

# **Support to Basic and Primary Education**

**His Majesty's Government  
Ministry of Education**

## **NEPAL**

**BI-ANNUAL REPORT NO. 16  
for BPEP II  
by the Chief Advisor  
1 August 2001 – 1 January 2002  
TO ROYAL DANISH EMBASSY**

**Danida  
104.Nep.39**

## KEY DATA

**Country:** Nepal

**Project Title:** Basic and Primary Education Programme (BPEP II)  
(EDUSAP: Education Sector Assistance Programme)

**Report No:** 14 Danida Ref: 104.Nep.39  
Account No: 505-3391-8

**Period covered:** 01.08.01 - /01.01.02

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Chief Adviser

**Date:** 01 - 2002

**Next report due:** 08 - 2002

<b>Danida grant:</b>	<b>DKK</b>	<b>300,000,000<sup>1</sup></b>	
<b>Contribution US\$ mill:</b>		<b>Budget 2001/2002</b>	<b>Expenses August 01-Jan 02</b>
Danida			
• Basket Funds		5.90	2.48
• Direct Funds		2.10	1.89
HMG		0.80	NA
Others: CIP Donors			
IDA		4.20	2.40
EU		3.00	1.50
NORAD		3.60	1.80
FINNIDA		1.10	0.57

**Source:** Budget: HMG/N budget for BPEP II 2001/2002  
ANIDA TA (Long Term Advisers) is over and above DANIDA Grant to BPEP II

**Government agreement signed:** 29th May 1998

**Project period:** 1998– 2003 (to be adjusted to 2004, following the technical negotiations Nov. 2001)

**Implementing agency:** Department of Education under Ministry of Education and Sports, Kathmandu, Nepal and other central line agencies within MOES.

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<sup>1</sup> As per the “Styrelsesoplæg” of 12<sup>th</sup>. November 1997

## **PROGRAM OBJECTIVES**

The overall program objective is to alleviate poverty by increasing economic productivity, health and sanitation practices and community awareness on development issues.

Thus, the programme is pursuing the consolidation of the objectives of 1st Development Phase (1993-1998) i.e. to provide universal primary education to all children of Nepal. In line with the World Declaration on Education for All, the focus of BPEP II is to improve the quality of primary education, increase access to basic and primary education and strengthen management efficiency for empowering the human resources of Nepal.

Instead of the former earmarking of funds towards specific components and activities, all core investment donors (CIP-donors) have now agreed in principal to the "basket"-funding modality (total co-funding within all components). All donors have released funds to the basket but co-funding of areas outside the basket has still not been agreed to.

The overall program target is national coverage. In the first year of BPEP II (99/2000), programme expansion took place from 40 to presently 48 districts. In 2001, the program became nationwide

## **OBJECTIVES AND PROGRESS OF THE 17 COMPONENTS**

Since the introduction of the basket modality, PAT provides technical assistance to all areas of Department of Education and thus, the bi-annual report of the CTA to RDE covers all 17 components.

### **Component 1: Physical school facilities**

**The objectives:** Schools physical environments should be well maintained so as to improve the teaching-learning and health situations and protect the large investment in physical structures. Involving local authorities in maintaining schools and reducing overcrowding in classrooms as well as provision of proper sanitary installations is imperative. New construction must be earthquake resistant and cost effective and only build according to need.

**Strategy/activity/progress:** The overall strategy is to establish a regular maintenance of schools based on local community involvement and contribution and by involving VDC's in supporting schools regular maintenance. This is done through awareness workshops for local authorities and school managers. Also training of a maintenance teacher at each school in maintenance planning and in practical minor repairs is being conducted. Each school will be provided with management and technical manuals and a small toolbox with repair kits included.

(progress)

### **Component 2: Alternative Schooling:**

The **objectives** are to pilot a number of modalities for easing access for disadvantaged children to obtain the overall programme goal of universal access to primary education. Out of School Program (OSP) is a continuation of BPEP-I and following the same strategy.

**Strategy/activity/progress:** The strategy of the Out-reach program is to provide grade 1 to 3 schooling opportunities for children living far away from the school or who are excluded from the school for other reasons. The strategy of the flexible schooling program is to provide learning opportunities corresponding to primary education grade 1 to 5 to working children in urban, semi-urban and rural areas through a condensed package using a non-formal education strategy.

NFEC (Non-formal Education Centre) is running alternative schooling classes through central level NGOs like Nepal Red-cross society, Family Planning Association etc. Progress of OSP (Out-of-School Program) classes has shown in distribution of quotas.

The school outreach and the flexible schooling programs are not running according to the anticipated plan in the PIP (Program Implementation Plan). Efforts are undergoing to close the gap.

### **Component 3: Education of Girls**

The **objectives** are to increase girls' enrollment and retention through providing various types of incentives. The component targets areas with low girls' GER. To facilitate girls' participation in secondary education, the feeder hostel programme will be continued/revitalized and secondary education scholarship has been provided to 1000 girls.

**Strategy/activity/progress:** The strategy of this component is to launch a multi-pronged incentive scheme and to mobilize communities and NGOs to participate in the implementation of the scheme. The idea when BPEP-II was designed was that gender issues should be part and parcel of all other components. It is however difficult to monitor to what extent this happens. None of the other components (except NFE/women) seems to be explicit about their targets in terms of girls/women.

This year, a gender audit has been proposed. The PAT office facilitated the development of the terms of reference (TOR) for presentation at the Joint Mission in April. Unfortunately, the audit has been delayed due to deliberations on the TOR in the Local Donor Group. The audit has taken off the 2<sup>nd</sup>. week of October. DANIDA is providing assistance for two local consultants, in the process of being contracted..

Further, a literature review has been supported through direct funding, feeding into the audit itself.

Two other studies, concerning conditions for girls education, have been carried out lately, funded by Norwegian direct funding. One study focuses on "Increasing the supply and quality of female teachers through revitalizing the feeder hostel" and the other on "Analysing female teacher recruitment and deployment policy". Both studies are in a process of being finalised. The PAT office has facilitated quality control of the studies.

Girls' education is still in severe crises and it should be considered to engage all donors – maybe also from outside the BPEP framework - in a concerted effort to enhance education of girls. The existing program and the institutional framework round girls education should be scrutinized as part of this process. PAT should play a facilitatory role here

### **Component 4: Special focus Groups:**

The **objectives** are to increase enrollment and retention of primary school age children of disadvantaged groups through the launching of awareness programmes in those communities where the special focus groups are and to conduct motivational programmes in order to increase the demand for education.

**Strategy/activity/progress:** The strategy is to identify special focus groups and their needs and to conduct workshops on VDC level in order to involve the community and to make parents aware of the importance of education.

The component is at present challenged by the problem of meeting the educational needs of approximately 25000 primary age children of former Kamaya families many of them living in camps without access to education. The program is engaging in establishment of better educational opportunities for former Kamayia children as well as support a study of improvement of educational opportunities for DALIT's through the BPEP II. This study will be conducted in collaboration between the DANIDA programs Hugou, Narmsap, DASU and PAT. MS-Nepal is also contributing to the study.

(progress)

#### **Component 5: Special Education**

The **objective** of this component is to contribute to the improvement of enrolment, retention and completion rates of primary children by implementation of a national special education programme catering for the needs of children with visual impairments, hearing impairments, physical disabilities and minor intellectual disabilities with minor physical and intellectual disabilities. The educational needs children with disabilities of disabled children have as far as possible to be met in regular school settings.

**Strategy/activity/progress:** The main elements of the strategy are to ensure primary education for children with disabilities by establishing resource classes, resource centres and assessment centres in order to integrate children with disabilities in normal school settings and furthermore to develop more inclusive schools.

The transition from BPEP I to BPEP II has provoked a process of changing strategy from a single strategy approach, establishing of resource classes with hostel, to a more flexible multiple strategy approach in order to be able address the diversities of local conditions and the different needs of children with disabilities.

The process of implementing new more integrative strategies, (such as home schooling, assessment centre, disability education centre, instead of the traditional implementation strategy establishing quite expensive resource classes with hostel targeting 10 children), is very slowly proceeding and will be continued. Focus will also be on the development of improved possibilities to access secondary education for students with disabilities.

Special needs education is still expected to be in the forefront concerning assistance from NGO's and subsequently direct funding of NGO activities. However, a larger proportion of the NGO activities must be reflected in the coming ASIP and AWEPA&B.

#### **Component 6: Early Childhood Development**

The **objectives** are to contribute to overall development of children through the establishment of Community Based Early Childhood Development Centres (Bal Bikas Kendra, BBK) involving as far as possible the communities. Besides giving children a early childhood care and preparing them for school, the objective is also to get under-aged children out of grade 1.

**Strategy/activity/progress:** The strategy is to develop and get approved a national ECD policy, and to inform the VDC's and local communities of the new modality of BBK. A training package for ECD teachers has been developed.

The enrolment rates are still very inflated with underage children being certified to start in Grade 1. Districts report that additional ECD centres are needed in order to raise quality in primary education. However, the communities do still not seem appreciative of the fact that they should contribute to the salary of the ECD facilitator.

### **Component 7: Community Mobilization**

The objectives addresses the issue of non-enrollment, low retention and low promotion rates through the involvement of the community in school planning, and developing a feeling of ownership among local stakeholders.

**Strategy/activity/progress:** The strategy is to engage VEC's, SMC's, and involve NGOs, CBO's and other local organization in planning and implementation of BPEP activities.

More attention has been given to mobilising civil society this year. Early in the year, DOE released a circular concerning Community Service Providers. This autumn the Local Donor Group – upon the request of DOE – has debated the role of NGO's and is presently issuing an interpretation of the WB (World Bank) rules and regulation to facilitate a more extended use of NGO's in the delivery of BPEP II programs.

Latest, a draft communication strategy has been developed through direct funding to support the general implementation of the program but specifically also to facilitate an improved strategy for decentralisation.

Further, proposals have been requested for undertaking a yearlong information campaign concerning the 7<sup>th</sup> Amendment as well as the development of bylaws and regulations for the amendment.

### **Component 8: Literacy**

The **objectives** addresses the learning needs of women in the age-group 15-45, who have not had a chance to go to school or have dropped out before reaching a sustainable literacy level through delivery of twelve months packages. The first 6 months of the package focus on basic literacy skills, the second 6 months on functional literacy and skills training.

**Strategy/activity/progress:** The strategy is to develop and produce reading materials for the 12 months package and select and train facilitators.

The Women Education Program has shown progress in both participants and quotas. The income-generating program is quite popular. Achham, Surkhet and Lamjung are the districts

for income generating activities run by NFEC but Chitwan is the only district for income generation from BPEP II.

### **Component 9: Curriculum and Text Book Development**

The **objectives** are to develop, produce and distribute curriculum materials for all primary grades as well as supplementary teaching-learning materials and books and explore the possibility of establishing and strengthening school libraries.

**Strategy/activity/progress:** Working and advisory groups will be formed and new materials will be tested in schools. All main activities: Development of curriculum in optional subjects, development of workbooks in Grade 1, produce and print content elaboration is completed. Development and distribution of supplementary reading materials completed according to plan.

BPEP II is at the moment experimenting with different textbook distribution modalities. EastConsult, Kathmandu, is doing an evaluation, funded by direct funding. Also EastConsult is at present undertaking an evaluation for CDC (Curriculum Development Centre) concerning supplementary readers

For some time now, assistance has been given through weekly management level meetings to JEMC (Janak Education Materials Centre) in order to enhance implementation of recommendations from IBD (International Book Development), London as a prerequisite for continuing the human resource development needed.

### **Component 10: Continuous Assessment**

The overall **objective** of this component is to put in place a system of monitoring children's learning achievement on a continuous basis in order to improve shortfalls in teaching/learning and facilitate the successful implementation of the liberal promotion policy.

**Strategy/activity/progress:** The strategy is to form advisory and working groups and to test materials in the districts, to train teachers and to develop a system of continuous data collection. The scale of the piloting within the 5 districts is still under discussion. Master trainers have been trained and they have trained RPs and teachers.

(progress)

### **Component 11: Recurrent cluster-based training**

The **objectives** are to provide recurrent teacher training (whole school approach and modular modalities) to all teachers through formalized training at the resource centre and school visits by resource persons in order to provide on the spot professional back-up to teachers.

**Strategy/activity/progress:** The strategy is to establish Resource Centre's each covering a cluster of schools. (need 5 lines more).

(progress)

### **Component 12: Certificate Teacher Training**

The main **objectives** are to provide basic ten months in-service training and to improve the present evaluation system of teacher training as well as developing crediting schemes for recurrent training. Also the objective is to develop guidelines for teacher licensing systems.

**Strategy/activity/progress:** (????)

The impact of teacher training in the classroom practice is not at the desired level. Many factors influence the outcome, but a supply driven mode for teacher training seems to be one of the problems to be faced.

NCED has been made the apex body for teacher training, but initiatives still needs to be taken to implement the decision. Thus, training of teachers is still the responsibility of many central line agencies.

This spring, the MOES agreed on paper "Policy Measures for Teacher Education". The paper, facilitated by PAT, constitutes a MOES (Ministry of Education & Sports) consensus on the specific steps to build a platform for the development of a policy towards teacher education.

Further, the training packages are being reviewed as a part of the Human Resource Development Plan. The distance education of teachers has recently sought assistance from PAT to develop institutional collaboration with either a South Chinese University or a Korean University, specialised in distance education.

Finally, an understanding has been reached between and DUE (Danish University of Education) that DUE develop a two-year training framework for central key staff concerning with teacher education.

### **Component 13: Strengthening of Department of Education**

The main **objectives** are to strengthen and equip MOES and DOE physically and to establish an EMIS/SM system, providing training to key personnel in managing it.

**Strategy:** To improve the overall quality of primary education the understanding is that decentralization to district and sub-district is imperative. A need is found to provide local decisions makers with reliable information and data of a school catchment's area in relation to pupils and their age, underserved and disadvantages groups etc. in order to ensure schools are established and or expanded on need based criteria's there is In order to do that a development of an EMIS system must be undertaken.

An improved and more reliable EMIS data collection system and a better capacity in analysing the data will provide a tool for decisions makers at all level in improving the quality of education. However, provision and procedures must be made for internal use of data as well as for publication/dissemination of the very same data.

A number of skills training activities have been undertaken according to this plan. Computer training, language training (English), training in procurement rules and management training are some of the examples. Also a comprehensive capacity assessment survey is being carried out. This survey is to be finalised by November 15<sup>th</sup>. Through direct funding, a number of trainings have been facilitated outside the short-term capacity building plan.

Mid-October, nine suggestions for field-based training has been submitted to the MOES for its no objection. The suggestions cover training in Bangladesh, India and the Philippines as well as proposals for linkage programs to Indian Universities concerning training of special needs trainers, to a University in Southern China for improving distance teacher education.

Further, institutional linkages have been established to National Institute of Education Planning and Administration (NIEPA) in New Delhi, India as well as preparations for linking NCED with Aga Khan University, Institute of Educational Development, Karachi in Pakistan has been taken.

The MOES is still considering the proposals for linkages.

Linkage has also been sought with IIEP/Unesco in Paris, France concerning the establishment and running of an EMIS monitoring system. MOES is still considering the proposed draft term of references.

20 government officials graduated as M.Phil. from Danish University of Education this autumn. Graduates are positioned into key positions at relevant administrative levels.

Another 18 officers have begun studies in Copenhagen. Further, one PhD student studying at University of Washington, US has begun his final thesis. This thesis is supported by PAT and focuses upon reasons for dropping out of school.

The Human Resource Development Plan will come out as a second draft Mid-January. The HRD is expected to feed into the ASIP and the AWPO&B as anticipated in the Aide Memoire of December 2001.

#### **Component 14: District Education Planning**

The **objective** is to assist the Districts in building capacity in prioritising educational provisions putting a focus on disadvantaged groups and addressing most pressing problems. This will be done through strengthening DEO's, preparation of district education plans and strengthening EMIS/PMIS.

#### **Strategy/activity/progress: '**

One of the principal aims of Nepal's Education (Seventh Amendment) Act 2001 is to promote a more genuine form of decentralization in the education sector, directing resources to the school and empowering local stakeholders. Amongst the changes contained in the legislation are a number of institutional changes designed to secure greater participation and engagement on the part of local communities in school policy and operation. It is envisaged that the work of District Development Committees (DDC's) and Village Development Committees (VDC's) will be more closely integrated with that of the District Education Committees (DEC's), Village Education Committees (VEC's) and School Management Committees (SMC's). PAT is supporting the development of bylaws and regulations for the 7<sup>th</sup>. Amendment.

These changes represent a strategic shift from the centralized education system to the community and a school-based educational planning and management system. They render it imperative to clarify lines of responsibility, authority and the relationships between the

different administrative levels and their institutions: the DDC's and DEC's, the VDC's and VEC's, schools and their SMC's. Furthermore the role of other partners including NGOs and Community Based Organizations (CBO's) needs to be considered and discussed.

One of the findings of the recent Joint Mid-Term Review Mission December 2001 was a need to redefine institutional roles at central, district and sub-district levels in the education system in a way that supports the new focus on the school and the community envisaged in the Education (Seventh Amendment) Act. It is generally understood that it is necessary to attract more resources to primary education. However, these are not necessarily economical in nature. The 7<sup>th</sup> amendment of the education act and the MTR aide-memoire foresee active participation of the communities. Involvement of communities is an important aspiration and establishing a linkage between NIEPA and MOES will be a first step towards this purpose. The NIEPA missions were conducted this autumn to serve this purpose and the MOES has recently given a conditioned approval of the linkage.

This eventually leads to capacity building initiatives at both central and district levels.

### **Component 15: Local Capacity Building**

The **objective** is to strengthen capacity building at local level and to increase managerial capacity at school, upgrading key persons at the community level (head teachers, VEC's, and SMC members) through bottom-up planning, establishing school level EMIS.

#### **Strategy/activity/progress: (??)**

Faced with the prospects of imperfections of program implementation, it seems inevitable MOES needs to clarify its position towards capacity building and learning processes. In the longer perspective enhancing the effectiveness of coming capacity building in-puts, but in the shorter perspective, MOES and constituent bodies should be able to assume a more consistent and qualified partnership on capacity building related issues during the coming revisions of basic and primary education.

This may require a strategic shift where authority and responsibility for program implementation is placed closer to the beneficiaries than it is found today. The mismatches between formal organisational objectives/charts and activities actually performed and the overlapping between organisational units often seen should be adjusted to clear and even distributions of assignments and responsibilities between agencies. This may require that the institution develop a perception of itself as a policy, catalytic and facilitator more than a service provider. Another imperfection is the absence of a proper coordination between the districts and the central levels in relation to release of funds. The funds are budgeted for district activities but it takes minimum of 3-4 months after budget approval by HMG/N, before funds are released by FCGO.

These institutional imperfections are found at all levels of the educational system and it must be acknowledged that slow progress only is feasible. However, concerted efforts should be taken as to systematically and progressively vest resources in the strengthening of the program for the sake of the implementation of the program.

This autumn, PAT has been facilitating the identification of imperfections in implementation as well as design optional intervention to ease the imperfections.

## **Component 16: CIP-program management**

**Strategy:** to provide financial support to establish PMIS and FMIS and to retain qualified and skilled BPEP II staff.

## **Component 17: TSAG**

The **objective** is to provide technical support to the implementation of BPEP II.

Meetings are still called on *ad hoc* basis instead of bi-monthly. TSAG is still struggling to find its optimal form. It seems that TSAG for the time is used primarily as a body that endorsed even minor activities of the R&D section. Conscience of the existence and possible role of TSAG seems very low indeed. The DOE wants to have the idea of TSAG revised during the December mission. However, that did not happen.

The chief advisor is no longer member of TSAG as per its reconstitution early October 2001.

## **CROSS-CUTTING ISSUES - programme implementation FY 2001:**

### **Donors**

During 2001, efforts have been made to coordinate donor assistance to a larger extent than before. The local donor group under the chair of the World Bank has attempted to define ways to ensure a higher degree of material (non-economic) coordination.

The MOES has a legitimate need for a more coherent and not duplicating approach from donor side. The donor approach should be more focused on the output side – being responsive to issues in educational policy of Nepal.

Further, the basket modality approach is important. The funding modality functions according to intentions to a very large extent. However, the HMG rules and regulations and the WB rules and regulations for financial management do not converge. Definitely, this has severe implications for program implementation.

The Mid Term Review gave directions to a strategic shift in program orientation. One of the prominent issues here is to link Human Resource Development Plan, undertaken by ILP/DUE and the ASIP. The logic being, that if the plan is not included here, a full fiscal year is lost implementing the plan. Immediately after the MTR closure, the PAT/ILP revised the its HRD work plan and will submit a 2<sup>nd</sup>. draft of the HRD plan by Jan. 11<sup>th</sup>.

### **Direct funding**

Direct funding has been somewhat debated among donors and HMG itself. PAT is due to its flexible funds and location capable of keeping a high level of disbursement.

MOES and PAT established a revised and more decentralised procedure for direct funding activities, among others establishing quality mechanisms. The procedure is more suitable to the program approach and that the DOE is the responsible implementing agency. The

agreed procedure between the PAT office and MOES (Planning and coordination division) emphasises:

- Early involvement of advisors (explicit wish from MOES)
- Central line agency responsibility for proposals (explicit wish from MOES)
- Quarterly report to MOES/DOE on status

In the last few months, the central line agencies have appreciated the decentralised procedure more. However, due to slow rising of files of the central line agencies and internal HMG procedures, direct funding activities have slowed down considerably.

See the attached annex for details on the direct funding activities.

### **Preparatory assistance to secondary education**

In the field of secondary education the DANIDA Identification Mission to Nepal (September 1999) recommended carrying out a feasibility study on possible DANIDA support to secondary education. Based on this recommendation, DANIDA provided a consultancy to MOES Nepal on secondary education policy formulation, strategy development and planning. During 2001, representatives from Danish University of Education carried out a feasibility study for secondary education. The study was given to HMG for comments late September.

The study recommended DANIDA to support secondary education in the area of improving community support for secondary schools along with other areas of curriculum development, teacher education and physical facilities development.

During the period August – November 2001, the ADB Project Preparation Technical Assistance Team (PPTA) was prepared and submitted a preliminary draft on secondary education development plan outlining the suggested areas of intervention. It is expected that DANIDA, ADB and MOES will finalize their decision to initiate joint programming for support to secondary education by the end of March 2002.

Given the strategic shift towards decentralized institutions recommended by the BPEP II Joint Donor Mid-Term Review; the recommendation of the 2001 consultancy to MOES on secondary education policy to promote and enhance community support for schools, and the NGO's proposal to strengthen the relationship between schools and institutions of local government, it is necessary that DANIDA's support to decentralization in Nepal, and specifically the Decentralization Advisory Support Unit (DASU), contributes to the formulation and revision of education policy currently underway in both the primary and secondary sub-sectors, in particular the revision of BPEP in the light of the recent Mid-Term Review and the preparation of a joint donor program for secondary education in partnership with MOES and the Asian Development Bank by late March 2002.

The RDE/PAT has agreed with ADB that a joint programming of future assistance to secondary should be aimed for.

### **Assumptions and Risks**

#### **Immediate risks:**

The state of emergency poses a number of difficult situations. Predictions are hard to come by, but it must be considered realistic that HMG/N does not allow for the increase in the budget necessary to accommodate an information strategy and a full scale capacity building according to the HRD plan.

### **Long-term risks:**

There are a number of assumptions and risks, which are important for, programme implementation. Some are given below:

- General uncertainties in the Nepalese society such as the continued insurgency, earthquake and far-reaching policy changes effect the program implementation. The political stability in the country is of overall importance to all components. The outcome of the present attempts to bring normalcy in the political situation will influence and effect activities during the first and second quarter of 2002.
- MOES and PAT have agreed the fund release and channelling procedure within the existing structures. Delays in obtaining no objection from the MOES are major risk area for direct funding activities.
- MOES nominates only officials with relevant experience and background for capacity building activities. Trained personnel are deployed in their respective positions so that they are able to utilize their newly acquired training knowledge and skills
- Committed, experienced and trained staffs are needed for the implementation of above stated activities in particular context. Therefore, capable staffs are expected to be retained in present set-up.
- Stability and implementation capacities of involved central and districts institutions, NGO's and disability NGO's is questionable.

### **Major problems**

Frequent changes and transfer of key staff at central and district level still continue to pose major problems for the smooth implementation of the program.

This fiscal year, the implementation of the program plans (ASIP and annual work plan and budget, the so-called AWB&P) is not going as anticipated. The reasons being manifold but lack of sufficient human capacity, incoherence in rules and regulations, frequent transfers of key staff as well as inadequate implementation strategies plays very important roles. A specific example is that the regional FCGO's (Financial Controllers General Office) only late November released the funds necessary for program activities. That is 4 months after the beginning of the fiscal (program) year, which means that the annual program has to be conducted in just months.

### **Recommended actions**

**Danida:** The Government-to-Government agreement between Nepal and Denmark was signed in May 98 and has duration of 4 years. Thus the agreement terminates May 2002.

DANIDA funded a bridging period between BPEP I and BPEP II, which means that the agreement is not following suit with other CIP donors for the BPEP II. The program was launched in June 1999. Other CIP donors have agreements that terminate support for BPEP II in 2004 when the program comes to an end.

Presently, approximately 52% of the DANIDA budget allocated for BPEP II has been spent.

It was suggested in the annual negotiations administratively to extend the Government-to-Government agreement between Nepal and Denmark for BPEP II until June 2004. However, this still has to take place.

According to the DANIDA guidelines, a budgeted annual work plan needs to be made for the PAT office activities. The plan will cover the period from January 2002 to July 2003. The plan involves the utilisation of DANIDA direct funding and the utilisation of the professional resources of the advisory team.

A planning session is taking place on 26 November 2001. MOES and central line agency officials are invited for the planning session. The session will discuss direct funding experiences and modalities, allowing for criticism to be highlighted. Further, the session will focus on articulating scenario's where DANIDA direct funding will be appropriate the next 18 months.

The plan itself will feed into the DANIDA bilateral review, expected to take place March 2002.

Implementation of the program is hampered from many parts. Needs to be adopted a double strategy.

- Making rules and regulations of MOES more responsive to the educational needs rather than internal bureaucratic requirements for top-down management and control.
- Making the financial management of the program more responsive the needs. This concerns both WB rules as well as internal HMG/N rules. The latter points to the lack of understanding and collaboration between MOES and FCGO, which means that the annual program is conducted on an 8 months basis.

The value added of capacity building in the form of training, skills development are quite dependent on a modernisation of internal rules and regulations so that training and behavioural conditions correlate.

The MTR (second leg) should still aim to achieve the strategic shift, but also avoid a comprehensive and resource constraining re-editing of the PIP. A strategic policy paper of little volume, indicating directions rather than giving precise prescriptions, including a reduction of components. However, it should be linked to the EFA national plan or maybe turn the ASIP into the EFA national plan. Further, good governance and what that means in relation to the BPEP II implementation should be stressed and defined.

One could image that a central section of the aide memoire was devoted to this issue, setting up directions and indicators. This is also related to the public sector reform, where MOES is one pilot area.

### **Review and Evaluation**

At present, the Mid Term Review of the program, conducted from Dec. 3 to Dec 15 2001 left a number of recommended issues to be dealt with.

The joint donor mission for BPEP II (MTR second leg) will from March 11th to March 15th 2002. The mission will follow-up upon the MTR and endorse the proposed budget for 2002/2003.

Prior to this joint donor mission, a bilateral review of DANIDA activities will take place.

The joint programming phase for secondary is anticipated to commence in January and finish in March 2002.

Finally, a number of regular missions are anticipated, but not already planned.