

**Aide Memoire
First Consultative Meeting
Education for All 2004-09
9 December 2004**

1. In 2003, HMG/N adopted the 'Education for All National Plan of Action 2001-2015' and through a wide consultation of stakeholders at national, regional, district and sub-district levels, developed a strategic document referred to as Education for All Program 2004-2009, Core Document (EFA2004-09). International development partners appraised and accepted the strategic plan as a useful guiding policy document for guiding towards the EFA goals.

2. The governments of Denmark, the United Kingdom, Finland and Norway, and the International Development Association (IDA) provide support under the Joint Financing Arrangement (JFA) signed on 24. September 2004. Implementation began from July 16, 2004.

3. The HMG/N plan for EFA 04-09 draws upon the six policy goals of the Dakar Framework of Action and strives to ensure access and equity, enhance quality and relevance as well as improving efficiency and institutional capacity of primary education. With regard to children, the essence of the plan highlights that *each child has a right* to receive education of good quality and that Nepal has an obligation to ensure that no child is denied of receiving such education. Decentralization and inclusive education are thus the two major strategies for implementation of the EFA 04-09 plan, emphasizing provision of quality education to all children with special focus on girls and children from disadvantaged communities.

4. The first consultative meeting of the EFA 04-09 between pooling partners took place on 9 December 2004. The meeting included submission of documents and discussion among the partners, including a report on the Flash Survey I, 2004 and a technical review report. A list of the consultative meeting participants is found in Annex A.

5. This aide memoire records the proceedings of the consultative meeting, drafted and agreed to by the partners. The agenda for the consultative meeting is attached as Annex B. The consultative meeting followed a general consultation with all partners to EFA on 8 December 2004. Minutes from this consultation are attached as Annex C.

Joint financing arrangement

6. DoE proposed a change of the budget for 2004/05 that was taken note of by partners. It was agreed to that the backlog of expenditure from first trimester should be cleared before the end of the next trimester.

7. In addition, it was noted that changes are found from the Annual Strategic Implementation Plan (ASIP) to the Red Book to actual expenditures and these changes are not discussed with pooling donors before decisions are made. It was agreed that DoE designs a mechanism for consultation of budget changes. It was also concluded that the National Planning Commission and the Ministry of Finance should be included in future discussions on the budget.

8. DoE presented a budget projection and a timeline for the process for developing the ASIP for the fiscal year 2005/06.
9. Concern was raised with regard to the indicative education budget share of the national budget where figures are down to 15.49% for 2005/06 as opposed to 16.2% in 2004/05. A request was made that budget figures for the distribution of budgets is calculated in order to avoid that allocations for primary education crowds out secondary and higher education as the primary education share of the education budget seems to increase from 62.27% in 2004/05 to 67.13% in 2005/06. In addition, it was noted with some concern that the indicative HMG/N share of the budget is down from 75 to 70%.
10. It was discussed that district budgets should be linked to need to enhance access and improve disbursements and that specific districts and groups should be targeted in order to generate positive experiences for further implementation. It was agreed that the rationale behind the budget should be presented at the review in April 2005 with explicit references to the scenarios of the Core Documents. It was further observed that calculations would need to be based on the Medium Term Expenditure Framework (MTEF) as well as the intentions behind the support to Education for All.
11. MoES proposed a total EFA requirement of \$175 millions for ASIP 2005/06. Pool donors agreed to provide up to \$35 millions of this requirement as an indicative contribution in line with the principle of pro rate shares and subject to successful utilisation of the EFA budget allocation in 2004/05.
12. The pooling partners noted the importance of developing the ASIP as a sectorwide document to enhance coordination, consistency and coherency with Secondary Education Support Program 2003-09, Teacher Education Project and other types of assistance as well as following the structure of the MTEF. Further, it was stressed that the ASIP chart of accounts should be aligned with the financial reporting formats. It was pointed out that all contributions to the education sector should be reflected in the Red Book.
13. DoE will design a mechanism that ensures participation of non-pooling partners in the process of developing the ASIP.
14. DoE presented a draft Financial Management Report recording the progress of implementation in the first trimester of 2004/05 fiscal year. Initial progress was reported as slow. However, necessary manuals have been approved and are expected to accelerate implementation. To facilitate financial reporting, reflected in Annex 4 of the JFA, a software will be developed. The process of replenishment with certification from the Financial Comptroller Generals Office was presented. DoE presentations are attached as Annex D.
15. Finally, it was underlined that requirements for reporting to be presented to the consultative meeting in the future should be limited to what is agreed to in the JFA.

Next steps

16. An EFA 04-09 review is scheduled to take place in Kathmandu from 25-29 April 2005. The review will be connected with the SESP review.

17. The review Terms of Reference, a programme for the review and drafts of supporting documents, including a draft ASIP for 2005/2006 will be forwarded to partners no later than 1 April 2005. Final versions of the supporting documents, in accordance with the JFA, are to be forwarded to review partners no later than 14 days before the review starts.

Annex A: EFA Consultative meeting participants

Annex B: EFA Consultative meeting programme

Annex C: Minutes from the consultative meeting on 8 December 2004.

Annex D: DoE presentations

Annex A: EFA Consultative Meeting Participants 9th December 2004

S.N.	Name of the participants	Designation	Office
1	Mr. Ram Sarober Dubey	Joint Secretary	MOES
2	Mr. Chuman Singh Basnyat	Director General	DOE
3	Mrs. Marit H. Vedeld	Advisor	NORAD
4	Mr. Kikkan Hangen	Dep. Head of Mission	Norwegian Embassy
5	Else Moller Nielsor	Councilor	DANISH Embassy
6	Rajendra Dhwaj Joshi	Senior Education Specialist	WORLD BANK
7	Juho Uusikakala	Councillor	Embassy of Finland
8	Ram balak Singh	Deputy Director	DOE
9	Hari Lamsal	Section Officer	DOE
10	Karsten Jensen	CTA	ESAT
11	Jasmne Rajhhdeky	Social Development Advisor	DFID
12	Andrew Hak	Economic Advisor	DFID
13	Ram Prasad Sharma	Director	DOE
14	Knud Mortensen	Senior Education Advisor	DANIDA
15	Hari Bol Khanal	Director	Non-formal Edu.
16	Mahashram Sharma	Deputy Director	DOE
17	Janardan Nepal	Director	DOE
18	Ratna Kumar Shreshtha	Deputy Director	DOE
19	Bed Raj Parajuli	SO	DOE
20	Tekendra Bahadur Karki	Senior Program Officer	ESAT
21	Lok Bilas Panta	US	MOES
22	Rajya Laxmi Nakarmi	SO	MOES

Annex B: EFA Consultative Meeting Program 9th December 2004

DAY TWO (THURSDAY, 9 DECEMBER)

Venue: Department of Education, Sanothimi

Participants: JFA Partners, NPC, MOF, FCGO, MOES/DOE

Morning Session

9.00-9.30	Breakfast
Group A 9:30 – 11:00:	Changes in Budget and communication mechanism, Funding for 2005/06 (initial indications), Restructuring of ASIP/AWPB and Pooling Mechanism for 10 EFA budget heads for 2005/06 Mr. Lok Bilas Panta, MOES, Mr. Ram Balak Singh, DOE
Group B 9:00 – 11:00:	FMR 1 (Further to Day One presentation) and Request for replenishment with certification from FCGO - Mr Ratna Kumar Shrestha, DOE, and representative from FCGO Mr. Binod Devkota, MOES
11.00- 1.00	Aide Memoire Draft
1.00-2.00	Lunch

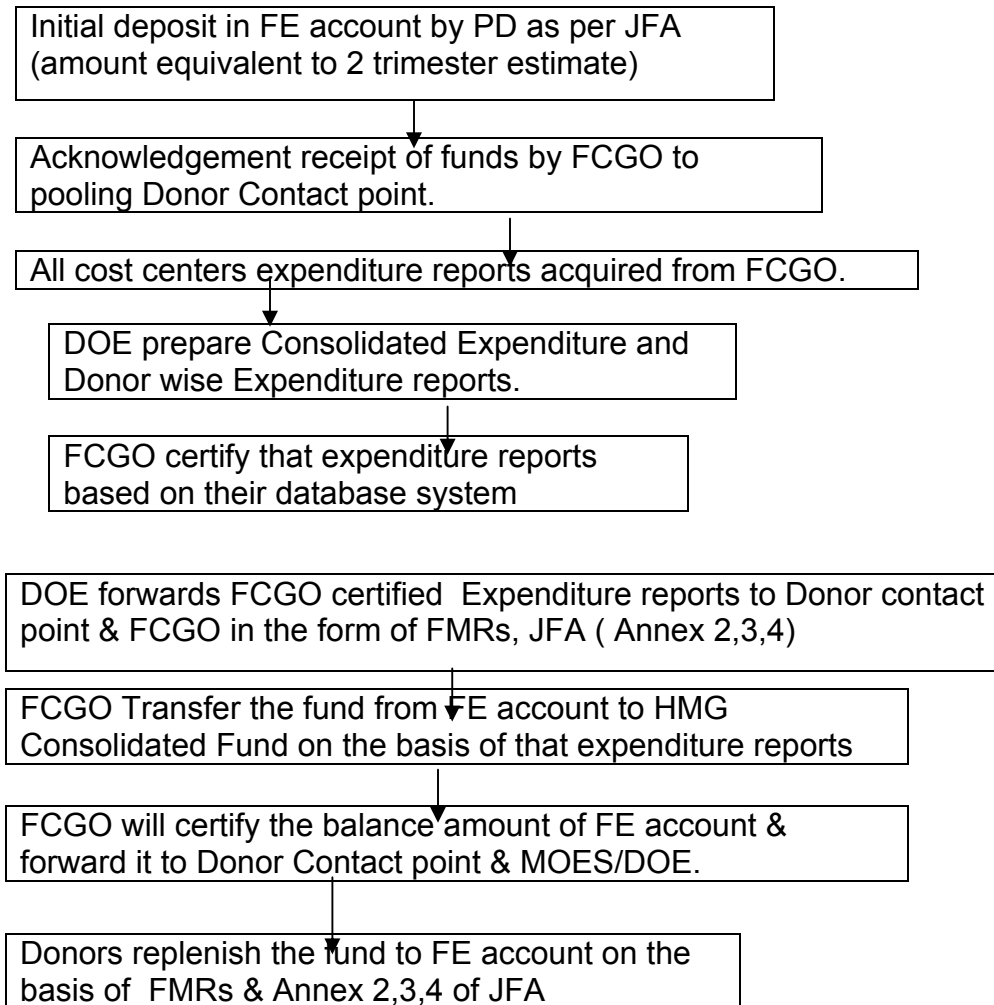
Closing Session

2.00-3.30	Plenary, Chair, Mr. Ram Sarobar Dubey, Joint Secretary, MOES Comments and clarifications Aide-Memoire presentation, comments and adoption
3.30-4.0	Tea/Coffee
4.00-5.0	Wrap up
5.30-7.30	Reception at Malla Hotel, Lainchour, Kathmandu

Annex C: Minutes from the Consultative Meeting 8th December 2004

Annex D: DoE Presentations

Process of replenishment with certification from FCGO



FE Account: Foreign Exchange Account
PD: Pooling Donors
JFA: Joint Financing Arrangement/ Agreement
FCGO: Financial Comptroller General Office
MOES: Ministry of Education and Sports
DOE: Department of Education