

Education for All
Consultation Meeting
December 4 to 6 2006
Aide Memoire

1. A joint consultation mission of Education for All (EFA) 2004-09 with development partners, the Ministry of Education and Sports (MOES), the line agencies and stakeholders took place on December 4, 5, and 6 2006.
2. The purpose of the meeting was to serve as a consultation meeting for the Signatories of the JFA and the other non-pooling partners who support EFA 2004-09, and to discuss overall progress for the previous fiscal year. The documents to support this review were the draft annual performance report and draft Flash 1 of the current academic year, and a report from the Technical Review team.
3. ADB reported the approval by the Board the previous week of a loan of \$30m to Nepal. Development partners welcomed this, and also ADB's decision and that of UNICEF to join the JFA.
4. The establishment of a Seven Party Alliance (SPA) Government and the signing in November 2006 of the Peace Treaty between the Government of Nepal and Maoists following the popular April uprising have on the one hand raised expectations of the people from the Government in all fields including education, and on the other hand has created opportunities for building a new Nepal.
5. Development partners congratulated those responsible for the documentation provided in advance of the meeting, in particular for the range and quality of the data, and for the helpful analysis accompanying it.
6. Members of the TRSE attended the Mission and made a presentation based on their report which confirmed Flash data
7. This Aide Memoire is the outcome of the meeting, drafted and agreed to by the partners. It is divided into three sections, as follows:
 - a. An assessment of progress against EFA indicators, allowing development partners to make an indicative financial commitment for the Financial Year 2007-08
 - b. A detailed section based on reports on teachers, classrooms, textbooks and scholarships, based on reports provided, with outcomes and action to be taken following the Review Mission
 - c. The Way Forward: The Mid-Term Review (MTR): Mid-Decade Assessment; the Performance Audit being undertaken by the Ministry of Finance; the School Sector Reform Programme and other matters

8. The list of participants is at Annex A, the Terms of Reference at Annex B, the schedule for the Review at Annex C and the Terms of Reference for the Mid-Term Review at Annex D.

SECTION ONE ASSESSMENT OF PROGRESS

9. **To capitalize on the opportunities of the new Nepal it is critical to make resource allocation criteria more equitable and more transparent, based clearly on needs, both at the centre and at the local level. Once the results of resource allocation exercises are made public there is a need for a built-in system for addressing grievances.** In this context, the Mission recommends that information related to resource allocation be publicized as appropriate, including posting it on the websites of the MOES, the Department of Education (DOE), and where they exist on District Education Office websites. **This issue will be followed up in Local Donor Meetings for implementation from the Financial Year 2007-08.**

10. Overall physical and financial progress is satisfactory, with the proviso that the expenditure has increased by Nrs1.5bn compared with first year of EFA, of which Nrs1.0bn has been on teacher salaries. However there are considerable differences between districts, which suggests issues on equitable resource allocation. A more detailed analysis on physical and financial progress will be needed. Also, development partners raised concerns about the overall efficiency of the system, particularly with regard to survival, promotion, repetition and drop-out. This puts schools under pressure, and does little to enhance achievement. Around 400,000 primary school-age children are not in school, and two-thirds of these are girls, often from minority groups. To achieve the goals of EFA, **greater efforts are needed to reach these out-of-school children.** These two matters, efficiency and out-of-school children, will be priority matters at the MTR

11. The progress made by community-managed schools was presented, and the Mission commended the progress made.

12. It was noted that learning achievement was not included in the documentation or presentations as an outcome indicator of quality. The information about learning achievements conducted within the framework of community school evaluation project funded by a Japanese Grant was shared with the Mission. **An action plan for learning achievement tests within the framework of EFA should be presented to the next Mission.** From the next Review, the results of pilots already being undertaken should be provided. A long-term plan for standardised testing should be included in the School Sector Approach Core Document.

13. **Partners called for an immediate action plan to improve the JFA's disbursement, reporting, monitoring and auditing.** There is a particular need to address weaknesses in district and school level auditing, including social audits.

14. Partners had the benefit of the documentation provided before the Review, and of reports from previous reviews. There were also reports given at the meeting, and the agreements on action to follow the Review. **Development partners indicated their readiness to support the EFA Programme in the Financial Year 2007-08.**

SECTION TWO TEACHERS, CLASSROOMS, SCHOLARSHIPS AND BOOKS

TEACHERS

15. There are considerable demands on teacher supply and teacher training at all levels, particularly in the light of the School Sector Approach (see below). Data provided by both the DOE and in the Technical Review of School Education (TRSE) confirmed this. An initial estimate from the DOE was a shortfall of 40,000 teachers.

16. In addition to a shortage of teachers from Disadvantaged Groups, and of women teachers, there is a need for teachers with bilingual skills, so that more children can be taught initially in their mother tongue.

17. Training courses for multi-grade teaching are being provided, giving teachers the skills to teach across several grades, and there are long-term plans to provide all untrained teachers or insufficiently trained teachers with appropriate courses.

18. Subject to successful application, teachers with appropriate qualifications in primary schools can apply for and be appointed to lower secondary schools, and similarly teachers with appropriate qualifications in lower secondary schools can be appointed to secondary schools. These changes have no budgetary implications but allow the teaching force to be more responsive to the needs of schools.

19. In recognizing the availability of teachers as a critical issue in enhancing the quality of education, the Mission requested the MOES and DOE to provide a costed plan, bearing in mind that an increase in the teaching force or in teachers' salaries will have to be addressed in a phased manner, with due considerations for long-term financial sustainability. **The Mission also requested a concrete plan for teacher redeployment to be provided immediately after the Review**, in time for consideration at the first meeting of the Local Donor Group in 2007. The teacher redeployment plan needs to contain a verifiable numeric target and the time line for its achievement. Similarly, the proposal for additional teachers needs to be updated in consultation with Ministry of Finance and the National Planning Commission. Development partners have been requested to consider funding a new cohort of additional teachers subject to acceptable progress on teacher redeployment and presentation of a plan for additional teachers agreed with the MOES and the Ministry of Finance.

CLASSROOMS

20. A DOE presentation highlighted a huge unmet demand for new classrooms and toilets for children. Availability of classrooms is crucial to ensuring access to education for all children, and the Mission accepted the presentation from the DoE pointing out the need. An ADB study found that the shortfall in the primary school system for Grades One to Five only is 40,000 classrooms, costing \$198m to provide. Extending basic education to Grade Eight will inevitably increase this figure substantially. **The Mission therefore requested the DoE to prepare a needs assessment and a costed plan to address this on a priority basis, in time for the forthcoming ASIP process.**

21. There are problems with the phasing of construction projects, due in part to a lack of specialist staff for such things as survey, and with the supply of materials. A policy change involving a partnership with I/NGOs now means all 75 districts now benefit from construction projects rather than a limited number – around 3,800 classrooms each year are being constructed in them. DEOs select schools for such work using selection criteria based on educational indices including data on the enrolment of girls and of dalits, and on retention of students from Grade One to Grade Five. Partners urged that **these criteria were widely publicised, in the interests of transparency and so that schools understand what they need to do to be eligible.**

22. An assessment of the earthquake safety of classrooms revealed that training is also needed for engineers, and for masons and carpenters to ensure earthquake resistant construction and designs best suited to local areas and local needs. Quality monitoring is an issue: communities undertake their own construction projects, a welcome development since it encourages a sense of ownership of the buildings, but one which brings accompanying risks of low quality, especially in view of the low level of skills. Likewise, DOE emphasized the need for a research-based study for the development of sufficient number of appropriate classroom designs suitable for each geographical region and local context, using local construction materials, labours and technology.

TEXTBOOKS

23. Problems with distribution of textbooks continue. Although there has been a marked improvement over last year, in a small number of districts the problem is severe.

24. In the Eastern Region, supply of Grade 5 textbooks has been open to the private sector since the Academic Year 2005-06. Subject to favourable outcomes, this scheme will be expanded to other regions.

25. A system of advancing funds to schools prior to the start of the academic year, alongside the readiness of schools or communities to fund their own books, has reduced the problem. However the SIP funds are insufficient to meet the costs in particular where enrolment increases.

SCHOLARSHIPS

26. Scholarships reach most eligible Dalit boys and Dalit girls and around 90% of the money allocated for scholarships is spent. However there is insufficient funding for the number of eligible children, delays in getting scholarships to recipients, and there is no sound tracking system to ensure that children receiving scholarships remain in school nor that scholarships are used for educational purposes. There is a need to release money more quickly, and for the guidelines to be provided on time for schools and for members of the community, in collaboration with NGOs and INGOs. As with other resources (see Paragraph 8 above) there is a need for greater transparency and for an accompanying grievance procedure.

27. Partners recognise that resources are scarce and therefore prioritisation and targeting are crucial to maximise their effects. **Scholarship policies will be reviewed and revised accordingly to enable the extremely marginalised groups to be reached and supported throughout their schooling. This review should include the selection criteria, management and monitoring of the system, to make the process clearer and**

the criteria more relevant. An impact study of scholarships will be part of the review. The review is to be completed in time for the Local Donor Group to consider the changes prior to the next ASIP process. Recommendations of the FCGO study on scholarships should be taken into account in formulating the action plan.

28. Partners expressed concerns about the targeting of funds, and the effectiveness of ensuring that money reaches the groups and individuals for whom it is intended. Lessons learned from the Vulnerable Communities Development Plan could usefully be applied to this area.

29. Presentations were made by representatives of Community Schools Support Project, Non-Formal Education, the Formative Research Project, and the Technical Review of School Education.

SECTION THREE THE WAY FORWARD

30. The Mid-Decade Assessment and the Mid-Term Review processes will be completed during early 2007, and will be integrated with each other, and with the April Mission, to reduce demands on the MOES and DOE.

31. The MOES has been invited to join the Fast-Track Initiative. The development partners are asked to support the application, which requires the endorsement of partners.

32. The Auditor General's Office is undertaking a Performance Audit, in line with JFA provisions, and the focus will be agreed upon by the signatories. This report will be available for the MTR and the April 2007 Mission.

33. MOES informed partners that it will be the pilot ministry in Nepal for an initiative "Mainstreaming Managing for Development Results in Support of Poverty Reduction in South Asia".

34. The National Planning Commission is working on a Three Year Periodic Plan, to run to 2010.

35. The School Sector Approach (SSA) was outlined, and the Concept Paper was discussed. Development partners endorsed the initiative, which is compatible with their long-term aims for education in Nepal. The next stage of the process is the preparation of the Core Document, and the Government invited development partners to support the SSA process. Seven Thematic Groups have begun work on elements of the Core Document, and partners are invited to participate in the process of planning. A small number of pilot districts will implement SSA, with the phasing of full implementation to begin in 2009-10, at the close of the present funding cycle of EFA.

36. The overriding priority for the MOES should be more equitable and transparent resource allocation to meet these expectations. The Government should identify priorities in consultation with donors at monthly Local Donor Meetings, taking into account available resources and the feasibility of change, and making clear what will be achieved and by when. In particular, the Government should provide other information on costs and the criteria for resource allocation by district for increasing teacher numbers (by recruitment or

redeployment) and increasing classroom construction. This will enable donors to firm up commitments and will enable the Government to make a strong and coherent case for additional support.

In response to an initial request for US\$55m, development partners informed the Government of the availability of US\$45m, including funds from UNICEF and ADB. It was agreed that individual donors would explore the possibility of additional funding from their headquarters. It was also agreed that an application be made to the Fast-track Initiative Catalytic Fund and its potential added value, which is to be discussed between the Government and donors at the earliest opportunity.

ANNEX B – TERMS OF REFERENCE

Consultation Mission

December 4 to 6, 2006, Kathmandu, Nepal

Purpose

- 1 The meeting in December will serve as a consultative meeting for the Signatories of the JFA and the others who support EFA 2004 - 2009 to discuss overall progress for the previous fiscal year based on reports listed in Paragraph 3 below and the findings of a technical review mission.
- 2 The pooling and non-pooling education donors, UN agencies, MOF, the National Planning Commission, the Financial Comptroller General's Office ("FCGO"), Office of the Auditor General Nepal (OAG/N), the Ministry of Law and Justice and MOES will be represented at the meetings. Other stakeholders including teacher unions, SMC officials and District Education Officers will also be represented. MOES in cooperation with the Development Partners will be responsible for the agenda and will call and chair the meetings. The outcome of the meetings will be presented in an Aide Memoire which will be drafted jointly by the Signatories.
- 3 The reports provided for members of the Review will be:
 - a. a preliminary annual financial statement,
 - b. the annual performance report,
 - c. a consolidated Flash report of the previous fiscal year on outcomes and processes and Flash 1 of the current academic year
 - d. a report from the Technical Review team
- 4 Members of the Consultation Mission who have made field visits will provide reports on these.
- 5 Donors will provide indicative funding levels for the following fiscal year.

Specific objectives and expected outcomes

- i. Donors' indication of their commitment to 2007/08 budget on the basis of GoN indicative budget for the Financial Year 2007 - 2008
- ii. Agreed plan to deal with issues of quality, textbooks, scholarships and teachers
- iii. Inclusion of ADB and UNICEF in the Pool
- iv. Planning for the EFA Mid-Term Review including approval of the Terms of Reference of the Review
- v. Updates on the EFA MDA Nepal Country Report
- vi. Performance Audit consideration
- vii. Approval of the Terms of Reference for the Technical Review in 2007

ANNEX C – SCHEDULE

Date	Activity	Key Persons	Venue
Monday, 4 December 2006	<p>Morning Session 10.30 a.m. – 1.00 p.m.</p> <ol style="list-style-type: none"> 1. Opening Session 10.30 to 11.30: <ol style="list-style-type: none"> a. Mr Balananda Paudel, Secretary MOES, in the Chair b. Initial Observations: <ul style="list-style-type: none"> • Mr Arjun Bhandari, Joint Secretary, MOES • Mr Juho Uusihakala, Local Donor Contact Point • Mr Janardan Nepal, Director-General, Department of Education • Brief observations by Mission Leaders: ADB, Denmark, DFID, Finland, JICA, Norway, UNDP, UNESCO, UNICEF, World Bank, World Food Program, INGO Representative 2. Adoption of agenda items 3. Formation of Aide Memoire Drafting Team (team to meet after the day's business) <p>11.30 to 1.00 p.m. Presentation of Physical Progress</p> <p>Lunch Break 1.00 p.m. – 2.00 p.m.</p> <p>Afternoon Session 2.00 p.m. – 4.30 p.m. Presentation of Financial Progress Inclusion of ADB and UNICEF in the Pool</p> <p>Presentation of Outcome Indicators</p>	<p>L.B.Pant and team R K Shrestha and team</p> <p>B K Paudel and team</p>	DOE Hall Sanothimi
Tuesday, 5 December 2006 Venue: DOE, Sanothimi	<p>Morning Session 10.00 a.m. – 1.00 p.m.</p> <p>Presentation and Discussion on Teachers, including TEP Presentation and Discussion on Classroom Construction Presentation and Discussion on Text-books</p> <p>Lunch Break 1.00 p.m. – 2.00 p.m.</p> <p>Afternoon Session 2.00 p.m. – 4.30 p.m. Presentation and Discussion on Technical Review of School Education Terms of Reference for the Technical Review</p>	<p>B K Devkita S Upreti P K Shah</p> <p>TRSE Team Mission Members</p>	DOE Hall Sanothimi
Wednesday, 6 December 2006	<p>Tea 10.00 a.m.</p> <p>Morning Session 10.30 a.m. to 1.00 p.m.</p> <ol style="list-style-type: none"> 1. School Sector-Wide Approach: The Way Forward 2. Community Schools Support Programme: Consideration 3. Non-Formal Education including Community Alternative Sch Programme 4. Planning for the EFA Mid-Term Review <ol style="list-style-type: none"> a. Approval of the Terms of Reference of the Review b. Performance Audit consideration c. Inputs from the EFA MDA Nepal Country Report <p>Lunch Break 1.00 p.m. – 2.00 p.m.</p> <p>Afternoon Session 2.00 p.m. – 4.30 p.m.</p> <p>Aide Memoire finalization Tea Closing Session</p>	<p>Arjun Bhandari</p> <p>Donor Contact Point B K Devkota</p> <p>Mission Members</p>	Documentation Hall, MOES