do they find the PAP and PIM?
 - What improvements would they like to these documents
9. Expected changes in the provision of aid.
10. Other Issues

Annex 2 – Education Sector Developments in Ethiopia 1994–1996

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Background

May 1991 marked the end of the three decades of internal war and civil strife that brought the Transitional Government into power in July 1991. It is generally agreed today that the peace dividend accompanied by the commitment of the new government to rectify the social and economic problems of the society paved the ground for a decisive shift of budget allocation from defense spending, which has been heavily curtailed, to economic and social sector development.

To this effect, the first concrete steps undertaken by the new government were the adoption of far reaching political, economic and social reforms that ranged from a National Charter that fully complies with the Universal Declaration of Human Rights of the United Nations to the formulation of reflective and comprehensive economic and social policies. The Transitional Government replaced the previously centrally planned economy with a market-oriented economy. The Transitional Economic Policy advocated a reduced role of the state in the economy; promotion of the private sector in economic development; popular participation in the development process; security of land tenure in peasant agriculture; and the right to sell agricultural produce at market prices. The Transitional Economic Policy set out four immediate priorities. These were:

- rehabilitation of regions affected by drought and war;
- restoration of damaged and destroyed infrastructure;
- special focus on neglected regions; and
- reorganisation of institutions in line with the new economic policy.

The Transitional Government of Ethiopia also redrew the country's internal regional boundaries on the basis of present and historic patterns of ethnic group settlement. This regionalisation didn't stop at redefining regions, but included complete federalisation of government responsibilities. This gave autonomy in collection and allocation of revenues, as well as in the management and administration of the provision of basic social services at Regional, Zonal and Woreda levels.

Besides the liberalisation of the economy and regionalisation, social sector policies have also been formulated on women, population, health, disaster prevention and preparedness as well as education. These social policies were endorsed as they were imperative to translate into practice the following broad National Objectives of the socio-economic reform package:

- Establishing peace and stability in the country;
- Bringing rapid economic growth;
- Meeting basic needs of the population and reducing poverty; and
- Giving priority to the disadvantaged and neglected areas in the expansion of social and physical infrastructure and other development, and to protect the environment.

The processes which were undertaken to formulate the sectoral policies demanded rigorous consultations among various stakeholders. Thus, the following is an overview of the **Education and Training Policy** formulation that was undertaken in 1993 and 1994.

The Formulation of the Ethiopian Education and Training Policy

When the new Government came into power the Ethiopian education system was suffering from multifaceted problems which also prevailed during the previous two regimes. The main encounters were related to the issues of relevance, quality, equity and accessibility. Besides this, the curriculum and the teaching-learning process were found to be inadequate in developing the necessary knowledge, cognitive power, abilities, skills and attitudes in students so as to help them prepare themselves for productive life and further education.

Inadequate facilities, insufficient training of teachers, shortage of books and other teaching materials all indicate the low quality of education provided. On top of the above mentioned problems, beginning towards the end years of the *Derg* period, enrolment was decreasing, which is thought to be attributed to the prolonged effects of war and instability created during the change of government. The following table pictures vividly the decreasing trend recorded between 1988/89 and 1992/93, particularly at primary level.

In the light of the above mentioned educational problems, it has become imperative for the Ethiopian Government to design an appropriate education and training policy that gives insight for the overall educational development. Hence, technical groupings, comprised of appropriate individuals with the necessary experience and training and from various institutions, were formed to study key educational issues and come up with policy recommendations.

The central task force formed was coordinated by the Prime Minister's Office. It was composed of eleven members and included six team leaders dealing with the various policy issues indicated below:

Gross Enrolment Ratio at Primary (1-6) Level (1985/86 – 1993/94)

Year	Gross Enrolment Ratio
1985/86	37.4
1986/87	40.8
1987/88	41.9
1988/89	40.3
1989/90	36.5
1990/91	32.7
1991/92	26.5
1992/93	23.1
1993/94	27.5

- Curriculum and research;
- Teacher training, teaching methods, including professional development and working conditions of teachers;
- Educational measurement and evaluation;
- Language in education;
- Educational organisation, management and finance; and
- Educational materials and support inputs.

In order to assess the above issues a technical committee and six study teams were formed. The study teams were formed from various development ministries, research organisations, the teachers' association and institutions of higher learning. All in all, forty national organisations and three hundred experts have participated in the study. Moreover, public consultation on the draft policy document was done at central, regional, zonal, Woreda and school levels throughout the country. For instance, schools in Addis Ababa were closed for a day to discuss the ETP. In this regard we think the ETP is an outcome of a public debate which addressed the basic educational problems.

It is also possible to draw similarity between the New Education and Training Policy and the Education Sector Review of 1972. The previous Education Sector Review Study which was done during the Emperor's Era (1972) had been managed by organising 14 task forces and five small working groups as prime movers. Membership of the groups totaled 81, of which 51 were Ethiopians drawn from the Haile Selassie I University (currently AAU); the Ministries of Education, Agriculture and Community Development; the planning Commission and other government agencies. Foreign members were residents of Ethiopia working for international organisations such as UNESCO, ILO, the Ford Foundation and the Harvard University Development Advisory Service. Unfortunately, although it had been a rigorous policy development exercise the change of government in 1974 aborted its implementation.

Planning Exercises Carried out by MoE Prior to the Formulation of the Education Sector Financing Programme

After the Government had endorsed the New Education and Training Policy, the Ministry of Education undertook two planning exercises. The first endeavor of MoE resulted in an Education Master Plan of Ethiopia that envisaged guiding the progress of Education in line with the Policy within a 20 year time span (1994/95 – 2016/17). The Master Plan, which targeted a minimum enrolment of 80 percent of primary school age children after two decades, was circulated in March 1994.

Thereafter, in December 1994 the Ministry of Education prepared the second draft of the Master Plan of Ethiopian Education and a short term plan entitled “Short Term Ethiopian Education Plan: Major Intervention With Focus on Primary Education”. MoE’s second undertaking (Short Term Education Plan) primarily focused on the various activities needed to be implemented in a five year period in order to translate the ideals of the Education and Training Policy into practice. Besides this, it attempted to show the financial requirements of the different components of primary education. This Short Term Education Plan was discussed in the Annual Education Conference held at Awassa in December 1994. The Master Plan of Ethiopian Education dealt with General Education, i.e., pre-primary, primary, secondary, non-formal, technical and vocational and special education while the Short Term Plan focused on primary education. As a result, both documents were not comprehensive.

Later on, the two above mentioned documents, though useful as background materials, were not considered to be complete and up to the required standard by PMO. In this regard, the PMO commissioned a competent National Consultant to prepare the Education Sector Investment Programme in June 1995. This coincides with the endorsement of a programme approach by the government.

The Education Sector Development Programme (ESDP)

The assistance Ethiopia has acquired to develop its education system in the past few decades, which came as a result of various multilateral and bilateral cooperation, was handled in the project oriented approach line.

However, the recently developed Ethiopian Education Sector Development Programme (ESDP) envisaged pursuing the country’s education development efforts on the basis of a sectoral programme approach rather than the traditional project approach.

In this regard it becomes essential to indicate first and foremost how and why sectoral programming was preferred to the project approach.

◆ A Shift from Project Approach to a Sector-Wide Approach

As per the discussion with the appropriate PMO personnel, the discussion about shifting from a project approach to a programme approach was actually initiated by the political leadership of the Transitional Government. According to the information acquired from PMO, two major situations influenced the move, namely: liberalisation of the economy had started to pay-off; and Government acceptance of Global Social Development Strategies endorsed in various international circles and in which Ethiopia actively participated.

Looking into the level of the country's economic development, in relation to sets of basic social problems that require serious government attentions, education and health were identified as the first top priorities for Sector Development Programme initiatives. Subsequently and as indicated above, MoE developed a 20 year Education Master Plan and a five year short term plan in March and December 1994 respectively.

Moreover, since 1969 the term 'programme approach' has not been new, especially in the context of United Nations Development Cooperation. Particularly, the 1991 UNDP's fourth country programme evaluation is thought to have influenced Ethiopia to change from project to a programme / sectoral programme approach.

In this regard the document that came out in 1995 from the Ministry of External Economic Cooperation (MEEC) expounds the case as follows.

“The Government's decision to adopt a programme approach to development stems from the results of evaluations of donor assistance, and of the negligible impact of external assistance on development in the country. The consensus reached in these evaluations is that development assistance should be provided within a coherent national framework, in order to avoid unnecessary fragmentation and duplication of efforts.”

The major pitfalls of the project approach discerned by the evaluation of the UNDP Fourth Country Programme in 1991 were reflected as follows:

- the large number of uncoordinated activities constituted a serious burden on government, draining rather than strengthening national capacity;
- development assistance was too diffuse and impact was difficult to measure due to the project-driven nature and the absence of programme-level indicators;
- the proliferation of donor-driven projects led to an unnecessary duplication of activities and a wasteful use of scarce resources;
- too many projects increased the management burden on government to the extent that the government was no longer able to exercise proper leadership for aid coordination;
- the unnecessary emphasis accorded to internal logic in project design often turned out to be to the detriment of the project impact at the institutional and national levels;

- the lack of participation and focus of development assistance on the direct beneficiaries limited their impact and compromised sustainability; and
- the administrative demands arising from the approval process of different donor projects, involving different procedures and structures for design, approval, implementation, reporting, monitoring, review, and evaluation was a cumbersome burden on both donors and government alike. This demand diverted attention from the more substantive issues relating to the impact of donor assistance on the target beneficiaries.

The Education Sector Development Programme (ESDP) which is the logical outcome of the New Education and Training Policy (NETP) evolved during UNDP's Fifth Country Programme (1993-1997). Taking the coincidence of the adoption of a programme approach by the government and the commissioning of the preparation of the ESDP, one can safely argue, at least at conceptual level, that the UNDP's influence on shifting from a project approach to a sectoral programme approach is significant.

◆ Preparation of the ESDP Document

In 1995 the PMO commissioned a national consultant to study a public investment programme in the education sector. The principal objective of the study, as defined in the Terms of Reference, was to develop a programme and indicate areas of government intervention in the development of education over a five year period, covering the years 1995/96 – 1999/2000 (later to be changed to cover 1997/98 – 2001/02 as the preparation took a longer time).

From the discussion with the consultant it was learnt that he alone prepared the Education Sector Development Programme, even if the TOR indicated the job to be done by a team of consultants under his supervision.

In addition, the consultant made clear that he principally utilised secondary data which was produced by the MoE in the recent past (1993 – 1995). He also tended to say what he did was streamlining the two planning documents of MoE since they were not coherent and up to standard. The consultant did not go for field visits out of Addis Ababa, but interviewed and discussed various educational issues with a number of MoE officials and experts.

According to his schedule, the consultant commenced the undertaking in June 1995, submitted the first draft of ESDP in August 1995 and the final report to the PMO in September 1995. In general, the consultant's work was commended.

The 76 page final study report of the ESDP submitted to the PMO is divided into six sections. The first section is the introduction, followed by an overview of the education system in terms of the main quantitative indicators of educational development. It includes a discussion of problems and constraints. Thereafter, an outline of the major components of the educational development is presented in section 3, followed by the presentation, in section 4, of an investment programme during the next five years along with the financial requirement for implementation

of the programme. The implementation strategy of the programme and the conclusion are presented in sections 5 and 6 of the report respectively.

About one year after the receipt of the final report, the PMO approached the World Bank Resident Mission for technical assistance to edit, polish and, if necessary, to abridge the 76 page document. Accordingly, the first abridged draft came out in October 1996 to be followed in November 1996 by the final version. It is this final version (abridged to 27 pages by the World Bank) that was officially circulated to the December 10-12, 1996 meeting of the Consultative Group.

◆ The Role of MoE and PMO in Developing the ESDP Document

In the development of the different educational policy documents that came out in the last six years, MoE and the Social and Administration Sub-Sector of PMO worked in close cooperation and consultation with various beneficiaries. These include REB's, Higher Education Institutions and other stakeholders that are related or interested in one way or another with the development of education and training in the country. Some international organisations such as Sida, UNDP, UNESCO, etc. were also following the policy development exercise closely and they were forwarding their comments and views to MoE. In this regard the Social and Administration sub-sector of PMO played important roles in mobilising and coordinating the various stakeholders which could have been a difficult job for MoE. On the other hand, almost all technical undertakings carried out during the policy formulation process were handled by MoE, of course, in collaboration with various parties mentioned earlier.

However, with regard to the preparation of the ESDP document in particular, which was done by a consultant between June 1995 and September 1996, the principal actor was the Social and Administration Sub-Sector of PMO. MoE played a collaborative role by providing the necessary information to the consultant. The review of the study was also done by PMO.

◆ Other Policy Studies vis-a-vis ESDP

The Public Expenditure Review (PER)

The Public Expenditure Review (PER) is a World Bank lead exercise started in 1994. The discussion with the officials of the Ministry of Finance has revealed that this exercise is a requirement by the Bank for every country which is undergoing a Structural Adjustment Programme (SAP). The Public Expenditure Review (PER) process in Ethiopia is an ongoing exercise (with one each year) and five PERs have already been carried out since 1994. The reports of the first four PERs have been published while the draft report of the fifth PER has been completed. However, in this report we attempt to show a glimpse of PER I and II as they were produced before the 1996 CG meeting.

The first Public Expenditure Review (PER I), which was completed in October 1994, reviewed the Government's new economic policy and sector development strategies, and assessed the progress made in reorienting the Government's expenditure policies in the light of the new policy. PER I recommended that, along with the reorientation of expenditures towards the social services and infrastructure programmes, future budgets must ensure that essential activities within the sectors be adequately funded. Specific measures were agreed upon with the Government. Of these measures, increased overall allocation of the recurrent budget in education to supply materials (from 6% to 9%) rather than wages and salaries, with particular focus on primary education, was one.

The second Public Expenditure Review (PER II), completed in May 1995, extended the work done in the first PER by reviewing the additional progress made by the Government in further deepening its expenditure priorities. It also addressed progress on regional decentralization in Ethiopia and associated implementation capacity-related issues. PER II recommended the instituting of a three-year "Rolling Plan" both for the recurrent and capital budget. Indicative benchmarks for operation and maintenance expenditures in priority sectors, i.e. in primary education and primary health, agricultural extension and road maintenance.

The PHRD Studies

PHRD study findings (e.g. Demand and Supply of Education Manpower: Alternative Scenarios; Access and Supply of Education Facilities; Cost and Finance of Education; Household Demand for Schooling; Cost Effectiveness of Key Inputs to Education Private and Social Return to Schooling, etc.) were made available in September 1996 just one month before the first abridged draft of the ESDP document or only after one year following the 76 page original document.

From the interview conducted with the lead consultant who worked on the original ESDP document and the time interval between the studies and even the first abridged draft of the ESDP document it is evident that the finding of the PHRD study in no way contributed towards the former. This is further evidenced by the fact that both the ESDP document and PHRD studies quoted MOE and the REBs as a data base. Yet, one cannot ignore the contribution of the various PHRD studies in the subsequent development of the regional and central plans and the programme action plan after the March 1997 SIP workshop at Debre Zeit.

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