

Mid-Term Evaluation of the EFA Fast Track Initiative

Country Case Study: Cambodia

**Ray Purcell, Abby Riddell,
George Taylor and Khieu Vicheanon**

February 2010



Summary information for Cambodia

- Currency = Cambodian Riel (KHR)
- Exchange Rate (26 June 2009) USD 1 = KHR 4,282.45
- Fiscal Year = January – December
- School Year = October – July
- Structure of Education = 6 years primary + 3 years lower secondary + 3 years upper secondary
- Population = 13.4 million
- Population Growth = 1.7% p.a.

Acknowledgements

The evaluation team would like to express their gratitude for the assistance provided by Their Excellencies, Minister of Education, Youth and Sport, Im Sethy, and Secretary of State Nath Bunroeun; also to all those persons interviewed who unstintingly provided valuable input to the study.

Findings and opinions in this report are those of the evaluation team and should not be ascribed to any of the agencies that sponsored the study.

Preface

The Fast Track Initiative (FTI) is linked both to the Education for All (EFA) goals and to the Millennium Development Goals (MDGs). The FTI was launched in 2002, and by 2009 had been running for half its expected lifetime. The FTI partnership recognised the need to evaluate whether it is achieving the goals it has set itself. The evaluation was intended to provide an opportunity for reform and change where necessary.

As stated in the Terms of Reference:

The main purpose of the evaluation is to assess the effectiveness of FTI to date in accelerating progress towards achievement of EFA goals in participating countries, with particular attention to country movement towards universal primary completion (UPC). The evaluation will also assess FTI's contributions to improving aid effectiveness at both the country and global levels.

The evaluation was required to draw lessons learned from the FTI's strengths and weaknesses and to make recommendations to further improve future partnership programming and effectiveness.

The evaluation took place between November 2008 and February 2010. It was independent but jointly supported by a consortium of donors. An Evaluation Oversight Committee (EOC) was made up of representatives from the donor community, partner countries and civil society.

The evaluation team was a consortium of three companies Cambridge Education, Mokoro and Oxford Policy Management (OPM). The methodology and process for the evaluation are described in Appendix V (Volume 4) of the final synthesis report.

The main outputs of the evaluation, which included nine country case studies and eight desk studies, are listed overleaf.

Main Outputs of the Evaluation

All the following reports can be downloaded from www.camb-ed.com/fasttrackinitiative/.

EVALUATION FRAMEWORK

The Evaluation Framework: Evaluation Team Guidelines on Process and Methodology. Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM, 2009.

PRELIMINARY REPORT

Preliminary Report. Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM, 25 May 2009.

FINAL SYNTHESIS REPORT

Final Synthesis Report: Volumes 1–5. Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM, February 2010.

FULL COUNTRY STUDIES

Burkina Faso	<i>Burkina Faso Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and, OPM. Mailan Chiche, Elsa Duret, Clare O'Brien, and Serge Bayala, February 2010.
Cambodia	<i>Cambodia Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ray Purcell, Abby Riddell, George Taylor and Khieu Vicheanon, February 2010.
Ghana	<i>Ghana Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative: Cambridge Education, Mokoro and OPM. Terry Allsop, Ramlatu Attah, Tim Cammack and Eric Woods, February 2010
Kenya	<i>Kenya Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Anne Thomson; Eric Woods, Clare O'Brien and Eldah. Onsomu, February 2010.
Mozambique	<i>Mozambique Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ann Bartholomew, Tuomas Takala, and Zuber Ahmed, February 2010.
Nicaragua	<i>Nicaragua Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Muriel Visser-Valfrey, Elisabet Jané, Daniel Wilde, and Marina Escobar, February 2010.
Nigeria	<i>Nigeria Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Nick Santcross; Keith Hinchliffe, Anthea Sims Williams; Sulliemman Adediran and Felicia Onibon. February 2010.
Pakistan	<i>Pakistan Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Stephen Lister, Masooda Bano, Roy Carr-Hill and Ian MacAuslan. February 2010.
Yemen	<i>Yemen Country Case Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, OPM and Mokoro. Elsa Duret, Hassan Abdulmalik, and Stephen Jones, February 2010.

COUNTRY DESK STUDIES

Ethiopia	<i>Ethiopia Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Catherine Dom, February 2010.
Malawi	<i>Malawi Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Georgina Rawle, February 2010
Mali	<i>Mali Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Mailan Chiche, February 2010.
Moldova	<i>Moldova Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Clare O'Brien, February 2010.
Rwanda	<i>Rwanda Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Mailan Chiche, February 2010.
Uganda	<i>Uganda Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ray Purcell, February 2010
Vietnam	<i>Vietnam Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ann Bartholomew, February 2010.
Zambia	<i>Zambia Country Desk Study.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ann Bartholomew, February 2010.

Abbreviations and Acronyms

AsDB	Asian Development Bank
AMIS	Aid Management Information System
ASEAN	Association of South East Asian Nations
AUF	Agence Universitaire de la Francophonie
CAR	Council for Administrative Reform
CB	Capacity Building
CD	Capacity Development
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CDRI	Cambodia Development Resource Institute
CF	Catalytic Fund
CFS	Child-Friendly School
CMDGs	Cambodia Millennium Development Goals
CRDB	Cambodia Rehabilitation and Development Board
DAC	Disability Action Council
DOP	Department of Planning
DP	Development Partner
EC	European Commission
ECE	Early Childhood Education
EPDF	Education Programme Development Fund
EFA	Education For All
EMIS	Education Management Information System
ESP	Education Strategic Plan
ESSP	Education Sector Support Programme
ESSSUAP	Education Sector Support Scale Up Action Programme
ESWG	Education Sector Working Group
EU	European Union
FTI	Fast Track Initiative
GBS	General Budget Support
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GNI	Gross National Income
H-A-R Action Plan	RGC Harmonisation, Alignment and Results Action Plan 2006–10
H&A	Harmonisation and Alignment
HIPC	Heavily Indebted Poor Country
HIV/AIDS	Human Immuno-deficiency Virus and Acquired Immune Deficiency Syndrome
HDI	Human Development Index
HQ	Headquarters
IDA	International Development Association (World Bank)
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
JTWG	Joint Technical Working Group
MBPI	Merit-Based Pay Initiative
MDA	Mid Decade Assessment (of the EFA in Cambodia)
MDGs	Millennium Development Goals
MOEF	Ministry of Economy and Finance
MOEYS	Ministry of Education, Youth and Sport
MOP	Ministry of Planning
NEC	National Education Congress
NEP	NGO Education Partnership
NGO	Non-governmental Organisation
NOG	National Operational Guidelines
NPA	National Plan of Action
NPAR	National Programme for Administrative Reform

NPRS	National Poverty Reduction Strategy
NSDP	National Strategic Development Plan
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OECD DAC	OECD Development Assistance Committee
PAD	Project/Programme Appraisal Document of the World Bank
PAP	Priority Action Programme
PBB	Programme Based Budgeting
PETS	Public Expenditure Tracking Survey
PIP	Public Investment Programme
PMC	Programme Management Committee
PMG	Priority Mission Group
PRSP	Poverty Reduction Strategy Paper
RGC	Royal Government of Cambodia
RUPP	The Royal University of Phnom Penh
SSA	School Self Assessment
SBS	Sector Budget Support
Sida	Swedish International Development Agency
SOP	Standard Operating Procedures for Externally Assisted Projects
SSA	School Self Assessment
SWAp	Sector Wide Approach
SWPAM	Sector Wide Policy Action Matrix
TA	Technical Assistance
UNESCO	United Nations Educational, Scientific and Cultural Organisation
Unicef	United Nations Children's Fund
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme
WTO	World Trade Organisation

Contents

Summary information for Cambodia	ii
Acknowledgements	ii
Preface	iii
Main Outputs of the Evaluation	iv
Abbreviations and Acronyms	v
EXECUTIVE SUMMARY	xi
PART A: APPROACH	1
1 Introduction	3
The Fast Track Initiative	3
Purpose and outputs of the evaluation	4
Evaluation methodology	4
The role of country studies	4
The study process for Cambodia	5
Outline of this report	5
PART B: EDUCATION FOR ALL IN CAMBODIA	7
2 Cambodia Background	9
Cambodia in brief	9
National development strategy and performance	10
Aid and aid relationships	11
3 Basic Education in Cambodia	15
Cambodia's basic education system	15
National education strategy	16
Progress towards EFA	19
Finance for education	20
Assessment of the financing gap	22
PART C: THE FTI IN CAMBODIA	23
4 Overview of the FTI in Cambodia	25
FTI endorsement process	25
Catalytic Fund grants	27
5 The FTI and Education Policy and Planning	29
Context	29
FTI inputs and activities	31
The relevance of FTI's contribution to education policy and planning	32
The effectiveness of FTI's contribution to education policy and planning	33
Efficiency	34
Sustainability	35
6 The FTI and the Financing of Education	37
Context for FTI financing	37
FTI inputs and activities	39
The relevance of FTI to education financing in Cambodia	40
The effectiveness of FTI's contribution to financing	41
FTI's contribution to the efficiency of resource mobilisation and use	42
Sustainability	42
7 The FTI, Data and Monitoring and Evaluation	43
Context	43

FTI inputs and activities	44
The relevance of FTI to data and M&E in education	45
Effectiveness of the FTI in improving data and M&E	45
Efficiency of resource use in data and M&E	46
Sustainability	47
8 The FTI and Capacity Development	49
Context	49
Inputs and activities	51
Relevance	52
Effectiveness	52
Efficiency	54
Sustainability	55
9 The FTI and Aid Effectiveness	57
Context	57
FTI inputs	59
The relevance of FTI	59
FTI Influence on the effectiveness of aid	59
FTI influence on the efficiency of aid	61
Sustainability	62
10 Cross-Cutting Issues	63
Context	63
FTI Inputs	63
Relevance	64
Effectiveness and efficiency	64
PART D: CONCLUSIONS AND RECOMMENDATIONS	65
11 Conclusions	67
The High Level Evaluation Questions	67
FTI Inputs, Relevance, Effectiveness, Efficiency and Sustainability	69
Education policy and planning:	69
Financing of education:	69
Data and M&E:	70
Capacity Development	71
Aid effectiveness:	71
Additional Analysis	72
12 Recommendations and Reflections	73
Annex A – A Note on Methodology	77
Annex B – Programme and Persons Met	79
Annex C – FTI Timeline of Key Events for Cambodia	81
Annex D – Basic Education Indicators	90
Annex E – Analytical Summary Matrix	95
References	106

Figures

Figure 3.1	Overview of Education Sector Support Programme.....	18
Figure A1	Concise Logical Framework for the Mid-Term Evaluation of FTI.....	78

Tables

Table 3.1	Basic Education Indicators.....	19
Table 5.1	FTI Project Cost by Component	31
Table 6.1	Project Costs by Expenditure Category	40
Table D1	Education statistics 2003–2008.....	90
Table D2	Top Ten Donors 1992–2007	90
Table D3	Top Eight Aid Sectors 1992–2007	91
Table D4	Aid Disbursements to the Education Sector 2003–08 (Current USD million)	91
Table D5	Exploration of Possible Donor Commitments for 2006–2010	92
Table D6	Aid Disbursement to Education 2006–2010 (USD 000)	93
Table D7	Total Government and Education, Youth & Sport Expenditure 2003–08 (Current KHRbn)	94
Table D8	Recurrent Budget Provisions by Subsector for the Education Sector, 2002–2009	94

EXECUTIVE SUMMARY

Introduction

S1 Cambodia is one of nine country studies being carried out as part of the mid-term evaluation of the Education for All (EFA) Fast Track Initiative (FTI). The FTI was launched in 2002 by a partnership of donors and recipient countries to "accelerate progress towards the core EFA goal of universal primary school completion (UPC), for boys and girls alike, by 2015". As the FTI had been running for half its expected lifetime, the FTI partnership commissioned an independent evaluation to see whether it is achieving the goals it has set itself.

S2 The evaluation took place between November 2008 and February 2010. A full explanation of the evaluation, its methodology and its timetable is provided in the Evaluation Framework (Cambridge Education, Mokoro & OPM 2009a), available from the study website at www.camb-ed.com/fasttrackinitiative. The main outputs from the evaluation are listed on p iv.

The Context for FTI in Cambodia

S3 Cambodia's development has been disrupted by a chain of destructive events since the 1970s, which has left it short of physical infrastructure, organisational systems and human resources. Recently, Cambodia has generated high economic growth over an extended period. It has more than doubled its income per capita over the past decade. Despite this, Cambodia is heavily aid-dependent. Aid flows increased by 46% between 2003 and 2007, from USD 540 million to USD 790 million. Latest estimates indicate donor disbursement of nearly USD 900 million for 2008. ODA has been running at 9–12% of GDP, a relatively high rate by developing country standards.

S4 Donor assistance provided to the education sector between 2003 and 2007 was USD 385.6 million. Though disbursements fluctuated, they were on a slightly rising trend, increasing from USD 75.0 million in 2003 to USD 88.2 million in 2007. However, the share of aid to education in total ODA has declined from 13.9% to 11.2% over the same period.

S5 Domestically financed education expenditure, which is used primarily for recurrent expenditures, has increased in recent years. Recurrent expenditure on education, youth and sport increased by 42% in real terms between 2003 and 2007. The Government has committed, in the National Strategic Development Plan 2006–10, to providing 60% of total government and donor resources for basic education. It has also committed and is achieving a share of the government recurrent budget for education at around 18.5% of total recurrent. Actual recurrent expenditures on education have been running at 17.1–18.8% of total government recurrent expenditures between 2003 and 2008.

S6 Policy, strategy and aid planning in the education sector is organised through a Sector Wide Approach (SWAp). In 2000–01 the Ministry of Education, Youth and Sport (MOEYS) embarked on a policy-led reform process based on the first Education Strategic Plan (ESP) and Education Sector Support Programme (ESSP), which continues to be the basis for education sector planning.

The FTI in Cambodia

S7 FTI was launched in June 2002. The first and brief planning reference was in the ESP 2004–8 which targeted the production of an FTI Action Plan by the end of 2004. At the end of 2005, MOEYS sent a letter to Unicef, the lead donor, expressing the desire to join the list of the FTI endorsed countries. This was followed by the commissioning by the donor Education Sector Working Group (ESWG) of an appraisal of basic education during 2006, which was to form the base document for the initial application. On a parallel track, the World

Bank (WB) Task Team Leader submitted a proposal through the WB sector manager for the use of Education Programme Development Fund (EPDF) funds during 2006 to provide TA support for a range of planning activities.

S8 Early in 2007, the ESWG prepared a request for the FTI Catalytic Fund (CF) support based on the assessment of the financing gap identified in the 2006 study, and of the sector's absorptive capacity. In May 2007, Cambodia formally applied for an FTI CF grant of USD 57.4 million, which was approved in principle by the FTI Steering Committee.

S9 In September 2007, the WB and other Development Partners (DPs) in the education sector launched a joint mission to support the MOEYS in the final preparation of the proposal for the utilisation of the grant. The mission discussed next steps in processing and prepared TORs for financial management and procurement risk assessments which were to be taken into account in the final determination of the aid modality. The issue of the aid modality was to bedevil proceedings over the next months.

S10 In December 2007, the findings of the financial management and procurement assessments were disseminated by the WB, with the fiduciary reviews giving Cambodia a "high risk" rating. Discussions on the sensitive issue of the financing modality reached decision point in the early part of 2008. There were two diametrically opposed views. One promoted by the European Commission (EC), was for the use of budget support and government systems for the financing modality. The EC had been providing sector budget support to education for a number of years without fiduciary problems. The other view articulated by the WB was that the financial and procurement assessments had identified critical risk levels. In the event, after a period of intense and sometimes traumatic discussion, a parallel aid modality was adopted.

S11 The proposal for the utilisation of the USD 57.4million for the three year CF programme was approved by the FTI Secretariat in April 2008. In June 2008, the Country CF Grant became effective and the first disbursement was released in October 2008.

S12 Early perceptions prevailing on both the Government and DP side were that the FTI was essentially a source of funding for the purpose of fast tracking the implementation of UPC. There was little awareness of the aid effectiveness goals of the FTI. Even today, there is a surprising lack of awareness, especially on the donor side, which reflects badly on interactions between the FTI, some donor HQs and donor country offices. On the Government side, the Paris Declaration process is perceived by stakeholders to have been central in awareness-raising around aid effectiveness.

FTI and Education Policy and Planning

S13 Cambodia's disrupted development has been a constraint on its planning systems and associated human skills and capacities. Policy planning systems, processes and capacities have been developing gradually since the late 1990s, but are still in need of strengthening. Since 2001, education planning has been based on the ESP and the ESSP. Originally developed with substantial external assistance, these plans have been reviewed and refined annually. The graduation of the Joint Technical Working Group (JTWG) and the ESWG from ad hoc working groups in 2000 and 2001, to be the main institutions of education sector and aid planning and management, is an important achievement.

S14 The preparation of the FTI project was carried out through existing education sector processes and institutions which pre-date the FTI engagement in Cambodia by several years. The process of planning the CF project did not lead to more than minimal improvements in existing policies and processes. Where improvements may be taking place post-FTI, it is more likely they are attributable to processes already in place, and not to the FTI.

S15 FTI inputs have been designed to: 1) expand pre-school and primary education services to reach the most vulnerable groups; and 2) enhance professional and administrative institutional capacity for education service delivery. The FTI CF provides finance for strategies for achieving UPC, in particular by allowing the scaling up of initiatives especially of classroom and district education administration facilities.

S16 FTI inputs were consistent with country and policy needs as reflected in the ESP/ESSP and EFA priorities. However, the FTI design should have taken a broader view of the results framework which would have prioritised systematic capacity building and government ownership issues. FTI has contributed to the participation of key education stakeholders in policy setting and planning processes, and to access to and quality of primary education among vulnerable and disadvantaged groups. Micro and macro level planning and policy dialogue, would have benefited from additional guidance from the FTI to education policy and strategy formulation.

S17 The FTI design process was reasonably efficient in terms of its interaction with policy and planning since it was aligned with the existing ESP and EFA frameworks and processes of education policy and strategy formulation. However, there were weaknesses in the design process where the preparation of key planning documents insufficiently involved government. Operational efficiency has been reduced by the slow process of TA recruitment.

FTI and Education Financing

S18 SWAp-type sector financing frameworks have been in place since 2000 in the form of the ESP and ESSP. These have guided the targeting and use of both government and donor financial flows since 2001, though most donor funds have been managed through parallel structures. These costed frameworks are the instrument for linking domestic and external resources to sector policy priorities. There have been structural weaknesses particularly in linking the capital budget with the MTEF and the PIP. The quality of the ESSP costings has also been questionable. The lack of budget integration and poor costings are weaknesses which continue to the present.

S19 External funds, in the form of loans, grants and budget support have been the main source of education capital and some operational spending. Most donors, with the exception of the AsDB and the EC, have continued to manage funds through parallel channels. The first ESSP 2001–5 was supported by a number of financing modalities, including an AsDB sector development programme loan which was a combination of budget support and project-type capital investment), an EC grant administered through targeted sector budget support, and Swedish International Development Agency (Sida), Japanese, Belgian and other bilateral grants.

S20 FTI finance inputs were provided exclusively through EPDF and CF grants. FTI CF funds will help close the financing gap for UPC. Stakeholders considered the CF finance package for new schools and district education offices, for scholarships, and for classroom quality improvements, to be reasonably balanced in terms of dealing with access and quality issues. EPDF funds were used for a range of supportive planning and policy including the preparation of the FTI CF project planning document, and the strengthening of policy dialogue on the education of children with disability.

S21 It is too early to judge whether the FTI funding will lead to funding additionality. There are signs of a reverse trend with one major donor curtailing one of its projects because of availability of the FTI funding. There has been no change in the commitments to local finance contributed by Government. The FTI CF funding has been flexible. It has allowed resources to flow to areas where they are needed in the perception of the Government. It has also been capable of being used in areas of recurrent activity such as in the provision of scholarships.

S22 FTI will support the programme of PFM reforms which are being rolled out to all sectors through the PFMRP. It will strengthen procurement, financial management and monitoring and internal audit, and will therefore be directly relevant to the PFM challenges.

S23 Fiduciary assessments pointing to a "high risk" rating led to the choice of a parallel project financial management modality. This has imposed additional transaction costs on the government, and has worked against the strengthening of the financial management arrangements for the education sector SWAp.

S24 The FTI CF grant has contributed to the short term predictability of funding to the sector. However, the long term is not predictable since there is no indication for Cambodia as to what will happen after 2010. This is particularly serious where operational activities are being funded by the FTI.

FTI and Data Gaps

S25 Data collection and monitoring mechanisms pre-date the FTI intervention. The Education Management Information System (EMIS) collects annual data returns from school principals, and is increasingly able to show trends, targets and to produce projections. In addition, the Aid Management Information System (AMIS) tracks and publishes data on donor programmes on-line. This is linked to the Cambodia Development Council ODA database. The Ministry's Human Resource Management Information System and Finance Management Information System are also being developed.

S26 Cambodia did not, therefore, require major FTI inputs for the development of an EMIS. CF inputs are focused on scaling up existing programmes requiring further support. They will facilitate decentralised education management as well as the inspectorate of education to function more effectively, both from a pedagogical and a financial perspective. School Self Assessment (SSA) is expected to strengthen results-based delivery. School development plans (supported by grants) are intended to improve and incentivise bottom-up performance monitoring.

S27 It is too early to assess the impact of the FTI on data and monitoring gaps. Revised indicators and targets for measuring progress will be reviewed by stakeholders at the up-coming NEC, and targets for key cross-cutting issues included in discussion. The effectiveness of FTI's plans to carry out a number of "rigorous evaluations" of progress, together with the intention of the WB to carry out, with the ESWG, semi-annual supervision missions, will depend on the integration of these operations with routine government M&E, rather than comprising parallel, externally-run "add-ons" to an already fragmented system. Bringing together the NEC with the joint review in March 2009 is a positive sign. There is little other evidence that the FTI was contributing to the harmonisation and coordination of DPs M&E in this more efficient manner.

S28 The long term influence of the FTI will depend on whether data that are being collected with the FTI resources are utilised, and whether the data and M&E systems of the FTI CF project are fully integrated with government systems and harmonised with DPs.

FTI and Capacity Building

S29 Capacity development (CD) in Cambodia has been shaped by the decimation of its professional cadres during the rule of the Khmer Rouge. As a result, the last decade has been a period of capacity substitution and gap filling. But lack of progress in CD has also been due to the proliferation of formats and demands by donors, of rules and procedures for procurement, disbursement, reporting, accounting and auditing; and the setting up of parallel systems.

S30 The need for more coherent CD strategies was recognised by the education sector JTWG in 2005, and subsequently each MOEYS department developed its own Capacity Building (CB) plan. This culminated in a plan approved by the JTWG in September 2007. The main constraints identified included public financial management, and the lack of coordinated Annual Operational Plans (AOPs) linking expected results to the budget. Thus, institutional CD has been a priority in the ESP since 2001, and many contributions have been made by DPs. However, despite attempts to consolidate departmental "capacity gaps" in an overall CD plan, neither the MOEYS nor the DPs have yet embraced a holistic approach to individual, institutional and organisational CD.

S31 The focus of CD in the FTI CF project is on the weaker parts of the programme, i.e. financial management, and programme planning and management processes where improvements had already begun. Although the FTI CF "project" drew substantially on the existing ESP and ESSP, ultimately, senior leadership in the MOEYS agreed to all three components in the name of expediency, concerned at their capacity to implement a more comprehensive programme, and to utilise the funding efficiently in the three-year project time-period.

S32 Institutional development and capacity building is one of the three components of the FTI support. Implementation activities supported by the FTI CF are being carried out through the regular departments of MOEYS, with the exception of the financial management function. EPDF activities have been supportive of a range of preparatory activities connected with the main CF funded project.

S33 Gaps in CD still exist as there is no effective system and institution in place to manage TA, and no evidence of a coordinated approach in the Ministry to CD. Practices have focussed on providing short term solutions rather than tackling the complex issues of public sector reform.

S34 There is little awareness of the FTI CD Guidelines, and their message concerning holistic CD had not caught on. There was little gain in the process of developing the FTI CF project in terms of capacity building. The initial work for the preparation of the FTI appraisal document was carried out exclusively by a consultant. The ESWG was not well equipped with educational expertise and aid effectiveness to support the planning process.

S35 CD planning has been seen as a separate process from operational planning, reduces. This reduces the efficiency of CD processes, as does the failure to adopt an holistic approach to CD. FTI could be a catalyst for the integration of DPs' contributions to broader CD, but currently the FTI project seems relatively divorced from these higher goals.

FTI and Aid Effectiveness

S36 The planning and institutional frameworks provided by ESP and ESSP, and JTWG and ESWG, have provided coherence and alignment in the way donor funds have been provided to the education sector over the last eight years. Cambodia had a reservoir of good aid management practices on the ground before the advent of the FTI. The ESP and ESSP are well established, and widely understood and accepted by DPs and other stakeholders, as providing a sound, country-led, sector wide framework for aid alignment. There was no review of these long standing frameworks as a result of the FTI, nor was it necessary.

S37 To some extent, the aid modality adopted for the FTI CF in Cambodia was predetermined by the instructions handed down from HQs on the endorsement and application process. WB is the supervising entity so processes have been carried out according to WB standards of due diligence, which included stronger fiduciary requirements as the FTI went on. The framework arrangements for dealing with applicant countries

including Cambodia (use of ESWG as a conduit, presentation to the FTI steering committee by ESWG) acted against country ownership.

S38 While the FTI activities have been in line with principles of better aid management, the FTI has had little influence on developing the aid effectiveness agenda, or on sector dialogue, harmonisation, accountability, and some key aspects of alignment. The FTI aligned its assistance with the ESP and ESSP and worked through the institutions which facilitated joint planning, monitoring and mutual accountability of the sector. By doing so, the FTI helped maintain the progress towards UPC.

S39 The FTI CF project adopted a parallel financing modality which mirrored the arrangements for the WB education sector projects. While the CF project has utilised and thereby strengthened technical implementation systems, the adoption of a parallel project modality failed to strengthen the systems for the financial management of the education sector SWAp.

S40 By and large, the extant aid effectiveness systems, albeit with weaknesses in relation to financial management alignment and donor harmonisation, were in place pre-FTI and have not evolved in response to the FTI. The major gap in terms of improving the efficiency of harmonisation has been the lack of donor buy-in to the use of government's financial management system. The work of the PFMRP will address this. The ESWG has not pushed the broader AE agenda, and there is little reason for optimism that fragmented CD, donor managed TA and bilateral M&E missions, will be reduced.

S41 If the FTI continues to a second stage, there should be a platform in two to three years time to harness the PFM reforms for the purpose of channelling the FTI resources through government systems. In the meantime, there is a considerable degree of uncertainty about the future levels of funding which will be available from the CF and from the FTI partners over the long term.

Cross-Cutting Issues

S42 Both ESP/ESSP and EFA plans had detailed sections on Gender and on "Special Challenges in the Cambodian Context", including strategies for addressing cross-cutting issues such as HIV/AIDS, Ethnic Minorities, Children and Adults with Disabilities, etc. A Gender Mainstreaming Strategy has been developed and a Gender Education Policy, in addition to Quality Standards and Indicators for Gender Mainstreaming in Education, drafted in 2006.

S43 FTI support to cross-cutting issues was through supporting the ESP/ESSP framework, which was therefore supportive of and relevant to the policy adopted by the government. Gender, inclusion and disability have been a relevant FTI focus. The CF project incorporates strategies to enhance access to and quality of primary education among vulnerable and disadvantaged groups with due attention to equity, gender, children with disabilities and student learning on both academic disciplines and life skills. The main beneficiaries will include children in remote areas, those from poor families and those with disabilities with careful attention to gender equality.

S44 EPDF monies have been used to support policies and strategies for dealing with vulnerable and disadvantaged groups. This has contributed to the government Policy on Education for Children with Disabilities and the survey of children with disabilities. Support was also given for the development of a teacher training manual for child inclusion.

Conclusions

Is what the FTI aims to accomplish consistent with current needs and priorities of Cambodia?

S45 FTI supports a set of priorities that were identified by the Government and supported by other donors prior to the FTI. These priorities are set out in a coherent five year planning framework, the ESP, and are complemented by the longer term EFA strategy and the annual ESSPs. These planning frameworks, which provided the FTI priorities, are consonant with the NSDP. The FTI-CF project will make a significant contribution to closing the financial gap for UPC/EFA.

S46 The RGC is committed to EFA and has adopted its agenda of action which is broader than UPC, focusing on early childhood, literacy, and gender. The FTI CF project focuses on scaling up a set of activities and existing initiatives designed at impacting on access to education, particularly for deprived and vulnerable areas and groups. In terms of content and focus, the FTI CF project is relevant to the priorities and needs of the country.

S47 The process of deriving the FTI CF project design and aid modality, had limited relevance to the broader aid effectiveness agenda. Thus, while the FTI supported the needs and priorities of Cambodia from a policy perspective, it did not contribute to enhancing or strengthening progress towards a full SWAp. The opportunity was missed for taking a broader perspective on the sector and ensuring that key capacity and ownership issues were tackled. The relevance of the FTI was also potentially reduced because it was understood by many for a considerable amount of time to be essentially a funding source.

To what extent is FTI accomplishing what it was designed to do, accelerating progress on EFA?

S48 The objectives of the ESP and ESSP are to expand pre-school and primary education services to reach the most vulnerable groups, and to enhance professional and administrative institutional capacity for education service delivery. This includes planning at school and district levels, a focus on gender, teaching and learning improvement and school self-assessment. However, under the FTI process, neither improved micro-level planning nor the broader macro agenda issues (CD, AE and links to the PFMRP) were developed. Nonetheless, the FTI in-country partnership provides the opportunity to build further on the progress already made in these areas.

S49 Despite the lack of a coordinated approach to capacity development in the Ministry, the FTI did not step in. This was a lost opportunity, especially in view of the recently produced FTI CD Guidelines that could have facilitated this process.

S50 The polarisation of views experienced in the process of designing the FTI CF Project focused minds more on the aid effectiveness of different aid modalities, rather than the modalities and trade-offs of achieving the EFA goals.

S51 FTI is expected to make an important contribution by providing resources to priority areas. However, there is strong concern about issues of continuity and sustainability as the current funding line will expire in 2010 and there are no clear indications of what will happen after this.

Has the FTI helped mobilise domestic and international resources in support of EFA and helped donor agencies to adopt more efficient development assistance strategies based on Paris Declaration ideals?

S52 When the FTI became part of the education landscape, significant resources had already been mobilised by Cambodia's DPs. The RGC has been firmly committed to

providing resources for education. The FTI is relatively young in Cambodia, with CF funding approved in principle in May 2007, and a first disbursement of USD 15 million made in October 2008. So far, there is no evidence of a catalytic effect of the FTI endorsement process whereby other donors expect to increase their financial support. In view of DP and RGC understanding of the FTI largely as a source of funds, this is not surprising. There are early indications of a reverse trend.

S53 There is no strong evidence that the FTI has helped donor agencies to adopt more efficient development assistance strategies in line with the Paris Declaration ideals. While the FTI endorsement process has supported existing policy, priorities and processes in general, there is evidence that the FTI may be working against some of the key principles in the Declaration which it seeks to promote. This includes those related to alignment (avoiding parallel project implementation arrangements), harmonisation (using common procedures), ownership, and predictability (as there is no assurance of what will happen after 2010).

S54 More detailed conclusions relating to each workstream (policy and planning, finance, data capacity development, and aid effectiveness) are provided in Chapter 11, ¶¶0-¶¶10.

Recommendations and Reflections

S55 The case study focuses on the specific country experience of Cambodia, but it also raises wider issues for the evaluation as a whole. The broad objectives of the FTI were, in the end, rather weakly reflected in Cambodia, partly because there seemed to be little awareness of these objectives among the donor group. The Catalytic Fund project became the main manifestation of the FTI across all workstreams, and the design options for the CF project were in practice greatly constrained by decisions about its modality, management and time horizon. The wider evaluation will need to consider the underlying reasons for the pressure to continue with "business as usual" approaches.

S56 The following recommendations are offered:

- (a) Transaction costs should be minimised under the CF project, ensuring that all the FTI supervision, monitoring and evaluation are harmonised and aligned with the joint ESP/EFA framework of activities.
- (b) The local donors' group is not necessarily appropriate for appraisal of the FTI endorsement process. This raises a different potential role for donors' HQs. The FTI Secretariat should be liaising formally and directly with both the Government and the ESWG, rather than simply through the ESWG.
- (c) Locating the FTI CF parallel project management within the MOEYS, rather than using some form of budget support as the chosen financial modality – requires design work to ensure that such "embeddedness" will be effective.
- (d) The need for changes in the EPDF allocation and reporting procedures are confirmed in the case of Cambodia. There has been a missed opportunity through the FTI to contribute more fully to capacity development in Cambodia in the current phase of support, and this is partly related to lack of understanding by partners on the role of the FTI and the EPDF. The FTI Secretariat, donor HQs and ESWG should raise awareness of the FTI Capacity Development Guidelines for addressing capacity needs in Cambodia, and its message concerning holistic capacity development.
- (e) The blurred and overlapping roles of the WB and the FTI need to be addressed – and a contribution to such greater definition may be found in an increased role of monitoring and support by DP HQs.
- (f) Cambodian experience indicates the need for LDGs to become genuine LEGs, as well as the need for much greater monitoring and communication between the

FTI DP HQs, the FTI Steering Committee (Board), DP in-country staff and the FTI Secretariat. The Cambodian study highlights the communication needs around the FTI during both the planning and implementation of the FTI activities.

Encouraging exchange of experience with other FTI countries in the region or more generally should also be considered, including the potential monitoring of the FTI DPs by endorsed countries.

PART A: APPROACH

1 Introduction

The Fast Track Initiative¹

1.1 The Education for All – Fast Track Initiative (EFA-FTI) is an evolving partnership of developing and donor countries and agencies. Its main objective is "accelerating progress towards the core EFA goal of universal primary school completion (UPC), for boys and girls alike, by 2015" (FTI 2004 p3.). It was established in 2002 by 22 bilateral donors, development Banks and international agencies, prompted by the 2000 Dakar World Forum on Education, which yielded both the current EFA goals and a commitment to increased financial support for basic education.² Also, as an outgrowth of the 2002 Monterrey Consensus, FTI was designed as a compact that "explicitly links increased donor support for primary education to recipient countries' improvements in policy performance and accountability for results" (FTI 2004 p 3).

1.2 According to its Framework document (FTI 2004), the FTI's major contributions to accelerated UPC would be by supporting:

- Sound sector policies in education
- More efficient aid for primary education
- Sustained increases in aid for primary education
- Adequate and sustainable domestic financing for education
- Increased accountability for sector results.

1.3 Through such contributions to country progress on EFA goals, the FTI aspired to help countries close four gaps: financial, policy, capacity and data.

1.4 The Framework (FTI 2004) set out the following guiding principles:

- **Country-ownership:** the FTI is a country-driven process, with the primary locus of activity and decision-making at the country level.
- **Benchmarking:** the FTI encourages the use of indicative benchmarks (the FTI Indicative Framework), locally adapted, to stimulate and enlighten debate over policies, to facilitate reporting of progress on both policies and performance, and to enhance mutual learning among countries on what works to improve primary education outcomes.
- **Support linked to performance:** The FTI is intended to provide more sustained, predictable and flexible support to countries that have demonstrated commitment to the goal of UPC, adopted policies in full consideration of a locally adapted FTI Indicative Framework, and have a need for, and the capacity to use effectively, incremental external resources.
- **Lower transaction costs:** The FTI encourages donor actions to provide resources to developing countries in a manner which minimises transaction costs for recipient countries (and for the agencies themselves).
- **Transparency:** The FTI encourages the open sharing of information on the policies and practices of participating countries and donors alike.

¹ This description draws on the Terms of Reference for the evaluation (see Cambridge Education, Mokoro & OPM 2009a, Annex A).

² The Dakar Forum communiqué stated that "No countries seriously committed to Education for All will be thwarted in their achievement of this goal by lack of resources."

1.5 In line with these principles, support for participating countries is based on the endorsement of a national education sector plan (over 30 countries have now been endorsed). Endorsement is intended to facilitate coordinated support from donors engaged in the education sector. There are also two FTI-specific instruments which can provide support at country level:

- The **Catalytic Fund**, set up to provide grant financing for eligible countries. The Fund had disbursed USD 396 million to 20 countries as of November 2008.
- The **Education Program Development Fund** (EPDF) set up to provide eligible countries access to grant financing for capacity building (e.g., analytic work for planning and budgeting or training) and to support cross-country learning experiences. The EPDF had disbursed USD 28.8 million (of USD 58.5 million committed) to over 60 countries as of December 2008.

1.6 The World Bank is the trustee for both these funds, and also hosts the FTI Secretariat in Washington DC.

1.7 The FTI's management arrangements and operating procedures have evolved considerably, and are still being refined. The timeline at Annex C of this report includes a summary of the main changes in the FTI, as well as its involvement with Cambodia.

Purpose and outputs of the evaluation

1.8 The FTI partnership commissioned an independent mid-term evaluation to take place at the mid-point between the FTI's establishment and the MDG target date of 2015. It is therefore designed both to assess progress so far and to offer guidance for the FTI's future work. According to the TOR (FTI EOC 2008):

The main purpose of the evaluation is to assess the effectiveness of FTI to date in accelerating progress towards achievement of EFA goals in participating countries, with particular attention to country movement towards universal primary completion (UPC). The evaluation will also assess FTI's contributions to improving aid effectiveness at both the country and global-levels. The evaluation will assess the Initiative's added value, identify lessons learned from its strengths and weaknesses, and formulate recommendations for improved partnership programming and effectiveness. (TOR, ¶12)

1.9 The evaluation is being managed by an independent Evaluation Oversight Committee (EOC), and the evaluation process is meant to take account of the viewpoints of all stakeholders and encourage their involvement in debating the issues it raises. The main outputs are listed on p.iv:

Evaluation methodology

1.10 The biggest challenge in evaluating the FTI is to disentangle the activities and effects of the FTI itself from those that would have occurred anyway. The approach adopted is *contribution* analysis. This involves a thorough review of the context and of overall results in the education sector, linked to a good understanding of what the FTI's inputs and activities were, and of the effects that they were intended to have. Available qualitative and quantitative evidence is then used to assess what contribution (positive or negative) the FTI may have made to the overall results observed.

The role of country studies

1.11 The work programme for the evaluation envisages nine full country case studies. According to the TOR:

Case studies are expected to be used in this evaluation as a means of developing greater insight into country-level processes, accomplishments, and problems, all in the

context of each country, thus making a contribution to the lessons-learned part of the evaluation. (TOR ¶21)

1.12 The selected countries represent a range of country contexts and a range of different experiences with the FTI.³ Each country study was a contribution to the overall evaluation. It was not a full evaluation of the education sector, nor is it linked the FTI's processes for country endorsement and allocation of funding. However, the case studies were conducted in close collaboration with the country stakeholders in the FTI, and it was expected that their reports will be of value to the countries concerned.

1.13 The country studies took account of the different perspectives of different stakeholders and consider the different streams of effects (education policy and planning, education finance, capacity, data and M&E, aid effectiveness) which the FTI is intended to have. They have tried to establish outcomes ("results on the ground") and assess whether and how the FTI inputs may have contributed to those results. See Annex A for more details on the methodology and the approach to country studies.

The study process for Cambodia

1.14 The country case studies were based on substantial preliminary research, followed by a country visit, and the drafting of a country case study report. The visit to Cambodia took place between 19 and 30 January 2009. The Country Study team consisted of Ray Purcell (Country Study Team Leader), George Taylor, Abby Riddell, and Khieu Vicheanon.

1.15 The team met a range of stakeholders from the government, donor, NGO and civil society communities. The team also spent a day visiting Kampong Cham province. The team's programme, including a list of persons met, is at Annex B.

1.16 Shortly after the country visit, a Country Visit Note was circulated to stakeholders who had been interviewed. (Purcell et al 2009) This country visit note was intended:

- to provide a briefing on the work so far on the Cambodia case study;
- to give a short summary of the study team's initial findings and conclusions;
- to explain the next steps in the study process;
- to encourage stakeholders in Cambodia to provide further inputs and feedback as the study proceeds.

Outline of this report

1.17 In keeping with the evaluation methodology (¶1.10 above), this report first reviews Cambodia's overall progress towards EFA objectives (Part B), then systematically considers the parts played by the FTI (Part C). Part C is structured according to the five workstreams within the overall evaluation: policy and planning, finance, data and M&E, capacity development, and aid effectiveness. Each subsection addresses the context, inputs and activities of the FTI, and the relevance, effectiveness, efficiency and sustainability (where possible) within these workstream areas. There is also a chapter on cross-cutting issues. Conclusions and recommendations are in Part D.

Subsequently the draft report was reviewed by the EOC and, in September 2009, made available for general comment. The present final draft takes account of comments received.

³ See the *Evaluation Framework* (Cambridge Education, Mokoro & OPM 2009a) for a full explanation of the choice of country cases.

PART B: EDUCATION FOR ALL IN CAMBODIA

2 Cambodia Background

Cambodia in brief

2.1 Cambodia gained independence from France in 1953. It enjoyed a brief period of peace and social development until the escalation of the Vietnam war in the 1960s and its spill-over into Cambodia, consequent destabilisation and the eventual take-over by the Khmer Rouge in 1975. The period from 1979 following the driving out of the Khmer Rouge, was one of slow and painful reconstruction. The education system (as with the economic and civil systems) had been totally destroyed.

2.2 The governance and development model that followed was socialist and centrally planned, overseen until 1989 by Vietnamese liberating forces. During this period there was continuing civil war between Khmer Rouge and government troops in many parts of the country, particularly the rural and border areas. The fighting was gradually eliminated through a combination of military victory, uneasy treaty and assimilation of rebels into the government. At this time between 200,000 and 300,000 refugees survived in border camps where basic education eventually became available.

2.3 The prime objective in 1979 for post-Khmer Rouge Cambodia was to rebuild the country from the state of near total destruction of all its assets – human capital; economic, educational and social institutions; government structures; and physical infrastructure – with considerable financial and technical assistance from the international community, Cambodia organised its first general elections in 1993. Since then, relatively peaceful national elections have been held every five years, the most recent being in 2008 when the ruling Cambodian People's Party was returned to power for the fourth time. The ensuing period of relative, though not continuous, peace and political stability provided a platform for development.

2.4 Following the signing of the Paris Peace Accords in 1992 and the national elections the following year, the flow of western donor aid into Cambodia, whose government had up to that point not been recognised internationally, increased substantially. In 1993, a new Constitution was signed which inter alia committed the state to the provision of nine years of free primary and secondary education (Article 68). Decentralisation and deconcentration programmes have been developed since 2003 and have included the passing of an Organic Law and processes for regular elections to Commune Councils.

2.5 Cambodia's current population is 13.4 million, with 6.5 million males and 6.9 million females. The share of children and youth in the population is now 61%, but the annual growth rate and total fertility rate are declining. Urbanisation has been increasing rapidly, but the most rapid population growth is concentrated in the more remote provinces.

2.6 Cambodia has opened new doors for regional and global trade opportunities with its membership of ASEAN and WTO. With regional and global integration and other supportive environments, Cambodia has enjoyed strong economic performance. Real GDP grew by an estimated 9.6% in 2007, following double-digit growth for each of the previous three years. Recent strong economic growth has been underpinned by garment exports, surging tourism and construction, and a steady agricultural expansion.

2.7 However, Cambodia remains one of the poorest countries in South-East Asia despite the prevalence of poverty declining to 35% in 2004 from 45–50% a decade earlier. Consumption inequality stabilised between 1997 and 2004, following an increase from 1994-1997, and it is expected that poverty has declined further to 2007 due to good agricultural growth. Poverty and near-poverty remain high, and other human development indicators continue to reflect difficult living conditions. The Human Development Index (HDI)

for Cambodia is 0.598, which gives the country a rank of 131st out of 177 countries with data. Ninety percent of the poor are located in rural areas which is where 75% of Cambodians live and work, largely at a subsistence level, depending on fishing and farming for their livelihoods⁴. Improved infrastructure, in the form of roads, telecommunications and public service provision, has raised the living standards of the rural population, though these remain well below those in the urban areas⁵.

2.8 In the social sectors, Cambodia has made discernible and commendable progress. The gross primary enrolment rate has risen faster than the low-income countries average, while many health outcomes, such as HIV prevalence and infant mortality, have dramatically improved, (World Bank 2008b) Nonetheless it should be noted that with an adult HIV prevalence rate of 1.6% (down from 3.4% in 1998) Cambodia still faces a generalised HIV epidemic and has one of the highest HIV prevalence rates in Asia.

2.9 Despite encouraging progress with economic growth and stabilisation, Cambodia continues to face formidable challenges. Most of the high growth over the past decade has been urban-based and narrowly focused on garment exports, tourism, and the construction industry, all of which may be vulnerable to the global economic downturn. Provision of good quality education and other social services and the generation of employment loom large among the challenges to be faced by Cambodian society. This is especially important because children under 15 years of age account for 39% of the population. Partly due to HIV, it is estimated that 7.8% of children below 15 in Cambodia (approximately 335,000) have lost one or both parents. Care of orphans is a major concern in a country still recovering from decades of civil unrest and facing extreme poverty.

National development strategy and performance

2.10 Historically, uncoordinated ODA and lack of government leadership had resulted in parallel development strategies and high transaction costs for the Government. There was little information available as a basis for understanding poverty or for formulating a poverty reduction policy. And there were a number of constraints impeding the realization of gender equality.

2.11 In an attempt to address these weaknesses, Government prepared the National Strategic Development Plan (NSDP), 2006–2010, which provides a broad "road map" for sector policies and strategies to address the realization of the Cambodia Millennium Development Goals (CMDGs). The NSDP seeks to operationalise the Government's political vision, the Rectangular Strategy. The aim is for annual national budgets to be aligned to the NSDP as well as to the three-year rolling Public Investment Program. The NSDP opens up possibilities for significant steps forward in terms of aligning sector strategies and planning cycles to a long-term national development framework as well as in steering DPs to align and harmonise their efforts.

2.12 The NSDP has also allowed Government to focus on poverty reduction through a consolidated national plan with increased country ownership, implementation and monitoring capacity, and participation. Government and ODA resources are combined and aligned more effectively with national development goals. Gender inequality is addressed in a comprehensive manner.

⁴ In 2008 up to 340,000 mainly women were employed in garment factories, many from rural areas. Since then there has been an estimated 30% drop in numbers. Tourism also represented a substantial employment market.

⁵ Mekong Region Health Survey, 2000 estimated 80–90% of residents in the capital, Phnom Penh had access to sanitation. No other area had more than 40% access, and the majority were below 20%.

2.13 Government adopted the NSDP in 2006, replacing previous donor-driven plans with a single national development strategy. The Technical Working Group (TWG) for Planning and Poverty Reduction provides a forum for regular dialogue between the Government, DPs and civil society on the implementation of the NSDP, and over the last two years, the Ministry of Planning (MOP) has developed (with support from the TWG) a strategic plan to refocus the Ministry and help build its capacity to coordinate the implementation, monitoring and evaluation of the NSDP. The TWG has also provided the forum for shifting external support towards a Ministry-wide, programme-based approach, by which development partners supporting the MOP will coordinate their assistance behind the NSDP.

2.14 Progress in achieving the goals set out in the NSDP has been impressive, with 92% of indicators recorded as completed or on track by the World Bank (World Bank 2008b). On gender equality, there have been a number of improvements, including an increase in women's representation in Commune Councils from 8% to 15% following the 2007 elections,

2.15 In recognition of the need for more effective implementation of the NSDP, the Government prepared a framework for monitoring NSDP implementation in 2006. The first Annual Progress Report on the implementation of the NSDP was prepared within this framework in 2006. It provides a review and updates on progress in implementing strategies outlined in the NSDP, on achievements made against indicators defined in the NSDP, and on the status of alignment of external development partners' support.

2.16 Serious efforts to address public financial management (PFM) weaknesses were introduced in the form of the Public Financial Management Reform Programme (PFMRP) in 2005. Supported by a multi-donor effort, the programme is working to improve efficiency and transparency in revenue collection, incorporating an effective Extractive Industries Transparency Initiative based framework for the expected increase in extractive industry revenues. Second, the programme is strengthening financial accountability and human resource capacity to support the ongoing deconcentration and decentralization initiatives to improve service delivery and to increase government responsiveness to citizens' needs. Third, the programme is supporting efforts to mitigate procurement, fiduciary and capacity risks so that project-specific interventions can eventually be replaced by government systems and harmonised donor-funding arrangements. Cambodia's PFM, human resource and audit agencies, which are responsible for overall oversight of the PFM system, will also be supported.

2.17 Public administration reform has been proceeding more slowly than that for PFM. The World Bank is supporting the Council for Administration Reform (CAR) to undertake a more extensive review of the current situation with the intention of developing a credible action plan for addressing Civil Service Reform and Remuneration. Analytical work will underpin this programme, including annual External Advisory Panel Reports, a Public Administration Reform (PAR) assessment during FY09 and an updated Integrated Fiduciary Assessment and Public Expenditure Review (IFAPER).

Aid and aid relationships

2.18 According to data from the CDC Data Base, ODA disbursements to Cambodia for the period from 1992 to 2007 were USD 7.9 billion. Twenty nine percent of these resources came from UN and multilateral sources, 63% from the EC and bilaterals, and 8% was funding from NGOs. In 2007, about USD 790 million in ODA was disbursed, equivalent to nearly 9% of GDP (Table D1 in Annex D). On a per capita basis, Cambodia has received significantly more ODA than other low-income countries during the past decade. Indeed, before 2004, Cambodia's development assistance was equivalent in size to its national budget (CDC 2008b).

2.19 Aid flows increased by 46% between 2003 and 2007, from USD 540 million to USD 790 million. Latest estimates indicate donor disbursement of nearly USD 900 million for 2008. Though declining recently as a proportion of a vigorously growing economy, ODA has been running at between 9–12% of GDP, a relatively high rate. Given Cambodia's substantial financial needs, its limited capacity to mobilise domestic revenues, and the narrow private sector base, it is expected that Cambodia will continue to depend heavily on ODA in the medium term.

2.20 In 2007 there were six multilateral and nineteen significant bilateral donors to Cambodia. The top ten donors overall between 1992 and 2007 were, in descending order, Japan, AsDB, UN Programmes, UN Own Funds, World Bank, EC, France, Australia, China and Sweden (Table D2). In 2007, Japan was still the main donor, while China's increasing prominence as a donor had moved it from tenth overall, to second in 2007.

2.21 The vast majority of aid is delivered in the form of project support. A number of donors have experimented with budget support including the World Bank, Sweden, AsDB, the EC, the UN, Germany and New Zealand (OECD DAC 2006). However, in general, the amounts of aid channelled as budget support have been small and sporadic compared with total aid, with only the EC providing a steady flow of support in this form.

2.22 The 2009 FTI Survey on Monitoring the Paris Declaration Indicators in Selected FTI Countries (FTI 2009) reports that, according to OECD-DAC, 85% of aid disbursements are on budget. In 2005 the Government's budget estimate under-captured the actual aid flows by a margin of 21%. In 2007, the Government budget estimate of aid flows again fell short of the actual disbursements, this time by 15%. This suggests that there have been problems with the timely and accurate notification of aid by donors, as well as with processing and administering information on aid flows by Government.⁶

2.23 Between 1992 and 2007, governance and administration was the main sectoral recipient of aid, followed by health, transportation, rural development and education. HIV/AIDS started to receive donor funding in 2005 and has been increasing in importance since then (Table D3).

2.24 Domestic budget revenues started to build up in the 1990s, but were continuously below 10% as a proportion of GDP, among the lowest ratios in the world. Government revenues have increased in recent years, but the revenue to GDP ratio, which has increased to 12%, is still well below the average for low-income countries.

2.25 An independent review of aid effectiveness in 2008 (CDC 2008b) acknowledges a steadily improving evolution in aid relationships in Cambodia. The report, which was commissioned for the Cambodian Government and Development Partner (DP) agencies, finds that the Cambodian record of setting out policies and processes to improve aid effectiveness has been impressive. Cambodia was an early mover in signing up for pilot status under the Rome Declaration on Harmonisation in 2003/04. The Cambodia Declaration and the subsequent Harmonisation, Alignment and Results Action Plan (HAR Action Plan) 2006-2010 have been used to apply lessons and international standards across a broad front. Most of Cambodia's DPs have been supportive of Government initiatives.

⁶ The confidence levels of Cambodian statistical data are low but improving. Aid data has suffered from lack of comprehensiveness, though these are signs that the CDC ODA Database is experiencing more active disclosure by donors. While the ODA Database is Government owned and managed, the responsibility for entering data lies with the DP's in general. The WB considers that, in general, Cambodian official statistics are subject to margins of error of 10–15%.

2.26 In terms of country ownership and leadership, the Government has been increasingly assertive in expressing its priorities. In aid coordination, the Cambodian Rehabilitation Development Board (CRDB) and its specialised arm responsible for coordinating donors, the Council for the Development of Cambodia (CDC), has raised the profile of Government initiatives, and set out comprehensive guidance to be followed by the Government and DPs, while also strengthening the flow of information.

2.27 According to the CDC 2008 review, progress in acting on this growing sense of ownership, and using new policies and processes to bring about behavioural changes on both sides of the aid relationship, is substantial but still remains uneven. On the government side, the unevenness applies across central government agencies. Some ministries did not engage substantially, for example with the preparation of the NDSP, and NGOs and private sector representatives were also not fully involved in its preparation, with consultations with civil society coming only at the latter stages. The alignment of DPs' programmes to Cambodian priorities has so far been relatively easy to claim within the broad framework of the NSDP, although some donors are still criticised as paying them little regard.

2.28 Nonetheless, there are important examples of good practice. There has been progress made with system changes in public financial management, which started in the Ministry of Economy and Finance (MOEF), and is now rolling out gradually throughout government. And the education sector, as a result of its pioneering of a sector SWAp, is often cited as an example of progressive approaches to aid coordination.

3 Basic Education in Cambodia

Cambodia's basic education system

3.1 Public education is the only system available to all but a small handful of better-off urban families in Cambodia. For close to 100% of the population education means public education (current ESSP primary enrolment targets are 96% by 2010, meaning enrolment in public schools). A tiny proportion of Cambodians send their children to a growing number of private "international" schools in the two or three larger cities. Private pre-schooling and supplementary classes (in English, computers and accountancy, etc.) while common in main cities, are out of reach of the vast majority for reasons of price and location. There is growth also in private higher education⁷, but fewer than 2% of children enrolling in primary education reach tertiary levels of any sort (46,845 students of 2,558,467 primary pupils in 2005, (ESSP, 2006–2010)).

3.2 The public education system is organised into 6 years of primary schooling (grades 1 to 6), followed by 3 years of lower secondary (grades 7 to 9) and 3 of upper secondary (grades 10 to 12). In 2006/07 there were 6,365 primary schools, 1,400 with attached pre-schools. Following French colonial terminology, secondary schools are often referred to (in English) as colleges and lycees. Secondary schools are sometimes but not always on separate sites. The EMIS annual report of Education Statistics and Indicators 2006/07 gives data on 846 colleges, 283 lycees and 1,129 secondary schools. Summarised data on primary and lower secondary are given below.

3.3 From the early 90s there were 5 grades in primary school. In 1997, the education system was expanded to 12 years by adding a year at the end of primary school, giving the 6+3+3 system. Basic Education consists of lower secondary and primary school (9 years).

3.4 The right to 9 years of free, quality education is enshrined in the Cambodian Constitution, but the significance of "Basic Education" has grown since the release of the EFA National Plan of Action in 2002. For example, current targets for Continuous Teacher Development in ESSP 2006–2010 include the upgrading of 3000 primary teachers to become Basic Education Teachers by 2010. The primary and lower secondary curriculums were revised in 1996 and again, as the Basic Education Curriculum, in 2006 (both with donor assistance).

3.5 Education, youth and sport (all sport, not only school sports) both public and private, are the responsibility of the Ministry of Education, Youth and Sport (MOEYS). On matters of school health, special education and vocational training MOEYS liaises with the Ministries of Health, Social Affairs, Veterans and Youth Rehabilitation (MOSAVY), the Ministry of Labour and Vocational Training (MOLVT), and with the Disability Action Council (DAC) among other bodies.

3.6 MOEYS comprises 28 departments (including a Department of Non-formal Education) grouped into seven Directorate-level bodies led by Under-secretaries and Secretaries of State under a Minister. Adult education (e.g. literacy for citizens over 15 years old who have left school) is overseen by the EFA Working Group 4, which includes the MOEYS Department of Non-formal Education, the Ministries of Women's Affairs, Rural Development, Religious Affairs, Social Affairs and Veterans, the Interior, etc. At non-central level education is organised by a Provincial or Municipal Office of Education (POE or MOE) in each of the 24 provinces or municipalities. Each is led by a Director and managed by a group of departments corresponding to those at central MOEYS level. There are 185 District

⁷ The Ministry of Education's website lists 10 public higher education institutions and 28 private ones.

Offices of Education (DOE), and 6 Regional and 18 Provincial Teacher Training Centres (R/PTTC).

3.7 At national level, planning for education service delivery in Cambodia is the responsibility of the Ministries of Planning (MOP), Economy & Finance (MOEF), Education, Youth & Sport (MOEYS), the Council for Administrative Reform (CAR), the Public Function Office, and other government agencies. Plans are embodied in policy documents including the NSDP and PRSP as well as the recently enacted Organic Law, 2008 (covering decentralisation and deconcentration) the new Education Law, 2008, and their associated regulations and guidelines.

3.8 Within MOEYS, planning and policy development is coordinated by the Department of Planning. All departments have produced plans (i.e. Annual Operational Plans - AOPs), Capacity Development Plans, etc. for the last 6 years. Departments also contribute to broad policy development, such as for curriculum, inspection and teacher development, and in response to donor initiatives (e.g. the Life-skills Policy 2005, and the Child-Friendly Schools Policy, 2006).

3.9 In many provinces schools are grouped into clusters with a core school, responsible for technical support. Clusters receive donor support (from Unicef and Save the Children, Norway, among others), and although school clusters are an official MOEYS strategy for achieving ESSP targets they do not comprise an official administrative layer. They are variably active and effective.

3.10 In 2005–2006 (the year of the mid-decade assessment for EFA) EMIS records show there were 119,893 children (60,541 girls, 50.49%) in pre-schools. The majority (63.1%) were in state pre-schools, with 18.6% in Community pre-schools, 11.2% in Home-based pre-schools and 7% in Private pre-schools. The Community and Home-based systems have official support in terms of endorsement and supervision, but are funded by NGO projects producing (and sharing) their own materials and running their own training programmes. Expansion of early childhood education (ECE) is an ESSP priority: enrolment of 5 year olds is targeted to rise to 20% by 2010. However GER of 3-5 year old children was only 11.97% in 2005/06.⁸

3.11 Despite significant efforts in terms of policy, expansion of the system, and increased national budget allocations, efforts to achieve completion of Basic Education have been plagued by repetition, drop-out and by incomplete schools.⁹ Primary enrolment reached 92% in 2005, but survival rates have remained stubbornly at 50%. An issue of acknowledged importance is the persistent charging of parental fees for officially free public schooling, usually in the form of direct daily payments to supplement the very low teacher salaries. The elimination of "informal payments in grade 1–9 nationwide by 2008" is included as an EFA and ESSP target and has been the subject of Ministerial regulation. Along with a perceived lack of relevance of the curriculum and weak teacher performance, it has had a reportedly negative impact on basic education completion.¹⁰

National education strategy

3.12 In 2000, donors (notably AsDB, EC and Unicef) and government began a movement towards a SWAp. In 2001 the first drafts of the national ESP 2001–2005 and the rolling ESSP 2001–2005 were agreed by the donor ESWG and MOEYS. These have been updated

⁸ EMIS.

⁹ UNESCO 2006 estimated that 2,470 primary schools do not offer a full grade range, representing 47% of schools.

¹⁰ See Bray 1999.

and modified annually since, with increasing ownership of the monitoring and target-setting processes by MOEYS staff.

3.13 The ESP is the principal document specifying the targets and the strategy for education in Cambodia. The latest version covers the period 2006–2010. It is set within the framework of Cambodia's National Poverty Reduction Strategy (NPRS), and the National Strategic Development Plan (NSDP) 2006–2010, both of which emphasise the importance of education as an enabling factor for income generation and job creation.

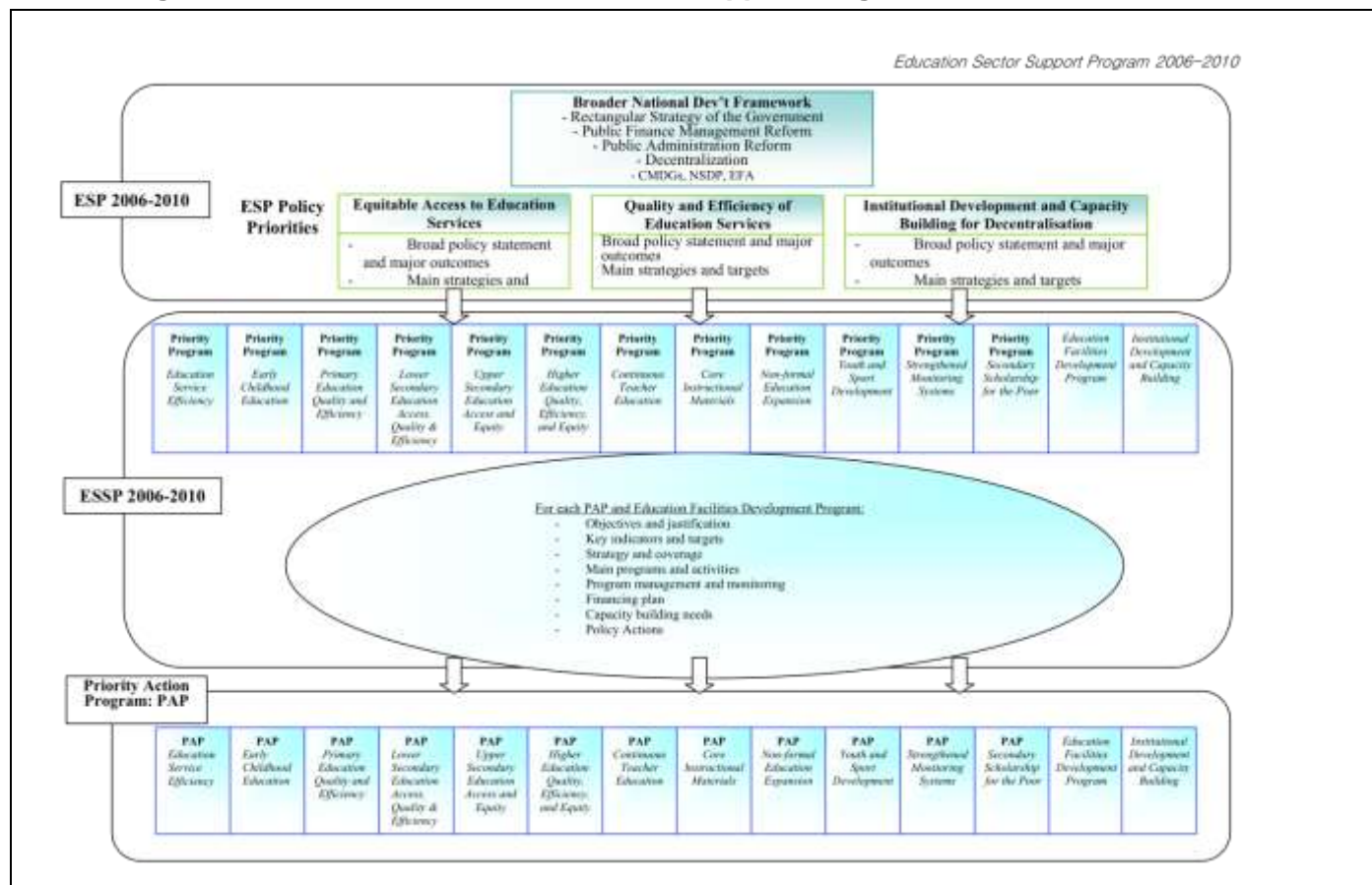
3.14 The ESP links to the ESSP, which is the operational plan for achieving the broad policy targets set out in the ESP. These are summarised in the Sector Wide Policy Action Matrix (SWPAM), which is an attachment of the ESSP document¹¹. The ESSP takes the policy targets and translates them into a number of phased and costed operational programmes. Progress in meeting the ESP targets is monitored in an annual Education Sector Performance Report (ESPR) (RGC 2005).

3.15 From 2001 a system of Priority Action Programmes (PAPs) for key social services (including education, designated one of four key development ministries) was introduced to increase disbursement to schools and districts. The 12 programmes (covering technical and administrative aspects of the system from teacher deployment and re-deployment to ECE and Continuous Teacher Education) are incorporated into the ESSP. The 2005 target was for 30% of government recurrent spending on education to be through PAPs. PAPs have now been replaced by a Program Based Budget (PBB) system, though the policy focus on pro-poor, rural development remains the official priority. The diagram below summarises the main elements of ESP, ESSP and the PAPs.

3.16 Cambodia also has a longer-term strategy, released in 2003, for achieving its EFA targets – the Education for All National Plan 2003–2015 (RGC 2003). The ESP and ESSP 2006–2010 are "guided by the National EFA Plan, strategy and targets". An Under-Secretary of State in MOEYS has been given specific responsibility for monitoring the implementation of the EFA plan. While the ESP is a medium-term (five-year) plan covering the entire sector, the EFA has a 2015 perspective, focusing on early childhood, literacy and gender beyond basic/UPC.

¹¹ Annex 1 of this Report is a summary of the medium-term objectives and the policy actions included in the current SWPAM

Figure 3.1 Overview of Education Sector Support Programme



Source: ESSP 2006–10, RGC 2005b p46

3.17 Although the ESP and EFA Plan were produced in parallel and have been managed separately rather than as two parts of a single, integrated strategy, they are directed at the same broad goals. The two plans occasionally show different projections, for example for primary enrolments, reflecting inconsistencies in data for the sector. However, oversight of "mechanisms to ensure medium term ESSP planning issues are included in the longer term EFA Action Plan" has been made the formal responsibility of the Directorate General Administration and Finance (specifically the DOP, MOEYS) jointly with the EFA Secretariat who are to "coordinate joint activities to ensure that there is regular review of medium term ESP/ESSP policies, strategies and programmes" (RGC 2005b p39).

3.18 Cross-cutting issues (such as the approval of a Gender Mainstreaming Action Plan 2006–2010 and HIV/AIDS prevention programmes managed by the Inter-Departmental Committee on HIV/AIDS) are detailed in ESSP and the EFA NPA, and progress is reviewed regularly.

3.19 To improve curriculum relevance (mentioned in ¶3.11 above) and as part of the revision described in ¶3.4 above an integrated Life Skills focus was included throughout in the specification of target behaviours and summarised in a set of Student Achievement/ Curriculum Standards. An allocation of time and a set of official guidelines for Local Life Skills Programmes (LLSPs) was included in the new National Curriculum. These LLSPs are supported by a number of NGO and DP projects (e.g. by Unicef, SCN and USAID).

3.20 A new Education Law was passed by the National Assembly in 2008. This provides a legal, national framework for the education reform programme detailing rights and responsibilities of parents, communities and public and private bodies, especially MOEYS.

MOEYS manages education on behalf of the state in accordance with this law. However, there is an active partnership with donors and NGOs in ongoing programmes coordinated through bi-monthly meetings of the donor ESWG, followed by the JTWG meetings between the Ministry and ESWG members, including representatives of the NGO Education Partnership (NEP).

Progress towards EFA

3.21 In December 2007 Cambodia published a Mid Decade Assessment (MDA) Report (RGC 2007) which described progress in meeting national EFA targets. Achievements outlined in this report include:

- Gross enrolment in Early Childhood Care and Education (ECCE) (state pre-schools and home or community based schooling) stood at 11.97% in 2005-06, almost double the figure for 2000-01 (6.5%) an admittedly low base, with a Gender Parity Index of 1 (RGC 2007 p64).
- Table 3.1 below sets out some of the major improvements for Basic Education (primary and lower secondary) between 2001 and 2005 (RGC 2007 p32). In addition, the Report presents data and results disaggregated by gender and by rural and remote areas, as well as by province for all of the EFA goals and targets.

Table 3.1 Basic Education Indicators

	Primary		Lower Secondary	
	2000/01	2005/06	2000/01	2005/06
Schools	5,468	6,277	511	911
Classes	55,448	61,901	6,860	11,783
Students	2,408,109	2,558,467	283,578	588,333
Teachers	45,152	50,378	15,518	18,579
Pupil Teacher Ratio	53.3	50.8	18.3	31.7
Pupil Class Ratio	43.4	41.3	41.3	49.9

- Progress in some areas has been substantial. As planned, many more schools and classes have been built, and enrolments have increased. Net admission even in remote areas has increased from below 50% to over 70% in the five year period (81.8% girls up from 74.9%). Survival rates to grade 6 primary remain disappointing (49.28% in total, 48.92% girls¹²), but Net Enrolment Rates (NER) for Lower Secondary (LSS) have, nevertheless, doubled (from 16.6% in 2000/01 to 31.3% in 2005/06, 13.7% to 30.4% for girls) with total LSS enrolments up by 48%. Teacher numbers have increased at both levels. Moreover teachers are better qualified. 43.6% of secondary teaching staff nationally had upper secondary education in 2005, up from 27.5% in 2000. In remote areas the improvement has been even greater (69.7% in 2005/06, up from 16.7% in 2000/01). Primary classes are smaller and LSS teacher utilization is more efficient.
- Key areas of concern remain the high drop out and repetition rates especially in the early primary grades and especially in the more remote provinces. For example, grade 1 repetition in Preah Vihear province was cut by over 20% between 1999/2000 and 2004/05, but at 32.6% still remains the highest in the country at nearly 3 times that of Phnom Penh (11.3%) (EFA, MDA p64).

¹² Disaggregated figures are given in MDA report (RGC 2007 p159): Female: 1,209,282 - Male: 1,349,185 (47.3% female enrolment; GPI 0.90)

- These results reflect the limited coverage of pre-schooling, the substantial number of incomplete schools and barriers to education listed in ¶3.11 above. There is progress in these areas, but in four of the more remote provinces, in border areas where minorities are concentrated, there were actually more incomplete schools in 2005/06 than in 2000/01. This is despite the building of over 150 new primary schools in these provinces in the period.¹³ Many of these new schools (e.g. 21 of 38 in Mondulhiri) are incomplete. Strategies to address these problems include Multi-Grade Teaching, teacher re-deployment, the use of contract teachers and construction of additional classrooms. Different donors, with varying degrees of coordination through MOEYS, support these programmes.
- As pointed out in ¶3.19 above, in terms of Basic Education Life Skills programmes, a major achievement has been progress in coordinating the many inputs under a single Life Skills Policy for formal and non-formal education in 2006. The new Basic Education Curriculum integrates more relevant life skills into the formal programme in line with the Curriculum Policy (2004), which provides guidance for LLSPs.
- For adult and non-formal education and training 43 skills training institutions and 60 Community Learning Centres nationally are receiving PAP budget allocations. 58,310 students are enrolled in non-formal re-entry and equivalency programmes (45 and 54% women respectively) (MOEYS, EMIS.).
- The approval of a Child Friendly Schools (CFS) Policy in 2006 and the expansion of related pilots covering teaching and learning as well as school self assessment (SSA) have begun to make contributions to improved learning environments and local school performance management, although it is too early to point to reliable results.

Finance for education

Public expenditure on education

3.22 Throughout the 1990s, government spending on education remained at below 10% of the national budget, largely for teachers' salaries. The government capital budget was almost wholly supplied by international aid. School reconstruction was undertaken through private donations and government loans from development banks, and by national and international NGOs. Until very recently, remote areas have been very poorly provided¹⁴.

3.23 Domestic funds are used primarily for recurrent expenditures. In nominal terms, recurrent expenditure allocations for education, youth and sport more than doubled between 2003 and 2008, increasing from KHR 300 billion to KHR 622 billion. In real terms, recurrent expenditure on education, youth and sport increased by 42% in the same period.

3.24 Government has committed to maintaining the share of the government recurrent budget for education at 18.5% (ESWG 2006, Table 10.1) of total recurrent budget. Data in Annex D, Table D7 indicate that Government has been close to fulfilling its commitment. Actual recurrent expenditures have been running in the range of 17.1–18.8% of total government recurrent expenditures between 2003 and 2008.

3.25 A disaggregation of the funds allocated to education by subsector is presented in Annex D, Table D8. Actual expenditure has been running consistently at over 90% of

¹³ Provinces are Rattanakiri, Mondulhiri, Pailin and Preah Vihear. See RGC 2007 p79

¹⁴ Primary completion was between 4.7% and 13.3% in the 4 north-eastern provinces; National Inst. of Statistics, General Census, 1998

budgetary provision. For 2007, the figure for actual against budgeted expenditure is 95%. However, until recently, there have been extreme in-year fluctuations as a result of delayed releases from MOEF associated with the cash budget. The first two quarters of the financial year have been particularly affected by late release of funds, so that spending has tended to be concentrated in the last two quarters.

3.26 Table D8 in Annex D also shows the split between Non-Priority Action Program (PAP) and Non-Program Based Budgets (PBB), and PAP/PBB expenditure. Non-PAP/PB expenditure is mainly for salaries and associated employee costs. The PAP/PB category covers the operating and maintenance costs of the education system. In general, salary and employee costs are in the range of 71–77% of total recurrent budgetary provision.

3.27 The budgets for Basic Education are not disaggregated within the available data. But provisions for General Education and for Provincial/Municipal budgets, which is where education expenditures are housed, have increased from 90% in 2003 and 2004, to 94–95% of total MOEYS budget in 2007 and 2008.

Aid to the education sector

3.28 External donor assistance provided to the education sector between 2003 and 2007 was USD 385.6 million (Annex D, Table D4). Disbursements over that period fluctuated, but were on a slightly rising trend, increasing from USD 75.0 million in 2003 to USD 88.2 million in 2007.

3.29 The share of education in total ODA has declined from 13.9% to 11.2% between 2003 and 2007. Both transport and rural development show significant increases during that period, and together with the arrival of HIV/AIDS funding in 2005, have probably contributed to the reduction in the share of other sectors including education.

3.30 The latest listings from the ODA Data Base identify 31 donor projects for Primary/Basic Education, and 50 projects under Schools and Facilities. Individual project budgets are available in the donor currencies, but the Data Base does not provide a detailed analysis of commitments or disbursements.

3.31 Aid commitments and disbursements for the education sector were compiled by the ESWG in 2006 (Annex D, Table D5).¹⁵ The main donors are Unicef/Sida,¹⁶ AsDB, World Bank, the EC, WFP (with school feeding programmes) and France. Of the thirteen bilateral and multilateral donors and lenders providing assistance, four donors (AsDB, World Bank, Sida/Unicef and EC) committed more than USD 20 million each for the period 2006–10, while two (Japan and WFP) had committed more than USD 10 million each. Fifty three percent of donor assistance was in the form of direct project support, and 17% was in the form of budget support (AsDB has since withdrawn its budget support to the sector). The balance, classified as "other", refers to aid in kind such as WFP school feeding. A more recent and reliable set of actual and projected disbursement data are provided at Annex D, Table D6. Though not comprehensive (figures for DFID and France are missing), Table D6 shows similar levels of projected overall disbursement.

3.32 According to NSDP 2006–10, 60% of total government and donor resources are earmarked for basic education (RGC 2006 Table 5.2). The ESP 2006–2010 sets an even higher target of 71% of recurrent budget to go to basic education by 2010.

¹⁵ Unfortunately, efforts during the country visit to make an appointment with the CDC Database operatives, in order to update this data, were unsuccessful.

¹⁶ The Sida/Unicef partnership has provided Unicef with the bulk of its funding though Unicef has also drawn on its own funding resources.

Assessment of the financing gap

3.33 Estimation of the funding gap for the education sector has been a task carried out in the context of formulating the ESP. In Cambodia's case, the financing gap refers to the difference between the recurrent and development resources required to achieve the goals of the ESP, and projections of resources available.

3.34 Government commits to making every effort to ensuring that recurrent budget requirements are derived from Government revenues and other resources. To meet its recurrent budget requirements, the Ministry projected that it would need to receive an increasing share of the national recurrent budget, rising from 17.7% in 2006 to 20.8% in 2010. In order to assess the realism and sustainability of the ESP financing plan, the ESP projected an alternative scenario based on the assumption that the education budget would remain at 17.7% of total budget up to 2010. Given that education's share of the government recurrent budget had increased dramatically, reaching 18.6% in 2004, nearly double the level of the second half of the 1990s when education's share of the budget hovered in the vicinity of just 10%, in fact no significant increase was foreseen over the five years up to 2010 (ESWG 2006).

3.35 On the basis of this alternative scenario for ESP 2006–10, MOEYS sought an increase in policy-led recurrent budget support from the international community in order to mitigate the risk of financing shortfalls and secure a predictable financial base for the ESP reforms.

3.36 Capital budget requirements are also projected over the five year life of the ESP. Again, MOEYS seeks to secure increased capital expenditure from Government while recognizing the financial constraints. MOEYS again anticipated support from the donor community to fill this potential shortfall. In the case of ESP 2006–10, the broad target was for 50% of external assistance to be for budget support, and 50% for facilities development and capacity building. To ensure greater predictability of external assistance, the Ministry proposed a number of measures including: a) confirmation from donors and NGOs on budget providing for the current programming implementation; b) early negotiation on additional assistance as part of the ESP/ESSP review process; and c) negotiation on greater flexibility in the mix of external assistance modality to cover transitional costs of reform.

3.37 The 2006–10 ESP calculated the total financing gap to amount to around KHR 773 billion (USD 193 million) over the 2006–10 implementation period, or around KHR 155 billion per annum (USD 39 million).

PART C: THE FTI IN CAMBODIA

4 Overview of the FTI in Cambodia

FTI endorsement process

4.1 This chapter draws on the Timeline of Key Events at Annex C.

4.2 The global EFA FTI was launched in June 2002, at about the time the EFA National Plan 2003–15 for Cambodia was being produced by the Government. Senior management of MOEYS recall that they learned about the FTI from Ministers of other countries. Only gradually did it become clear that the Ministry could harness the FTI to make progress with the ESP.

4.3 By the first quarter of 2004, MOEYS had accepted the FTI endorsement as an ambition. The earliest reference in the ESP for that period was to the drafting of the FTI Action Plan as a targeted action for realisation by the end of 2004.¹⁷ At the same time, the revisions to the ESP 2004–2008 went on to refer to more ambitious targets for UPE in the context of the FTI.

4.4 Early perceptions on both the Government and DP side, to some extent still existing today, were that the FTI was a source of funding for the purpose of fast tracking the implementation of UPC. There was little early awareness of the aid effectiveness goals of the FTI.

4.5 At the end of 2005, the ESP and ESSP for 2006–10 were published. The ESP contains a single reference to the FTI, which indicates the marginal nature of the FTI to education planning at that stage. At the same time the MOEYS sent a letter to Unicef expressing the desire to join the list of the FTI countries, and the ESWG agreed to investigate the financial implications of endorsing the proposal for Cambodia to join the FTI (ESWG 2005).

4.6 During 2006, the ESWG commissioned and published its "Appraisal of Basic Education Component of Cambodia's Education Strategic Plan (October 2006)", a key planning input to the FTI process. ESWG endorsed the report and agreed to investigate its financial implications.

4.7 This Appraisal document reports that the ESWG was meeting monthly at that time. It addressed issues of donor coordination, and served as an information exchange on programmes and projects. At this stage the ESWG was chaired by the UNESCO resident representative in Cambodia, with the EC *Chargé d'Affaires* as the co-chair. In addition to the donors, two representatives of the NGO Education Partnership (NEP), a forum for the many private organisations working in support of education development in Cambodia, also sat on the ESWG.

4.8 Early in 2007 as part of the pre-FTI activity, DPs prepared a request for shorter term Catalytic Fund (CF) support of USD 57.4 million through the lead donor, based on an assessment of financing needs and Cambodia's absorptive capacity (World Bank 2007a).

4.9 In May 2007, Cambodia submitted the request for a CF grant of USD 57.4 million to the FTI Steering Committee meeting held in Bonn. The application was approved with the comment that the award should support sustainable "long term institutional building and systemic reforms", as set out in the SWPAM. Alignment with PFM reforms, the National

¹⁷ In the ESP Sector Wide Policy Action Matrix, 2004/08 Annex 3: Institution and Capacity Building

Programme for Administrative Reform (NPAR) and the decentralisation and decentralisation programmes were stressed.

4.10 In September 2007, the WB and DPs to the education sector launched a joint FTI mission to support the MOEYS in the final preparation of the grant.¹⁸ The mission reaffirmed the scope of the FTI CF grant, discussed next steps in processing, and held initial technical discussions with line departments of MOEYS and MEF. The mission prepared TORs for financial management and procurement risk assessments.

4.11 The mission Aide Memoire (World Bank 2007a) stated that, "based on the financial management and procurement assessment findings and donor dialogue recommendations, a decision on aid modality (is) to be taken by WB as agreed by the FTI Steering Committee. Taking into account the fiduciary risk assessments and following the role as FTI CF Trustee, the Bank (is) to address risks and the Country Director to make final determination on aid modality".

4.12 The choice of aid modality was to bedevil proceedings over the next few months,¹⁹ and it is worth providing context to the final decision. The Aide Memoire (World Bank 2007a) specified that:

As trustee of FTI CF and as required by the Grant Agreement, the World Bank has the obligation to assess the procurement and financial management capacity for implementing FTI CF. The financial management assessment is ongoing.... The procurement assessment is scheduled to take place over the next few weeks.... In addition, the WB will undertake social and environmental assessments to complete safeguards requirements. These assessments will identify opportunities and risks associated with the Government's administrative systems, and will provide the basis in particular for determining the modality by which the CF will be provided. The assessments will be shared with the ESWG, the MOEYS and the MOEF. The decision on the funding modality will be discussed openly with members of the ESWG and the MOEYS/MOEF. The WB will coordinate the joint appraisal of the CF programme.

4.13 October 2007 to January 2008 saw intensive preparation of CF Project activities by MOEYS with TA support. The First Draft Scale-Up Action Plan 2008–10 was produced in November 2007 containing MOEYS Departments' detailed proposals for CF activities. A Technical Proposal was completed by mid -January 2008.

4.14 In December 2007, the findings of the financial management and procurement assessments were disseminated by the WB (including decisions on modality). MOEYS held an FTI CF Programme Preparation Workshop (December 13–14) for all DGs and Directors, with presentation of fiduciary reviews by WB experts giving Cambodia a "high risk" rating.

4.15 In January 2008, revised draft technical proposals were submitted to the World Bank, which drew on them in formulating the programme document. MOEYS and ESWG reviewed the interim draft FTI CF project document (the ESSSUAP) and Action Plan and made recommendations for final revisions.

4.16 Discussions on the sensitive issue of the financing modality reached fever pitch in the early part of 2008. There were two diametrically opposed views. The one promoted by the EC was to use budget support and government systems (but not for procurement) including that for the financing modality. The EC had been providing sector budget support to education for a number of years without fiduciary problems. The other articulated by the

¹⁸ The Mission consisted of representatives from Unicef Cambodia Country Office (two); Unicef East Asia and Pacific Regional Office; UNESCO Phnom Penh; World Food Programme – Rome; EC Delegation Phnom Penh (two); as well as World Bank representatives.

¹⁹ There was also explicit reference in the Bonn Presentation.

World Bank was that the financial and procurement assessments had identified high levels of risk. In the event, after a period of intense and sometimes traumatic discussion, a project based modality was adopted. The general sentiment was: "it is a miracle that the FTI CF project document was finalised".

4.17 In March, the Minister signed a final Technical Proposal and submitted it to the WB, with a request for the extension of the disbursement period from May 2010, to May 2011. The WB finalised its appraisal (the PAD) (World Bank 2008a) and forwarded it to the FTI Secretariat for approval in April. The FTI Secretariat approved the Cambodian proposal for USD 57.4million in the same month. The WB PAD is henceforth referred to as the "FTI Project" in this report.

4.18 In June 2008, the Country FTI CF Grant became effective and the first disbursement was released in October 2008.

4.19 On a parallel track, the WB Task Team Leader submitted a proposal through the WB sector manager for the use of Education Programme Development Fund (EPDF) monies during 2006. This covered a range of planning and policy development activities. CF and EPDF activities are detailed in Chapter 6.

Catalytic Fund grants

4.20 The estimates of the ESWG document (ESWG 2006) were decisive in estimating the financing gap which the FTI would help to address. The document estimated an aggregated funding gap to achieve universal basic education completion for the five-year period 2006-10 of USD 850 million. This was estimated to be the difference between available funding under the MTEF plus PIP and what was needed according to the reported "hybrid" calculations of education sector costs. The report assumed that:

Funds committed or likely to be committed by donors ... will effectively reduce the funding gap amount by USD 147 million. The funding gap which remains is USD 703 million for the five-year period, or 41% of total needs (ESWG 2006).

Thus for the three-year period of the FTI the gap projected would be USD 422 million, or approximately USD 140 million annually.

4.21 The key decision about the amount to be requested from the FTI Secretariat was prompted by the ESWG. Its 20 or so donor members came to a consensus as to what the government education system was capable of absorbing during the FTI CF project period. This was based on estimates of the absorptive rates that were being achieved by projects at that time, and was established by asking DPs to assess recent disbursement performance of projects, generally reported to be poor. In the event, an amount of USD 57.4 million was requested.

4.22 A dissenting voice regarding limited absorptive capacity was that of the EC. Its experience at that point was that its SBS had been disbursed without leakage (SBS had supported the PAPs), as found in consistently positive external audits of its SBS. Also the PETS survey in 2005 showed that 93.5% of school funding actually reached schools.

5 The FTI and Education Policy and Planning

Context

5.1 A coherent planning framework for education has been in place since the start of the current decade, embodied in the production of the ESP and ESSP, with full basic education enrolment being an ESP goal. Initiated in a September 2000 workshop, with substantial external assistance,²⁰ but full Ministry leadership and ESWG endorsement, the documents have been jointly reviewed and refined almost annually. Reviews are increasingly informed by Sector Performance Reports, also increasingly drafted internally by MOEYS departments. Both targets and results are summarised in an attached Sector-Wide Policy Action Matrix (SWPAM). ESP provides a 5 year framework, and ESSP is an annually rolled, jointly reviewed, guide to support programmes.

5.2 The EFA Plan of Action was drafted in 2002, separately from and later than the ESP/ESSP, and with assistance from a different lead DP. EFA targets UPC, and its scope extends beyond MOEYS. It is managed by a separate Secretariat within MOEYS though this is changing following the 2008 national elections.²¹

5.3 Key planning developments prior to the FTI, then, include the ESP/ESSP and EFA NPA drafting and review processes already discussed. These documents and processes emphasised the pro-poor nature of reforms and agreed the 12 PAPs under three priority headings (Equitable Access, Quality and Efficiency of Services and Institutional Development and Capacity Building for Decentralisation). Both ESP/ESSP and EFA plans included measures to address disadvantaged groups, gender issues and on "special challenges in the Cambodian Context". These include cross-cutting issues such as HIV/AIDS, ethnic minorities, children and adults with disabilities²².

5.4 Part of this process was to establish (in 2003) Cambodia's Millennium Development Goals, in particular the expansion of primary education and the reduction of communicable diseases, especially HIV/AIDS.²³ As outlined above, these processes were from the start, fully endorsed by Ministry leadership. Coordination and ownership of implementation and monitoring by MOEYS staff on a daily basis has developed since 2001 as the role of external TA has modified. Nevertheless, Pirnay, among others, indicated in 2007 the need for greater prioritization among the many targets and policy goals, as well as increased participation in

²⁰ Lead DPs between 2001 and 2003 were ASDB, EC and Unicef. During this period, a group of TA funded by these DPs worked closely with Dept. of Planning and senior MOEYS leaders.

²¹ The coincidence of a new mandate and new leadership in MOEYS, with changes in the political allegiance of the leadership, presents opportunities for programmes such as FTI, and more broadly for coordinating and planning initiatives.

²² For example ESSP 2006-2010 Section 2.12 (RGC 2005c) details a Secondary Scholarships for the Poor Program:

Lower Secondary Scholarships provide cash incentives to students for grades 7 to 9 selected as being children from the poorest families and various other disadvantaged groups, including girls and ethnic minorities. Girls will represent a minimum of 60% of all scholarships students in the selected schools. (RGC 2005c p27)

²³ HIV/AIDS shows significant reduction to 0.9% in 2006, already passing its 2015 target of 1.8%. Significant progress in gender equity promotion has been made both at national and local levels with more women represented in the Commune Councils. Despite the fact that child mortality has been substantially reduced, it remains high at 83 per 1,000 live births in comparison to the region (33 per 1,000 live births). Maternal mortality (472 per 100,000 live births) is still a real concern. (UN MDG Monitor, 2007)

SWPAM target setting, progress reporting and performance management at sub-national levels (EC 2007, p13).

5.5 Between 1992 and 2005, almost all non-recurrent education spending was by donors. Coherent national planning has, therefore, been a major issue²⁴. The establishment and evolution of the ESWG and JTWG from ad hoc working groups in 2000 and 2001, to regular membership meetings has made a significant contribution. The JTWG for education is one of a set of national coordinating fora²⁵ covering all key Ministries which assist with joint coordination of government and donor activity.²⁶

5.6 A further planning mechanism has been the annual National Education Congress (NEC) conducted "internally" by MOEYS until 2006. This October Congress brought together district, provincial and central education officials with the objective of summarising progress over the past school year and setting goals for the following year. Performance was not measured explicitly against EMIS data and national priorities, however, and the central departmental budgeting and operational planning processes (linked to national budget preparation) had already taken place in May/June. The NEC tended to be a somewhat parallel mechanism, therefore, with the advantage that it brought large numbers of sub-national players' together and allowed grass-roots concerns to be aired. Moreover, largely for historical reasons, the ESSP annual review was conducted separately, with participation (and funding) from donors. Central Ministry participation was largely the same at both the NEC and the ESSP review. As explained below, this situation is improving.

5.7 A major development from 2006 has been the merging of these two fora into a single, joint review and planning event. The 2007 Aide-Memoire following the Joint Congress and Review states:

The most important objective of the combined Congress and Review, in the view of the Ministry and Development Partners, remains the strengthening of the monitoring mechanism of the Ministry. As noted in last year's Aide Memoire, this promotes the effective use of all resources available to MOEYS, both domestic and external, to achieve the policy objectives set out in the ESP and ESSP documents. In addition, both parties agree to use the Congress to monitor and promote adoption of the Paris Declaration and the Royal Government's Action Plan on Harmonisation, Alignment and Results 2006–2010 (RGC and DPs 2007).

5.8 While there is growing coherence of the planning process at national level, decentralised planning and monitoring responsibility is in the early stages of development. As mentioned, Cambodia is emerging from a centrally planned system. This has meant that at sub-national level, planning has been characterised by lack of clear authority and capacity compounded by a lack of reliable funding, poor administration and frequently by duplication of effort by sponsors. Programmes of decentralisation, led by the Ministry of the Interior with DP support (e.g. through the Seila programme)²⁷, have strengthened rural governance and

²⁴ 14 ESWG member agencies signed the 2006 FTI endorsement document including the NGO Education Partnership – NEP, which represents over 70 education local and international NGOs. The Planning Dept. AMIS report for 2007 shows 130 Development Partners (NGOs, multi and bilaterals) running 239 education sector projects in Cambodia.

²⁵ There are currently JTWGs in 19 key ministries, coordinated since 2004 by a Government Development Partner Coordination Committee (GDCC) which has a secretariat and meets twice yearly (cf. CDC 2008a, p17).

²⁶ The Country Study Team met the ESWG chair and deputy chair and the joint JTWG chairs, and attended a JTWG meeting on 22.1.09.

²⁷ Between 1996 and 2000, with UNDP and other donor and NGO support, Seila piloted systems for decentralised and deconcentrated planning, financing, and implementation in one-third of Cambodia's provinces and communes. Emphasis was placed on the election of Village Development Committees (VDCs). These were different from the previous political/administrative, top-down

improved infrastructure in terms of roads and communications. In the education sector a significant development has been the recent drafting and piloting of a School Self Assessment (SSA) component of the Child Friendly Schools programme linked to school improvement planning. This initiative is aimed at improving local management responsibility for performance and relevance.

FTI inputs and activities

5.9 FTI inputs have been mainly expressed through the CF project. The FTI CF project is designed to achieve objectives derived from the ESP and ESSP: 1) expand pre-school and primary education services to reach the most vulnerable groups; and 2) enhance professional and administrative institutional capacity for education service delivery. The project components and their costs are provided in Table 5.1 below.

Table 5.1 FTI Project Cost by Component

Project Cost By Component and/or Activity	Total USD million
1. Expanding Early Childhood Education	11.15
2. Improving Primary Education Access and Quality	39.82
3. Promoting Inst. Development and Capacity Building	1.95
Total Baseline Costs	52.92
Physical Contingencies	2.08
Price Contingencies	2.40
Total Project Costs	57.40
Total Financing Required	57.40

Source: World Bank 2008a

5.10 The main input is for the construction of classrooms to "complete" schools in rural areas. 63% of the grant will be spent on construction with the completion of 650 of the 1,378 currently incomplete schools as a priority. This will have a direct impact on promotion and efficiency in these schools apart from improving access and quality of schooling since currently children who are unable to progress because there is no next class are recorded as dropping out or repeating.

5.11 As mentioned, decentralised capacity development includes planning at school and district levels as part of the CFS programme. CFS includes components on gender, teaching and learning improvement minority access, inclusive education and parental participation (through LLSPs). These are reported briefly in a school self-assessment. The local assessment is tied to national reporting and also to the development of school improvement plans (SIP). Activities included in the plans are school mapping and other local initiatives to achieve the ESP/ESSP and EFA goals of increased enrolment and reduced drop out.

appointed village leadership. Special attention was paid to the inclusion of women through a quota system. Under the second five-year phase (2001–05), the program additionally improved coordination of external development assistance in support of the national decentralization and deconcentration policies—the commune level Local Development Fund (LDF) and the Provincial Investment Fund (PIF). By 2003 RGOC managed Seila through appointed government committees at national, provincial, and district levels, and through elected members at commune level.

5.12 Several agencies and MOEYS departments have been involved in piloting CFS components in selected schools and provinces since 2005 with increasingly successful coordination and ownership by senior leaders (e.g. Unicef, Save the Children, USAID and VSO). The programme has focused on training inputs but has lacked funding for national scale-up. The Inspectorate and other central departments including Planning, Primary, etc. have drafted guidelines and provided training of school directors and community leaders. The FTI CF project will now support expansion of the CFS programme, especially in assessment and planning. Coordination of inputs and links to new curriculum and standards training are the responsibility of the Teacher Training Department.

5.13 A component of the FTI CF project is intended to improve decentralised (school level) education planning, therefore, by national implementation of new assessment, reporting and planning mechanisms linked to national targets. The preparation of the FTI CF project plans themselves was carried out through existing central processes (ESWG and JTWG committee meetings etc.). The CF project is not aimed directly at improving planning and policy development at central level, though project monitoring and evaluation are expected to provide inputs into national planning processes. For example, outputs will include "300 government officials trained in financial and procurement management. ESSUAP, together with other programmes/projects supported by development partners, will contribute to the achievement of the Education Strategic Plan (ESP) and Education Sector Support Programme (ESSP) goals and targets that include: 50% gross ECE enrolment rate for five year olds, 30% gross ECE enrolment rate for 3–5 year olds, 100% net admission rate, 100% net enrolment rate, 95% primary completion rate, 70% of primary schools becoming child-friendly, and all budget management centre (BMC) staff trained in accounting by 2010" (FTI-Cambodia 2008 p1). The FTI implementation may, therefore, continue to strengthen existing processes, but made only a minimal contribution to already existing national systems through programme preparation.

The relevance of FTI's contribution to education policy and planning

5.14 The FTI CF project activities that have been developed are thus fully consistent with ESP/ESSP and EFA priorities and fully relevant to national policy priorities. Departments reported to the Country Study that, in contrast to other projects, the FTI priorities are those of the Ministry itself. The construction programme (classrooms and district offices) will have direct impact on access, drop out and repetition as well as decentralised management. They can also be implemented in a short time-frame as is required.

5.15 The curriculum and standards training, CFS and SSA components as well as school construction build on earlier, pilot programmes and provide scale up for national coverage. The emphasis on early childhood education is a sound strategy to improve correct age enrolment and reduce early grade drop out, both recognised as major obstacles to reaching UPC. There is some concern that capacity to implement the ECED component has been underestimated, and support should have been better planned. Compared to the construction components, for example, the relevant department has had little attention or budget to date. However, TA has been recruited and activities planned.

5.16 There are provisions in the project covering gender, disability, minorities and HIV/AIDS, though some informants pointed out that more explicit strategies and references to inclusiveness should have been in the FTI programme guidelines. Greater streamlining and coordination of NGO programmes was recommended in an NGO report produced at the time of the FTI CF project planning (World Vision 2007). Also that indicators should be required to refer to disability, gender, minority, etc. rather than stating: "Where possible, data will be disaggregated by locality, gender, ethnic origin and disability in order to track the programme's impact on various disadvantaged groups" (World Bank 2008a). Greater ability

of NGOs to access and influence the mainstream planning processes might have made the programme more responsive to these needs.

5.17 The inclusion of a small "pilot" scholarships component,²⁸ to reduce drop out by poor students in grades 4 to 6, follows several earlier administratively complex, but highly successful programmes. It can be argued that what is needed is a more coordinated national scholarships programme, not a further pilot. However, the new scholarships are aimed at earlier grades than most previous programmes, and, as indicated, drop out remains a serious problem during primary schooling.

5.18 The CF project objectives and component activities are very relevant, therefore, and MOEYS and DPs have accepted and are implementing the current component plans. The greatest challenge seems to be that project components only weakly address the specific issues of coordination by central management (through TA support and sample monitoring) and the development of planning and monitoring capacity.

5.19 The planning process used to develop the FTI CF project and the resulting project management mechanism is less satisfactory in terms of relevance, therefore. On the one hand, before the decision on aid modality was resolved, individual MOEYS Departments were asked to draft CF project activity plans. Initially, whether through lack of guidance or because of stronger priority interests, these plans were only weakly linked to ESP/ESSP or EFA²⁹. A broader results framework at this point would have prioritised systemic (as opposed to personal) capacity building and government ownership in terms of management and planning at all levels (including schools). The late decision on modality was reported by some as the reason why these were not fully addressed.

5.20 Moreover, the decision on modality compromised the capacity development aspects of the programme. Once the decision was made that the financial and procurement procedures required to manage such a large project would have to be external, much more explicit strategies were needed to strengthen government mechanisms. Without these the effect was bound to be similar to the establishment of a PIU, though without the customary incentives for local staff.

5.21 Departments were supported in the planning process by WB TA. Some DPs expressed concern that the WB's position in the planning and eventual management process compromised the outcome. The negative findings on fiduciary risk assessment by the WB affected the confidence of donors in the reliability of government systems.

The effectiveness of FTI's contribution to education policy and planning

5.22 Since 2000, well before the FTI, there have been gradual improvements to greater policy and planning effectiveness. Of particular significance has been the combination of the ESSP review and NEC from 2006, and the rescheduling of both to March from 2009. The shift of timing means that all planning processes, government and donor, including national budget development, can begin to be far better aligned and harmonised. Departmental AOPs will, for the first time, include both donor and government funding. It will take some time for AOP development to become fully aligned with and integrated into the budget process, but this is a major step in that direction.

²⁸ In selected provinces, poor children will be eligible for a "scholarship" to support their study in grades 4 to 6.

²⁹ The draft FTI Component Action Matrix 17.10.07 has 22 activities only 8 of which have references to the ESSP SWPAM.

5.23 From 2009 the FTI CF contributions will be shown in the AOPs of those departments responsible for the CF project components. There is a real opportunity for the FTI initiative to support the existing and evolving joint results framework (SWPAM) and to integrate fully with planning and review processes. There are strong indications from recent DP meetings and commitments that this will happen.

5.24 This Study took place before project activities had fully begun. For that reason it has concentrated on development processes rather than project outputs. At the same time, it is possible to point to a number of factors that have combined to reduce effectiveness to date: the lengthy development process, the rather hesitant start due to delays in hiring TA and confusion over unfamiliar procurement and accounting procedures, and the limited plans for capacity development mentioned above. Nevertheless, some respondents admitted that the FTI CF grant had brought the aid effectiveness debate strongly onto the agenda, though this was unintended and far from efficiently handled.

5.25 As for the hypothesis that the FTI supported improved sector policies and plans, the FTI CF funding will support the existing programmes, but there is no evidence that existing and evolving planning mechanisms have yet been strengthened by the FTI process, nor are there any outcomes yet attributable to the FTI.

Efficiency

5.26 It is too early to indicate intermediate outcomes on the sector in terms of efficiency. The FTI CF support to policy and planning has not yet been translated into results, and although the FTI has the potential to support the evolution of a planning and monitoring process that has taken significant steps towards greater efficiency, it may also reduce efficiencies by operating parallel planning and financial management processes.

5.27 For example, some departments with greater confidence and experience of external funding, planning and monitoring have already drafted separate FTI CF plans (in addition to their AOPs) and are beginning to implement them. Construction programmes in particular, with prior experience of WB procurement and accounting procedures, had identified sites and were proceeding with implementation. This parallel process is effective in the short-term, but hardly efficient. Less assured (i.e. efficient and effective) progress is being made by, for example, ECED, who have little experience of external funding and for whom TA had only just been appointed at the time of the Study.

5.28 In terms of progress monitoring, the March 2009 joint review was expected to provide an opportunity for a baseline assessment using sector performance reports based on ESSP indicators. In most cases (apart from references to procurement indicators and PFMR Platform 2 indicators) the indicators quoted in the FTI CF project are those shown in ESSP and SWPAM.

5.29 A difference between the 7 FTI Indicative Framework suggested benchmarks and those quoted in ESSP and the CF project is that in most cases the latter are more micro level and responsibility can be efficiently assigned to departments and included in Departmental AOPs. The project indicators (numbers of completed classrooms, primary completion rates, textbook:pupil ratios, etc.) are familiar and thus targets should be efficiently tracked. More macro-level policy indicators such as government spending, teacher salary, annual hours of instruction, etc. are beyond the scope of individual departments. For cross-cutting issues and those relating to transition too, inter-departmental coordination at directorate level is needed. It is not clear, however, that the mechanisms for this are yet in place or were given sufficient importance in planning.

5.30 The decision to keep policy and planning within the existing ESSP framework is efficient and consistent with the choice of modality and project nature of activities. However the size of grant and concerns over fiduciary management may impact the policy and planning process by prioritising parallel data gathering and financial management and monitoring processes. The effect may be to leave micro planning in the hands of departments and to manage policy matters through external TA. It is unclear whether references in the Results Framework to "impact evaluation" and to "rigorous, randomised evaluation" are designed to strengthen planning capacity or to operate parallel, external systems.

5.31 ESWG and JTWG are aware of the danger of reliance on external assistance and have emphasised joint participation in the March NEC and ESSP review with a reduction in the number of outside advisors. At the same time, ESWG members emphasised to the Study Team the importance of finding an efficient balance between high quality through outside support and government ownership.

Sustainability

5.32 At the planning level, Cambodia's education policy and strategy plans have had strong political and donor support over a long period, and the processes of policy and strategy development are becoming increasingly consolidated. The FTI has supported the existing process by adopting the current ESP/ESSP planning and monitoring framework for the project. In this sense it contributes to sustainability. However, risk reduction and selection of project modalities have led to the use of external systems and consequent increased reliance on TA. External monitoring may also not contribute to sustainability.

5.33 It is not clear whether the current FTI CF project will support cross-cutting or policy level planning and in particular whether it will contribute to sustainability through a comprehensive strategy for capacity development in terms of coordinated planning. The main risk is that the use of project modalities currently or under an extension of the FTI in Cambodia will not support, and thus actually prevent government implementation and management systems from being the focus of improvement.

6 The FTI and the Financing of Education

Context for FTI financing³⁰

6.1 After the disruptions of the 1980s, the 1990s saw an infusion of emergency relief and reconstruction aid, with heavy dependence on external assistance from donor agencies and nongovernment organizations (NGOs). Recognising the need for improved coordination and management of external assistance, the Government had already introduced an Education Investment Plan for 1995–2000. Despite significant aid during the 1990s, the Government's EFA 2000 Assessment acknowledged disappointing sector performance and the need for more sustainable and policy-led reform. Problems with sector performance were associated with a low share of Government spending on education (consistently less than 10% in the 1990s), and an emphasis on technical and higher education by aid agencies.

6.2 The introduction of the ESP and ESSP in 2000 provided a SWAp-type framework for government and donor financial flows, though most donors continued to manage their funds through parallel structures. The Government and the donor and NGO community agreed to a set of common policy actions and targets as a basis for both sector performance monitoring, and joint undertakings for release of sector support, and investments in facilities and capacity building. These costed frameworks have been the main, if imperfect, instruments for linking domestic and external resources to sector policy priorities.

6.3 As well as addressing the disappointment with the sector performance of the 1990s, the SWAp also supported the idea, within the highest levels of Government, of the need to move from "donorship, to ownership and partnership", set out in the Government's partnership paradigm paper (CDC 2000). Through a SWAp approach, the Government would be better able to increase its effectiveness in the use of government and external resources for education. An additional source of momentum for the SWAp was an alliance of like-minded funding agencies, with operational policies that could facilitate such an approach. There was also a medium-term expenditure framework (MTEF) which was consistent with the policies and priorities.

6.4 Financing of education services through the government recurrent budget was via priority action programmes (PAPs), introduced into important line Ministries by MEF in 2000. PAPs were a pre-programme budgeting tool, introduced under pressure from the WB in relation to conditionalities for better spending in the social sectors, and to "by-pass" dysfunctional (non-salary) spending chains, with multiple controls of line ministries' spending requests. They were the main instrument for providing resource allocation and budgets for operation and maintenance. PAP spending modalities were lump sum allocations for identified programme activities advanced (in theory) against expected outputs.

6.5 Education PAPs included (i) poverty-indexed operating budget programmes to primary and secondary school, technical and vocational education training (TVET), higher education, and teacher training institutions; (ii) education service efficiency rationalisation; (iii) core instructional materials; (iv) continuous teacher development; (v) HIV/AIDS awareness for in-school and out-of-school youth; and (vi) strengthening monitoring systems.

6.6 The PAP mechanism was the driving force for decentralising ESSP recurrent budget management and accountability to over 200 central, provincial, district and institutional budget management centres (BMCs). Such extensive financial decentralisation has also been a key factor in providing system incentives for strengthening financial reporting, accounting, and latterly, audit systems.

³⁰ This section draws on AsDB 2003, and an interview with C. Dom.

6.7 The Integrated Fiduciary Assessment and Public Expenditure Review (WB/AsDB 2003) recognised that PAPs potentially brought some order to improved spending management in particular to the speed of spending. In practice, fast disbursement didn't work as expected (EC 2007). While PAPs provided funds against objectives and results, the advance of large chunks of money didn't materialise, because of lack of cash and/or lack of explicit supporting rules to be clear about when compliance for funding release was in place. Thus, the PAPs did not provide more predictability to government funding. Donor funds were also subject to unpredictability, as disbursements often lagged commitment schedules.

6.8 Historically, education sector capital spending has been dependent on external funds, in the form of loans, grants and budget support (Unicef 2005 p30). The capture of these flows on budget e.g. in the MTEF, has been limited. There were structural weaknesses in the budget process particularly in terms of linking the capital budget with the MTEF and the PIP. The quality of the costings is also questionable. The lack of budget integration and poor costings are weaknesses which continue to the present.

6.9 The ESSPs have been supported by a number of financing modalities. The ESSP 2001–5 included an AsDB sector development programme loan (a combination of budget support³¹ and project-type capital investment), a European Commission grant administered through a targeted sector budget support programme,³² and Swedish International Development Agency (Sida), Japanese, Belgian and other bilateral grants. The budget support of AsDB and EC for education was concerned mostly with supporting the operational activities under the PAPs. Currently, with the reversion of AsDB to project financing, most aid, with the exception of that of the EC, is provided in project form.

6.10 More recently, under the Public Finance Management Reforms Programme (PFMRP), the policy has been to abandon PAPs, and to move to programme budgeting. The latter, which is intended to provide more budget detail and more transparency, is still in its early stages of implementation. The PFMRP is a long term (2005–15) reform aimed at introducing best international standards to PFM by 2015. The programme is framed as a SWAp with thirteen DPs coordinating their assistance around an agreed MEF-led programme. It is co-financed by a Multi Donor Trust Fund supported by four DPs (AusAid, DFID, EC and Sida), a WB grant, and bilateral assistance from AsDB, CIDA, France, IMF, JICA and GTZ.

6.11 PFMRP consists of four platforms to be implemented over a ten-year period aimed at achieving a sequenced set of stages of: i) strengthening budget credibility; ii) enhancing financial accountability; iii) the progressive development of policy-based budgeting and iv) increased performance accountability. So far under stage 1 reforms, the main gains from the PFMRP have been at the macro level, particularly in relation to improved revenue raising leading to more budget credibility. Stage 2 will focus on strengthening financial accountability, and will extend reforms to the operations of the line Ministries. MOEYS is already involved as a pilot Ministry for the introduction of Programme Based Budgeting. During Stage 2 which will extend to 2010, work will be done to strengthen accountability systems including improved budget execution and transaction processes.

6.12 Despite the presence of the ESP framework, the resource picture has not been wholly positive for education. While annual resource flows showed signs of increase over time, there were short term fluctuations between 2003 and 2007. And according to CDC figures, the share of aid to education in total ODA declined from 13.9% to 11.2% between 2003 and 2007. However, analysis in Section 3 indicates that the Government's recurrent

³¹ Budget support with policy dialogue and conditions linked to education.

³² With sector budget support aimed at PAPs.

budgets for education have been holding up in line with the commitment to allocate 18.5% of recurrent budget resources to education.

FTI inputs and activities

6.13 In practice, the FTI finance inputs have so far been exclusively in the form of CF and EPDF grants. There is no evidence of a catalytic effect on resource mobilisation for the sector, either from donors or in the form of domestic financing.

6.14 The identification of the financial needs of the sector for the purposes of the FTI CF project were set by the ESP and ESSP processes, which had been put in place in 2000 and have been routinely updated since then. For the purpose of applying for the FTI Catalytic Fund (CF) funding, the process utilised the prior frameworks and joint institutions (the JTWG and the ESWG) already set up for the sector.

6.15 The main instruments involved in identifying the detailed programme of activities to be funded by the FTI CF were:

- Education Sector Working Group (October 2006), Appraisal of Basic Education Component of Cambodia's Education Strategic Plan, Prepared for Submission to the EFA FTI Secretariat, Phnom Penh. This document estimated the financing needs and gap for the sector. It also reported positively on the credibility of the Ministry's ESP/ESSP and EFA plans, though it called for greater rigour in costing.
- World Bank (September 2007), Aide Memoire Fast Track Initiative – Catalytic Fund (FTI CF): Technical Proposal Preparation, September 10–20, 2007. This joint mission reaffirmed the scope of the grant, discussed the next steps in, and held technical discussions with the MEF and the technical departments of the MOEYS which were expected to be responsible for implementation.
- Ministry of Education, Youth and Sport Education Strategic Plan 2006–10, First Draft Ministry Level, FTI CF Scale-Up Action Plan 2008–10, Draft of 20.11.07
- Ministry of Education, Youth and Sport, Education Sector Support Programme 2006–10, Scale-Up Action Plan 2008–11 (FTI CF Funded), Post-Workshop draft Revision of 7.1.08. This and the previous document are project preparation documents prepared by MOEYS with TA support.
- World Bank (April 2008), Cambodia: Education Sector Support Scale Up Action Programme (ESSSUAP). This is the formal WB Project Appraisal Document which was presented for approval by the FTI Steering Committee, known in this report as the "FTI CF project".

6.16 The final allocations by component and expenditure category for the FTI CF funded project are presented in Table 5.1 above and Table 6.1 below. The allocations reflected the policy priorities of MOEYS. MOEYS was concerned with high drop-out and non-completion rates which it associated with the large number (some 800) of incomplete primary schools.

6.17 Sixty three percent of CF project funds were allocated for building new schools to replace incomplete schools, and construction funds were also made available for district education offices. The balance of funds is for scholarships, and for classroom quality improvements through school improvement grants, training and classroom materials. Amongst those interviewed for the Country Study, most considered the eventual package of activities to be reasonably balanced in terms of dealing with access and quality issues.

Table 6.1 Project Costs by Expenditure Category

Project Cost By Expenditure Category	Total USD million
1. Civil Works	34.31
2. Goods	4.93
3. Consultant Services ^a	5.05
4. Local Training	5.57
5. Scholarships	0.48
6. School Improvement Grants	0.59
7. Incremental Operating Costs	1.99
Total Baseline Costs	
Physical Contingencies	2.08
Price Contingencies	2.40
Total Project Costs	57.40
Total Financing Required	57.40

^aIncludes school support services by contracted NGOs for Child Friendly Schooling.

Source: World Bank 2008a

6.18 EPDF funds were used for a range of planning and policy including the preparation of the FTI CF planning document, and for the services of a Donor Coordination Advisor to support the ESP and to work closely with the Department of Planning on EFA/FTI assessment. Funds were also provided for strengthening the Education Faculty at The Royal University of Phnom Penh (RUPP).

6.19 EPDF activities also supported a number of other elements of the process. It funded the financial management and procurement system assessments. It supported policy dialogue on education for children with disability to raise awareness of education issues facing children with disability; it supported the development of inclusive education materials; an initial survey and data collection of children with disability; and a May 2007 workshop to discuss and agree on government policy on the education of children with disability; and a national coordination body (the Disability Action Council). EPDF was also used for the development of a methodology and the adaptation of assessment instruments in preparation for implementing of disability screening of children; to address early identification of children with disabilities for policy planning; to develop and adapt a methodology and instruments to collect data and calculate prevalence rates for both out of school children and children with disabilities; to help inform the ECD project under the FTI CF; and also for reaching the unreached; and providing a potential model for EAP replication and local capacity development.

The relevance of FTI to education financing in Cambodia

6.20 The assessments of the financing gap indicated that there was a real need to meet the FTI objective of mobilising more funds for UPC. Chapter 3 (§3.33–3.37) sets out the process of estimation of the financing gap. Between 2008 and 2010, the CF funds (USD 57.4m) will be the largest single source of donor funding to the education sector. The CF funds can therefore be considered to be highly relevant to the needs and objectives of the government, and of FTI.

6.21 Until recently, PFM has been constrained by the lack of direction and arrangements for public finance reforms from MOEF. MOEYS was the first ministry to develop an internal audit function in line with the new Audit Law. But as MOEF did not deliver specific

regulations about internal audit it was hard to know how to develop the function in MOEYS.³³ The FTI CF project does not contribute finance directly to the PFMRP. However, it will use its resources within MOEYS to support the reforms rolled out under PFMRP 1, particularly in relation to strengthening processes for procurement, financial management and monitoring and internal audit at central, provincial and district levels.

The effectiveness of FTI's contribution to financing

6.22 The CF funding will play a lead role in closing the financing gap for UPC, by becoming briefly the major donor in the sector. But it is too early to judge whether the FTI CF funding will lead to additionality of funding flows. This is partly because the government data base which tracks donor flows is not fully up-to-date, and thus the immediate after-effect of the FTI grant cannot be seen.

6.23 There are signs that at least one donor (USAID), had second thoughts about extending one of its projects in the light of the availability of the FTI CF funds. There have been no indications from other donors that CF funding adversely affected other plans to fund the sector. But neither has there been any indication from the donor community of CF funding playing a catalytic role in relation to donor additionality of funding. The same applies to domestic financing. As noted in Chapter 3, Government has committed to maintaining the share of the government recurrent budget for education at 18.5% of total recurrent budget, and is honouring its commitment.

6.24 The FTI CF funding has been flexible. It has allowed resources to flow to areas where they are really needed e.g. school building), at least in the perception of the Government. It has also been capable of being used in areas of recurrent activity such as in the provision of scholarships.

6.25 The education budget process is improving gradually in terms of comprehensiveness and transparency but the FTI has not contributed directly to this. The FTI, being limited in scope to the education sector, has had little impact on the development of public financial management systems. It is true that currently, and for the first time, measures are being taken to integrate resource planning, including donor funding, into the AOPs of the Ministry. This is an important initiative on the part of MOEYS and its DPs to synchronise resources with action plans.³⁴ But it is being done outside the regular planning and budgeting processes of Government. It may be something that can be adapted to improve the budget execution processes being developed under PFMRP. However, it is not at all due to the FTI.

6.26 By aligning its resources with the ESP framework, the FTI is making a considerable contribution to enhancing the achievement of education access and quality goals. Investments in new schools and scholarships will help reduce access barriers and improve survival rates for students, and school support grants will help improve quality and efficiency.

6.27 It is too early to say whether the FTI will contribute to ensuring that higher levels of funds reach schools. The WB Public Expenditure Tracking Survey (World Bank 2005) found relatively low levels of leakage, but also found that the system is characterised by low quality record keeping, thereby limiting the robustness of the empirical findings. The poor quality of record keeping, including low reliability of receipting records and spending books, and weak monitoring and inspection of implementation, will be supported by the Institutional Support and Capacity Building Component of the CF project.

³³ C. Dom, personal communication 8 Feb 2009.

³⁴ It has been discussed since at least 2002, when the annual Capacity Building Plans were encouraged to include funding by Unicef and other donors. But it was put on a more official footing by the Department of Planning in late 2007 and is specifically mentioned in the Aide Memoire following the 2007 NEC/ESSP joint review that was agreed in March 2008.

FTI's contribution to the efficiency of resource mobilisation and use

6.28 The discussions around the vexed issue of the aid management modality for the management of the CF grant are presented in sections 4 and 9. Ultimately, a project modality was adopted. By defaulting to a project modality for financial management and accountability of the FTI CF project, an opportunity was foregone to strengthen MOEYS financial management systems.

6.29 In principle, the FTI donations should reduce transaction costs by delivering more aid in relatively simplified and integrated ways. In practice, the decision to adopt a project modality for the financial management of the CF project has imposed discernible additional transaction costs on government, which is having to staff a separate FTI financial management function.

6.30 Innovative measures are being taken to integrate resource planning, including donor funding, into the AOPs. This is an important initiative by MOEYS and its DPs to synchronise resources with action plans. But it is being done outside the regular planning and budgeting processes of Government. It may be something that can be adapted to improve the budget execution processes being developed under PFM RP. This improvement is supported by the FTI, but is not attributable to the FTI.

6.31 While the PETS study findings suggested that schools receive most of the funding to which they are entitled, they do not, however, receive it in either a timely or a predictable manner, which has negative implications on operational efficiency. The problems of erratic disbursement and back-loading of commitment and release to the end of the financial year are well known (IFAPER, 2003). Fast release FTI CF funding should contribute to improvements in this area, but only over the short term.

Sustainability

6.32 Despite solid government support to the education sector recurrent budget, there is a major sustainability issue about what happens after the completion of the current FTI CF project. A substantial portion of the FTI CF funds are used for operating-type activities (training, scholarships, school improvement grants) for which alternative funding is not in sight. Given the short time horizon of the FTI, these items are extremely vulnerable over the medium to long term since it is unclear whether they can be accommodated by growth from the government budget.

7 The FTI, Data and Monitoring and Evaluation

Context

7.1 Cambodia has mechanisms and institutions for data collection and the monitoring mechanisms as well as data collected grow more comprehensive, reliable and timely each year. Nevertheless, capacity, particularly at decentralised levels, constantly needs strengthening and suffers from the draining effects of parallel processes and staff movements. As with planning, data collection and monitoring mechanisms pre-date FTI intervention. Pupil:teacher ratios and repetition rates apply to both ESP/ESSP indicators and the FTI benchmarks. Macro-level benchmarks (e.g. government spending, teacher salaries) are not included in the FTI CF project or as project indicators.

7.2 The core EMIS, based in the DOP, collects annual data returns from school principals, and is increasingly able to show trends, targets and to produce projections. Evidence of reliability is given in a 2006 quality assessment survey, which found a difference in total enrolment, for example, of just 0.7%. Data collected at the start of the school year in October, are now generally published in February of the following year. From this year, scheduling the NEC and ESSP review in March (described above) will allow coordinated data to be fed into the review and planning process to a far greater degree than previously.

7.3 In addition, DOP has an Aid Management Information System (AMIS) which tracks and publishes data on donor programmes. The Ministry's Personnel Department is in the process of developing a Human Resource Management Information System (with assistance from Unicef and the EC), and the Department of Finance a Finance Management Information System. The Planning and Interior Ministries and the National Office of Statistics conduct frequent surveys and maintain databases on household income and expenditure at an inter-ministerial level, and the CDC has an ODA database to which the AMIS database is linked to strengthen efficiency and reliability.

7.4 DOP collects an additional brief return from schools three times a year to supplement its annual major publication. Quality monitoring and data collection are also carried out by inspection offices in both primary and secondary departments, and by an Inspectorate of Education in the Inspectorate General's office. Teaching and learning performance monitoring remains weak, however, though dimensions of the CFS programme and dissemination of curriculum standards, supported by the FTI and other donor programmes, plan to address this.

7.5 There are institutional mechanisms for monitoring non-formal programmes, disability (the Disability Action Council), HIV/AIDS awareness and education (the Inter-departmental Committee on HIV/AIDS) and gender mainstreaming strategies (the Gender Working Group). However, while the mechanisms exist they suffer from a degree of fragmentation. An NGO report on "Integrating disability into the EFA Fast Track Initiative Processes and National Education Plans in Cambodia" however made the point that, in terms of monitoring "The Government would benefit from requiring NGOs to develop initiatives that are sustainable and fall within the parameters of the ESP" (World Vision 2007 p41). Data on the growing private sector involvement in education are not yet very developed, though higher education and NGO support to lower levels are better documented.

7.6 Data collection systems, therefore, are fairly comprehensive and reliable, but need greater coordination. MOEYS departments and many DP programmes still carry out separate monitoring missions to provincial and district offices and schools to check on aspects of the education system from teaching quality to textbook availability and

enrolments. Where these aspects coincide with programme or ESSP indicators there is at least potential for missions to contribute to official monitoring. Unfortunately lack of confidence in departmental data and the provision of incentives encourage duplication and fail to reinforce either sustainability or decentralised responsibility.

7.7 In terms of decentralisation, reporting from the field to central departments has had a low priority. Responsibilities of schools and districts to local communities have not yet been emphasised, and mechanisms for rewarding improved performance (through direct grants, etc.) by increasing school budgets and discretion, are still new (though they have been piloted within the CFS programme). The FTI CF project document cites "deficient school performance monitoring systems and weak local capacity to take responsibility for school improvement at the facility, district and provincial levels." The FTI programme among others will support school and district capacity development for decision-making related to SWPAM data collection and targets through construction, provision of equipment and training for district and school management.

FTI inputs and activities

7.8 The FTI 2006 Basic Education Appraisal document (ESWG 2006) states that:

Cambodia has an excellent education management information system (EMIS), designed and implemented in the 1990s with assistance from UNESCO and Unicef. Statistics on a wide range of education system indicators are published annually and on a timely basis (far quicker and more dependable than most other national data, including State Budget outturns from MEF). (ESWG 2006)

In other words the FTI was not required to establish data collection or management mechanisms. The use of ESP/ESSP indicators to monitor the FTI progress rather than the suggested the FTI benchmarks is an acknowledgement of the appropriateness and efficiency of the existing system.

7.9 Nevertheless discussion of programme design did centre on data interpretation and on the choice of indicators. Some indicators, it was suggested, are more revealing than others of the true state of affairs in Cambodia (e.g. gross completion rather than NER). To an extent this discussion was felt by DPs to be beneficial, though it had a polarising effect. The reliability of EMIS data was questioned by some, while other stakeholders felt strongly that the FTI indicator framework was being used too rigidly and prescriptively. At one point there was a suggestion, though considered only briefly by ESWG, that the framework should actually be used as an explicit set of pre-conditionalities.

7.10 A submission was made to the FTI Secretariat suggesting greater flexibility in indicator use and also that programme design documents should report success stories (increases in teaching hours, gross primary completion rather than enrolment) rather than concentrating on data and capacity gaps, which was accepted. The revised 2006 appraisal report, which had been reportedly quite negative in early drafts, eventually became more positive and interpretation of data more nuanced.

7.11 The endorsement process and argument over modality absorbed MOEYS and ESWG energies. It had the positive result in that it led to adoption of largely existing sets of (ESSP) strategic indicators, but missed the opportunity to address policy level issues such as broad capacity development and teacher remuneration, recognised as major barriers to reform and keys to sustainability. Indicators related to these areas (e.g. Govt. spending on education, number of remote teachers with housing allowances, etc.) are included in an expanded list of targets in the CF project document Annexes, though no capacity development activities are detailed in the programme.

The relevance of FTI to data and M&E in education

7.12 ESP/ESSP data were used to set targets for the FTI and, subsequently, integrated into the FTI CF project proposal. For example, the CF project document uses the following for Early Childhood Education and Development, taken directly from ESSP:

ESSP 2006–10 indicators and targets:

- Increase ECE enrolment of five-year olds in either a formal or community-based setting from 20% in 2005 to 50% by 2010.
- Increase ECE enrolment of 3–5 years olds in either a formal or community-based setting from 10% in 2005 to 30% by 2010. (RGC 2005b)

7.13 That ECED is a priority can be seen from MOEYS data, which show that in 2006–07 only 9.3% of children aged 3–5 years were enrolled in formal ECE classes, while 6.1% were enrolled in community or home-based ECE. The relevant figures for 5 year-old children were 21.2% in formal ECE and 8.0% in community or home-based ECE.

7.14 The relevance of proposed FTI data and M&E interventions will depend on whether MOEYS systems are prioritised and strengthened to monitor project progress, or whether lack of confidence is taken to justify parallel processes. As indicated above, this issue was at the heart of design discussions, and it appeared that a more flexible approach had been agreed in the interest of promoting ownership. However, the targets and indicators finally included in programme documentation, as well as the absence of analysis of capacity development needs or proposed activities to address those needs, leaves this unclear.

7.15 The CF grant will allow MOEYS to resume earlier roll-out of the Curriculum Standards for grades 3, 6 and 9, and to scale up the CFS programme as had earlier been planned with other DP support. The percentages of students meeting the standards in Maths and Khmer at grades 3, 6 and 9 will be monitored. Classroom construction will improve access and reduce drop out and repetition. But rather than prioritising or otherwise improving linkages between data monitoring and evaluation, the programme has avoided specific interventions related to M&E. This is unfortunate since a number of reports written during the FTI programme development comment on the need to agree on a reduced number of high priority targets and indicators. For example, the Pirnay report on aid effectiveness pointed to the pressure on the Ministry to address too many issues at once: "The ESSP also contains too many priorities, which place competing demands on MOEYS" (Pirnay 2007, p4). It is not clear that the FTI CF project development or the eventual set of components has recognised this issue.

Effectiveness of the FTI in improving data and M&E

7.16 One of the most significant developments in terms of data collection and management, supported by the FTI is the expansion of SSA activities in the CFS programme. The CFS programme will be strengthened by the USD 6.3 grant to encourage enrolment, retention, transition and learning improvement. This will address the "scarce resourcing, insufficiently trained teachers and principals, inadequate professional development opportunities, deficient school performance monitoring systems and weak local capacity to take responsibility for school improvement at the facility, district and provincial levels" identified by the FTI CF project document.

7.17 SSA is expected to strengthen results-based delivery and a new inspection and monitoring policy will also contribute. School development plans (supported by grants) are intended to improve and incentivise bottom-up performance monitoring. This will build on existing and earlier projects and use materials already developed for leadership, school readiness, multi-grade teaching, HIV/AIDS awareness and student achievement standards.

7.18 In particular the programme will support: "greater teacher performance monitoring and assessment ... through school self-assessments, school development planning, in-service training and supervisory visits and will ... enhance school accountability through monitoring and disseminating information on school effectiveness, teaching performance and educational practices through school report cards and the grade 3 and grade 6 national student achievement assessments" (World Bank 2008a Section 2.3 p24).

7.19 Introduction of these monitoring mechanisms was being prepared as the Country Study Team visited and they were told of the printing of revised materials and resolution of procurement procedures that had caused delays to the start of operations.

7.20 Implementation of the FTI CF project is just beginning, so progress reporting has not yet taken place. The March joint review and NEC was expected to provide the first opportunity to check on baseline data and planning across all MOEYS programmes. It will require skill and restraint on the part of DPs to strengthen Ministry ownership and utilisation at all levels of service provision, rather than to allow a parallel process to develop. Opinions are mixed on the likely success of doing this.

Efficiency of resource use in data and M&E

7.21 The FTI CF project plans a number of "rigorous evaluations" of progress and, in addition, the WB intends to carry out, with the ESWG "semi-annual supervision missions, a review of progress in the achievement of the CF development objectives. Financial management reviews will be conducted three to four times a year". The intention is clearly to strengthen management for results, but even joint missions at the rate of up to 6 p.a. for one project (in addition to the regular internal reporting) are likely to strengthen external management at the expense of MOEYS ownership, and hence reduce efficiency.

7.22 Little can yet be said on the impact of the FTI or gaps that need to be addressed to achieve EFA or UPC. It is timely that the FTI programmes are starting as general coordination of DP and departmental AOPs is making significant improvements. Revised indicators and targets for measuring progress will be reviewed by stakeholders at the up-coming NEC, and targets for key cross-cutting issues included in discussion.

7.23 FTI support for and changes to the responsibilities of sub-national operators (schools and districts) can be expected to result in better local management and decision-making, but only if ownership and a coordinated approach (bringing all operators together) are the priority. Several projects are preparing information campaigns to promote enrolment, community participation and awareness of improvements in educational relevance. The messages from these campaigns will have greater impact if they reinforce each other. Indeed coordination can improve efficiencies in areas such as cost and distribution of materials.

7.24 The Country Study Team heard of plans to merge the inspection offices of three (possibly more) departments into a new, more efficient Quality Assurance Department. This is an indication of strengthened political will for reform of M&E under the government's new mandate. The CF project will potentially be a beneficiary of this more streamlined and focused arrangement and has to some extent prompted it. However, this re-organisation does not seem to have been discussed in the programme design process and does not appear in project documentation beyond references to a revised inspection policy. This reinforces the perception of the FTI as a funding envelope rather than as a reform partnership, despite its beneficial impact. It is not clear how the role of inspection staff at provincial or district level will be affected. It also remains to be seen how the new department will impact on monitoring, data analysis and decision-making for all MOEYS programmes.

Sustainability

7.25 The long term influence of the FTI will depend on whether data collected with the FTI resources are fully utilised and whether the data and M&E systems of the CF project are fully integrated with government systems and harmonised with DPs. Conversely, if local capacity strengthening is accorded lower status than data quality and monitoring reliability under the FTI, or if the urgency of budget disbursement is the greater priority, then there is a risk that the long-term benefit to the Ministry system will be weakened.

8 The FTI and Capacity Development

Context

8.1 The recent history of capacity development (CD) in Cambodia is marked by the aftermath of the conflicts the country has suffered, with the decimation of a generation of professionals during the period of the Khmer Rouge. Following the Vietnamese occupation and the subsequent UNTAC period, the "tendency of the newly arrived donor community (was) to disregard everything" prior to this time and "the common reference in development dialogue to "lack of capacity"... served to justify the heavy reliance of donors (and eventually of Cambodians) on technical assistance". (CDRI 2004). There are cultural and political reasons why government has been slow to address capacity development as a feature of public sector reform. A recent case study of technical cooperation in Cambodia (CDC 2008c) portrays the general context. The period of the early 2000s was one of capacity substitution and gap filling by DPs, with an emphasis on the product of capacity development over the process involved. The same study refers to "tolerated TA", which is a useful term to understand the difficult partnerships that can develop when TA comes as part of a donor assistance package.

8.2 Another study of Technical Cooperation in Cambodia characterising the period of the early 2000s depicted the "lack of progress in CB (as) due to the proliferation of formats/demands by donors, rules and procedures for procurement, disbursement, reporting, accounting and auditing; the setting up of parallel systems" (CDC 2000, quoted in CDRI 2004).

8.3 Despite this rather negative picture of the nature of TA and CD, which seemed to be substitutive rather than developmental, there are positive developments, such as in the Public Financial Management Reform Programme,(see section 6) which will have direct impact on the MOEYS through its CD programme.

8.4 Institutional development and capacity building for decentralisation is one of the three priority areas of the ESP 2006–10. In the period 2000–2005, a number of "achievements" (RGC 2005b, ESP p6) have been noted, including the establishment of Capacity Building Coordination Groups (CBCGs), besides an extensive list of other undertakings in planning and management skills and monitoring standards development, curriculum, exams, expansion to decentralised levels, etc. It is noted that the ESP and the ESSP 2006–2010 "should provide an improved monitoring framework that enables more rigorous and regular assessment of individual, organizational and institutional capacity of the education sector as the indicators have been revised" (RGC 2005b, p6). A priority "is to consolidate and extend measures that build up capacity for decentralised education service management at province, district and school level" (RGC 2005b, p15).

8.5 A number of strategies are outlined for this priority area including: the Education Law (enacted 2008); improved predictability for medium-term financial planning; strengthened education performance monitoring and impact systems; strengthened central, provincial and district financial monitoring systems; ensuring that all designated budget management centres become operational; strengthened personnel management and monitoring; and, improved HE institutional development and capacity (RGC 2005b, p15–16).

8.6 The means of implementing these strategies are varied, including TA, training programmes and operational budgets for the activities and equipment required. Foreseen in these plans is "improved capacity in gender analysis and integration" and "gender mainstreaming" (RGC 2005b, p32).

8.7 It was also recognised that "The successful implementation of the(se) strategies...is dependent on the larger ongoing reforms within the public administration. The Public Financial Management Reform aims at achieving higher standards of management and accountability in government spending and revenue collection. MOEYS is committed to improving its financial management and monitoring systems of ESP programmes and is a pilot ministry for the PFM reform" (RGC 2005b, p8).

8.8 Public Administrative Reform geared at decentralisation, producing clearly defined roles, powers and responsibilities and raising the salaries of all civil servants by 10–15% per year is similarly important and recognised in the ESP. "These general reforms are essential in order for the MOEYS to achieve its ambitious goals set out in the ESP/ESSP 2006–10, as for example increasing staff remuneration and improving performance monitoring and accountability of operational budgets" (RGC 2005b, p9).

8.9 The ESP includes indicators for monitoring institutional reforms but the case study team noted that a number of these are very general, making it difficult to evaluate the effectiveness of some of the strategies followed.

8.10 Before the work leading up to Cambodian FTI endorsement began, there were a number of CB programmes in place. To be comprehensive this would have to include scores of small NGO projects. Amongst the larger contributions, however, are the Sida-financed, Unicef Change Management and Capacity Development programmes (2002, 2003) and the Child Friendly School (CFS) programme to which other agencies have also subscribed and contributed in their programmes,³⁵ and USAID's work in establishing a new curriculum and the teacher training around CFS. The EC, AsDB and the WB all had significant investments in CD in their programmes: the EC focusing primarily on public financial management; the AsDB on two areas, education system management and teachers' professional development; and the WB on student assessment teacher training and school leadership. Additionally, a large Sida-supported project proposal for developing Master's programmes in educational planning and management was withdrawn early in 2008 (Draft Skills Development Project in Education Planning, Management 2007).

8.11 Despite these efforts,

only a few participants in Cambodia seemed to offer, or be following, some kind of coherent, well-conceived strategy of capacity development that pulled together the ideas, efforts and resources going into an intervention and focused them on a shared process. Nor did many have a clear sense of what "capacity" would actually look like when developed. This capacity strategy "gap" can be found in many countries and is not unique to Cambodia (CDC 2008c).

8.12 The need for such a coherent strategy was recognised by the education sector JTWG in 2005³⁶ and subsequently each MOEYS department developed its own CB plan, identifying 4–5 key functions needed against current capacities. This culminated in a plan approved by the JTWG in September 2007. The main constraints identified included public financial management, and the lack of Annual Operational Plans (AOPs) linking expected results to the budget.

8.13 The education sector aid effectiveness report (EC 2007) at the end of 2007 notes that "DP-supported CD initiatives are fragmented and not well coordinated" and that "insufficient attention has been given so far to the possibility of adopting approaches and aid

³⁵ Indeed, there is now a CFS "Master Plan".

³⁶ Following a SWAp seminar conducted in 2005 jointly by the MOEYS and the Education Sector Working Group (ESWG) (RGC 2007c p1)

modalities that would more effectively support the building of national (financial) systems." Indeed, the recommendation made in this report was to "strengthen and comply with national procedures, through exploring the possibility to implement the RGC Standard Operating Procedures and National Operational Guidelines and/or harmonising as much as possible projects management arrangements around MOEYS institutional structure and procedures". It was also pointed out that "a (programmed) capacity development plan for the education sector" was necessary, "one which align(ed) DP support...with the plan", and the "establish(ment) (of) a mechanism within MOEYS for coordinating capacity building support, including technical assistance."

8.14 The hypothesis that poor capacity was hampering the development and implementation of education plans and programmes and affecting progress on achieving UPC is borne out both by the priority given to institutional CD in the ESP and the many contributions made to capacity development in key areas by the DPs. Despite the attempts made to consolidate departmental "capacity gaps" in an overall CD plan, neither the MOEYS nor the DPs embraced a holistic approach to individual, institutional and organisational CD. Indeed, the failure of public sector reform can best be judged by the continued ad hoc and piecemeal salary increases or merit-based pay offered under different schemes in lieu of a coherent, comprehensive public sector reform. Furthermore, the management of CD efforts continued to rest with the DPs (e.g. the EC's Education Technical Cooperation Office (ETCO)) (EC 2008).

Inputs and activities

8.15 In the final iteration of the FTI CF "project", promoting institutional development and capacity building was designated as one of the three components. However, in the process of streamlining the initial proposals worked on by the MOEYS departments, much of the training that had been envisaged, especially of teachers, was left out.

8.16 The CF project document states that "the purpose of the component is to enable decentralised educational management and monitoring by DOEs, Provincial Offices of Education and the Inspectorate of Education." Included in this component was a new school inspection policy based on the roll-out of school self-assessment and planning tools, leadership training for principals, and the strengthening of administrative processes for procurement and financial management at central, provincial and district levels and in-service training in classroom teaching and learning through "child friendly" methodologies.

8.17 Funding for CD in the FTI project also includes in Components 2 and 3: USD 6.3m in support to Child Friendly Schooling, comprising finalisation and rollout of school self-assessment and planning tools and a School Inspection and Monitoring policy; in-service training in classroom teaching and learning through "child friendly" methodologies; school leadership training; and USD 1.1m for financial management, procurement and programme management capacity building. The focus of assistance in Component 3 will be on those "provinces/municipalities that have received no or very limited development aid in past years", additionally focusing on those with "high poverty incidence and poor education outcome indicators" (World Bank 2008a).

8.18 Monitoring and evaluation of the CD in Component 2 includes "educational quality and behavioural changes in teaching-learning practices" and the percentage of grade 3 and grade 6 students reaching curriculum standards in Language and Mathematics. For Component 3, in addition to the ESSP 2006–10 indicators and targets, "Financial management institutional capacity will be monitored in terms of progress towards achievement of "Platform 2" indicators within the PFMRP." (World Bank 2008a, FTI 2008 p28). However, procurement capacity will be monitored against the 32 baseline indicators

utilised in the Procurement Capacity of MOEYS and Risk Assessment carried out at the end of 2007.

8.19 Globally the FTI established the Education Program Development Fund (EPDF) to support the FTI planning process which begins prior to endorsement. During the period leading up to the CF grant, EPDF grants were made for a variety of activities in Cambodia as well as for regional activities.

8.20 It was made clear by informants to the Country Study that proposals for EPDF funding were made entirely by the World Bank, with none being elicited from the wider stakeholder group. The TORs for subsequent TA were developed jointly within the ESWG, which then was asked to approve the activities proposed. The list of activities can be seen in chapter 6 (¶6.18–6.19) when monies were expended on several background papers and on a donor coordination advisor to support the ESP to help establish coordination mechanisms and assist the Planning Department in performance review.

8.21 Additional EPDF support continued in 2008 for similar purposes as well as for the development of a teacher training manual for inclusion education and an impact evaluation of the scholarship programme to be established at primary level under the FTI. Regional activities focused on a variety of themes including the use of mother tongue languages, awareness of children with disability, the development of materials for inclusion education and access for the poor and disadvantaged to education beyond the primary level.

Relevance

8.22 The final FTI CF project drew substantially from the existing ESP and ESSPs, and in this respect is broadly relevant to Cambodia's EFA and UPC concerns. However, relevance also relates to the process of designing the FTI project which gives an insight into its "fit" as well as its relevance.

8.23 In the first instance, proposals emerged from the work of the MOEYS departments. However, between January and April 2008, when the proposal was accepted by the WB and subsequently the FTI Steering Committee, the final design was composed outside the MOEYS. As several respondents explained, in the final design stage, senior leadership in the MOEYS agreed to all three components in the name of expediency, concerned both at their capacity to implement a more comprehensive programme and their capacity to utilise the funding efficiently in the three-year project time-period. Thus whereas the *process* of CD was important in the first two stages, an emphasis on the quality of the product superseded this in the end. As had been pointed out in the revised drafts (FTI 2008), and in the guidance given to the Departments, operational plans linking the plans with the budget were essential. Expediency therefore took priority over the capacity development process.

8.24 In terms of the expected future and the priorities in the FTI CF project, the focus of CD embraces the weaker, i.e. financial management, parts of the programme planning and management process, where improvements had already begun prior to the FTI. Thus if successful, the FTI should make a significant contribution to addressing these needed capacities as well as the consolidation of the Child Friendly Schooling also under way before the FTI.

Effectiveness

8.25 Despite the extremely relevant, holistic CD perspective advocated in the FTI CD Guidelines, and the fact that Cambodia is featured in a box in the FTI CD Guidelines for addressing capacity needs within its ESP (FTI 2008 p27), there was virtually no awareness

of this document in Cambodia,³⁷ and its message concerning holistic CD had not caught on. Rather, the shared perception of CD was really one of CB,³⁸ of identifying the gaps that needed filling, as had been done in the Ministry's own assessments, and with the help of the DPs.

8.26 It is too early to see any immediate effects of the CF grant or its potential "knock-on" effects. Though the grant became effective in June 2008, the first disbursement was not made until October 2008, and problems with the International Procurement Agent have delayed further progress. In addition, the PMC has not met since the CF grant was approved, so the coordination and policy dialogue that took place amongst DPs and the MOEYS has not been as great as in the run-up to the CF grant approval.

8.27 Mention has been made of the CFS Master Plan, but not for CD generally. The proposals for coordinating the various inputs to teacher training and development have not come to fruition. The best example of harmonised, coordinated support for CD is in the PFMRP, which will impact CD significantly in the MOEYS, as Platform 2 is rolled out to the Ministry. Again, however, it is too early to see immediate effects.

8.28 Although not attributable to the FTI, the production of AOPs that linked results to budgeted activities was a great achievement by MOEYS. In addition, the principle of pooling funds for TA to assist donor coordination in the sector had been accepted, and the procedures for some agencies for whom pooling is a hurdle, were being worked out. Finally, there was some talk amongst some stakeholders of a pooled TA fund, which, were it to be established, could lead the way towards more harmonised and, ideally, government co-ordinated CD.

8.29 At the same time, a number of perennial issues clearly are holding back such coordination and integration, e.g. the ad hoc – even if regulated – practices that increasingly have been developed as means of avoiding the challenge of public sector reform or simply as pragmatic responses to the public sector not paying living wages. Thus, although salary supplementation could not be paid with CF funds, Priority Mission Groups were being created to deal with the FTI CF project within their respective departments.³⁹ Individuals were singled out for membership and additional benefits which accrue to their appointment. These practices comprised further evidence of the government responding to the fragmentation of multiple donor projects. The concern with predictability of finance beyond the three year period of the CF grant has not helped push through broad public sector reform, which would need to rely on guaranteed funding for increased recurrent expenditure.

8.30 There was little gain in the process of developing the FTI CF project in terms of capacity building. The key appraisal for the preparation of the initial planning document was carried out exclusively by a consultant. Nor was the ESWG well equipped with educational expertise to support the planning process.

³⁷ Only one respondent knew of its existence and had read it.

³⁸ This is in spite of the fact that the senior leadership of the MOEYS is fully cognizant of the need to move from gap-filling CB to sustainable CD. See comments by the Secretary of State, Attachment C, "Feedback from Debriefing Meeting", of the Cambodia Country Visit Note (Purcell et al 2009).

³⁹ The Priority Mission Group scheme was modelled on the earlier coordinated Merit Based Performance Incentive scheme, promulgated through a decree from the Administrative Reform Council and financed by donors. The MBPI financed salary supplements to specific groups of people with key skills, but this had not included the MOEYS. The PMG scheme is financed at lower levels of salary supplementation by government, and will affect larger numbers of people.

Efficiency

8.31 It is too early to see outputs from the FTI programme in Cambodia. However, it is important to note that Cambodia had a very positive baseline in terms of its own planning. Not only did it have an ESP but also an ESSP, both linked to the NSDP and the EFA Action Plan. Despite the fact that these prior documents were written with considerable TA support, their ownership is genuine, and the FTI has built upon them. However, successful CD in programme management should be the means to the holistic three-pronged capacity development of the whole sector, integrating individual, institutional and organizational capacity development and embracing the professional development – in the fullest sense – of both teachers and administrators. However, as one of the respondents expressed clearly:

There is no evidence of a coordinated approach in the Ministry to CD. The PMG was intended to play this role but it is not active. There are huge problems of casual intermittent inputs of TA to Government. The tendency is to turn over TA to bring in fresh ideas, which is okay internationally. But Cambodia needs a different approach since the middle cadres of government with experience don't exist, and there is a need for continuity in the provision of advice. The management of TA recruitment has probably deteriorated. The management of TA is not subject to explicit processes. Departments are responsible for TORs and management of individual TAs. The underlying problem is that there is no effective system and institution in place to manage TA.

8.32 Clearly, the slow progress in achieving holistic approaches to CD will reduce the efficiency of the FTI promoted CD. It is too early to say whether the teacher and principal CB, and the PFM, will be harmonised in such a way as to have the catalytic effect expected of the FTI. The uncertainty within the respective MOEYS Departments interviewed regarding how the FTI CF project was going to proceed – or the different processes anticipated when the TA was successfully procured – did not instil a vision of catalysing others.

8.33 Some DPs, on the other hand, are contributing to integrated CD efforts. Two examples stand out: the AsDB's support for a functional audit of the Ministry; and the EC's TA in the Department of Personnel, working on an HRD policy. However, as noted by several respondents, CD planning has been seen as a separate process from operational planning, and thus the linkages to routine departmental activities have been weakened (CDC 2008c).⁴⁰

8.34 At the time of the country case study, several departments commented that they were waiting for the arrival of TA in order to know how to proceed with CF project implementation. In spite of the "embeddedness" of the FTI CF project within the Ministry's departments, staff seemed to be holding back, not wanting to use the "wrong" procedures. Indeed, separate AOPs were being written for the FTI, which, though integrated within the departmental AOPs, nonetheless, were additional to them. Similarly, in spite of staff in the Finance Department having learned the international procurement processes utilised by the AsDB and other major donors, they were having to learn a different approach for the FTI. It remains to be seen once the international TA has arrived, what further coordination, integration and harmonisation of CB activities occurs.

⁴⁰ The Development Coordination Adviser goes on to state that "an unfortunate consequence of this is that departments plan CD activities to fit in between implementation activities, or assign CD activity to staff who are not involved in implementation activities, and who are thus available for training. In addition, there are frequently no measurable results for the CD programme in terms of improved performance on mainstream activities, which is surely the purpose of CD. It was remarked in the Donor Performance Report that few DPs provided future milestones for section 3 (CD) activities they were supporting. DPs and MOEYS departments often make use of CD principally as a means of salary supplementation" (CDC 2008c).

Sustainability

8.35 Given the past experience of non-holistic approaches to CD, and the negligible impact of the FTI on CD to date, the prognosis for the sustainability of the FTI CD activities is not optimistic. However, the FTI could be a catalyst to the integration of DPs' contributions to this broader CD, but currently the FTI project seems to be relatively divorced from these higher aid effectiveness goals. Perhaps the TA for FTI can successfully empower a leader to preside over such integrated CD.

9 The FTI and Aid Effectiveness

Context

9.1 The following goals set out in the FTI Framework document are directly concerned with aid effectiveness:

- *More efficient aid for primary education*, through actions of development partners to maximise coordination, complementarities and harmonization in aid delivery and reduce transactions costs for the FTI recipient countries.
- *Sustained increases in aid for primary education*, where countries demonstrate the ability to utilise it effectively.

9.2 Cambodia's education sector has received strong support from the donor community for some time. Aid flows during the period 2003–2008 have consistently exceeded USD 70 million annually. In 2006, that the main donors to the education sector were Unicef/Sida, AsDB, World Bank, the EC, WFP (with school feeding programmes) and France, all having projects running with a total value of USD 20 million in 2006. Altogether, thirteen bilateral and multilateral donors and lenders were providing assistance to the sector in that year.

9.3 Because of the SWAp policy and planning framework provided by the first ESP and ESSP in 2000, there has been a reasonable coherence and alignment in the way donor funds have been provided to the education sector since then. Cambodia had a set of good aid management practices on the ground well before the advent of the FTI. These relate both to national and education sector policy and strategy planning processes.

9.4 The consciousness of MOEYS officials in relation to aid effectiveness has been raised by the Paris Declaration and Accra Action Agenda processes. Cambodia's role among the fourteen pilot countries involved in the implementation of the Rome Declaration has ensured a focus on aid effectiveness amongst the central agencies. But this has taken time to percolate down to line Ministries. In fact, much had been already been done in education pre-FTI to provide a framework within which DPs could align their activities. However, there remains a lack of awareness of how to operationalise the H&A declarations in Monterrey, Paris and Accra etc. in practice.

9.5 The lack of awareness of aid effectiveness which continues to exist on the in-country donor side is surprising, and does not reflect well on interactions between the FTI Secretariat, some donors HQs and donor country offices.

9.6 DP perspectives on ownership are that government involvement in leading policy planning and implementation in the education sector has been growing since 2000. In the early part of this decade, lack of capacity in government meant that donors and TA tended to lead on approaches and modalities. Ownership at the top of the Ministry, which is to some extent a function of the interests and capacities of senior management, in general has tended to be strong but has not always been accompanied by appropriate skill sets. However, the general appreciation of stakeholders is that policy and strategy evolution in the sector has become fully owned and is, to a significant extent, now led by MOEYS.

9.7 During the design and early implementation phase of ESSP, there was extensive debate among Government, MOEYS and DPs over the capacity of Government's financial management systems. Another concern was financial transparency, and there were also discussions about whether to continue parallel systems through projects or pooled funding. The introduction of the pilot PAPs in 2000–2001, combined with extensive financial capacity building, encouraged AsDB to provide budget support in 2001, using Government financial

management as well as implementation systems. The EC followed suit in 2003. Since AsDB and EC were two of the largest donors, at this stage there was substantial alignment of aid with PFM systems. However, since 2007 AsDB has withdrawn from budget system leaving the bulk of donor support being provided in project form.

9.8 MOEYS has pragmatically promoted the use of mixed modalities of budget support, investment projects and food aid, and capacity building assistance, in order to ensure inclusiveness of DPs. The transition from discrete agency projects to a SWAp was made easier by the fact that many projects and implementation units were in the later years of their implementation cycle, allowing more strategic negotiations between MOEYS, and funding agencies on the next phase.

9.9 Further progress on alignment has been achieved through joint institutional structures, which address the coordination of policy and strategy planning activity, and provide the opportunity for mutual accountability. The Joint Technical Working Groups (JTWGs) are a set of eighteen national coordinating fora, covering all key Ministries, which assist with joint coordination of government, donor and NGO activity. The evolution of the education JTWG and ESWG (the donor group) from ad hoc working groups in 2000 and 2001, to formal membership bodies with ToRs and an annual agenda, points to the progress in this area.

9.10 Substantial progress has been made with donor harmonisation in the education sector through the activities of the ESWG. The ESWG has been active in ensuring joint (though for FTI sometimes tortuous) decision making. But this has not developed into harmonised financial arrangements such as pooled funding for the education sector.

9.11 In principle, JTWGs are co-chaired by the relevant Minister and the chair of the ESWG, but in practice the education JTWG has been chaired by the Minister of Education. Because of its increasingly large attendance, the JTWG has become more a forum for information exchange rather than for decision making. The latter has tended to be carried out, especially for sensitive issues, through informal discussions between MOEYS senior leadership and donor representatives.

9.12 Despite some early alignment with government PFM systems through the budget support operations of the EC and AsDB, one of the weaknesses in the aid management process has been the lack of donor alignment with government budgeting and procurement systems. And the use of parallel financial systems by donors has become widespread. Government's own financial management has suffered from fragmentation as the recurrent and capital budgets, the PIP and the MTEF, which have been inadequately reflecting donor resource flows, have not been integrated. Weaknesses in budgeting and accountability in the wider government financial management system are now being addressed by the PFMRP. The latter which commenced in 2005, contains a number of good practice elements, being itself a sector wide programme with a set of strategies accepted by government and DPs, but also involving a multi-donor initiative to align with government systems. The adoption of pooled funding by four of the donors is a notable step forward in reducing transaction costs.

9.13 CD has also been an area where progress has been weak. There has been a great deal of work but it has not been holistic so improvements have not been sustained. The emphasis has been on capacity building and capacity substitution where TA has filled the gaps in local professional and technical cadres. CD has been very project or TA-dependent, and efforts have been fragmented.

FTI inputs

9.14 In 2006, as a result of approaches by MOEYS senior staff to learn more about accessing the FTI finance, the ESWG commissioned an appraisal of the basic education component of ESP (ESWG 2006). Some informants noted a lack of transparency in the production of this key document, and little interaction with the ESWG and MOEYS. This is manifest in the appraisal document itself, which does not mention the process of preparing the appraisal. This document provided the basis for an application to the FTI Steering Committee in May 2007 for an amount of USD 57.4 million.

9.15 The selection of priority areas for the FTI CF project involved a nexus of decision making from the leadership of MOEYS and the ESWG. There was discussion through the ESWG about the options and choices available. But the emphasis of the final selection was on scaling up existing programmes of activities. The senior leadership of MOEYS was decisive in allocating the main part of the FTI CF funds to school construction.

9.16 The ESWG was not particularly pro-active in decision making. It lacked educational and aid effectiveness specialists in its formal membership, and this limited its ability to address complicated technical issues relating to design and appraisal. Proposals for changes in design by the EC and Disability Action Council (DAC) were ignored or not adopted. And there was a tendency to let the World Bank, with its well oiled "machine", carry the exercise forward. However, most of those interviewed thought that the final package contained an acceptable balance of access and quality interventions.

9.17 The FTI planning process was carried out within a policy and institutional framework which already existed. This was positive in providing a mechanism to reinforce local ownership, and alignment with local policies and implementation systems. This did not guarantee quality of the CF proposal. But it did ensure that there was a forum where suggestions could be made, though not necessarily taken on board. Neither did it strengthen harmonisation of donor systems or mutual accountability.

The relevance of FTI

9.18 The FTI CF project has been designed as a means to address outstanding school access issues, and also to scale up a set of existing activities which are intended to bring about quality improvements. In these respects, it was centrally aligned with and relevant to the existing policy and strategy frameworks for the sector. However, feedback to the Country Study is clear that the domestic perceptions of the FTI in both donor offices and in Government was that the FTI was seen primarily as a funding modality, both by the government and the DPs.

9.19 Regarding the aid effectiveness goals of the FTI, on the donor side, there has been limited awareness, a very small number of donors being acutely aware, but as part of pursuing their own "progressive" aid management agendas. Other DPs were and are surprisingly vague about the aid effectiveness goals of the FTI, even today seeing it as primarily a WB funding modality.

FTI Influence on the effectiveness of aid

9.20 It is striking that a number of education donor representatives, met during the Country Study, but who were not present at the time of the FTI planning in Cambodia, were only vaguely aware of the aid effectiveness goals of the FTI. Even recently, some donor perceptions were that, "FTI is seen as a WB thing, not an effort on the part of several bilaterals". Even among those who know that it is a multi-donor initiative, FTI is seen as the WB presenting an agreement within the WB's timetables and its own modalities. "FTI is a funding window directed by the World Bank, not a partner". The current programme is seen

as largely the responsibility of the WB, as a funding window, etc. It was seen, during the design, as something for which ESWG had a responsibility, but partly due to polarisation around the choice of the project modality, and partly due to weak leadership, the responsibilities were not fully carried through.

9.21 While the FTI activities have been carried out in line with principles of better aid, it has had little influence on developing the aid effectiveness agenda. The major gap in terms of good H&A has been the lack of donor buy-in (except for the EC) to the use of government's financial management system.

9.22 While not highlighted by stakeholders to the Country Study, it is clear that the design of the framework and endorsement arrangements for applicant countries, in particular the use of the ESWG as a conduit of communication with Government, and the presentation of the CF application to the FTI steering committee by ESWG, acted against country ownership.

9.23 FTI design followed the existing processes of dealing with planning and coordination issues for the education sector, i.e. by plans through the JTWG and ESWG. However, difficult decisions are not always taken in open forum, as happened with selected aspects of the FTI CF preparation. Ultimately, however, two key and contentious decisions were worked through the system in relation to the FTI CF project.

9.24 One was when the Ministry senior leadership cast the decisive vote on the shaping of resource allocation for the FTI, which was to allocate a majority of the resources to school and district office construction. The second issue was the project financing modality which polarised the donors on the ESWG. The WB advocated a parallel financial management modality,⁴¹ and the EC advocated the use of government systems, though not necessarily for procurement. Both could draw on a body of evidence to support their view. The World Bank could point to negative local experience associated with procurement on several of its projects, and to the negative financial management and risk assessments carried out specifically for the FTI application process (World Bank 2007b and World Bank 2007c). The EC could point to its positive experience of providing sector budget support, though at much lower levels of disbursement (€3 million per year over five years) than the FTI involved, and also to the results of the PETS survey (World Bank 2005) which found that over 90% of funds allocated for schools had reached their destination.⁴²

9.25 Informants to the Country Study confirmed that MOEYS and DPs had an uneven appreciation of the implications of the project financing modality. There were those DPs, in the end the majority, for whom the risk of using government systems was too great. Local and international NGOs had only a limited involvement at this point, through representation at ESWG.

9.26 The capacity of the local donor group was an issue. The impression is that the group was lacking in skills relating both to the education sector and to aid effectiveness. This was compounded by deficiencies in contacts and communication flows on FTI between donor country offices, donor HQs, and FTI HQ. The ESWG tried hard to fill gaps by deploying consultants and local expertise, but this was not an adequate substitute for a better informed core group. There is also an issue of engagement since, at the time of the Country Study, the ESWG had not met during the months since the implementation period became effective.

⁴¹ Interestingly, this was despite the approval in 2008 of budget support to be used by the World Bank under its PRSC.

⁴² Though some question the validity of the PETS data and conclusions.

9.27 The experience of working with different funding modalities was limited for both MOEYS, and for the donor community represented on the ESWG (with the exception of the EC, the WB and AsDB). Understandably MOEYS became increasingly concerned that the FTI funding might be lost without a resolution of this argument, and ultimately accepted a parallel financing modality modelled on the WB CESSP project. Any expectation that the FTI would capitalise on the SWAp and make it more coherent and effective has thus not been fulfilled.

9.28 Further, the FTI CF project implementation start-up has been slow and there is a risk of processes being insufficiently supportive of PBB, AOP, NEC/ Joint Review and international procurement. And the management burden of the FTI as a project and ESWG's reliance on the WB reduces alignment and harmonisation.

9.29 At this stage, there is no sign of any common funding mechanism developing for the sector through the FTI. Unlike with the PFMRP, where four donors have combined to co-finance the SWAp through a Multi Donor Trust Fund, the FTI has not prompted any move to pooled funding, and there is no increased use of country systems for aid delivery.

9.30 Government and donor accountability mechanisms were developing gradually, prior to the FTI. The move towards donor joint funding of an Aid Effectiveness Advisor for the FTI is positive. However, to date there was no evidence that the FTI has played any role in improving mutual accountability mechanisms.

FTI influence on the efficiency of aid

9.31 The FTI CF project satisfies the important criterion of allocative efficiency by being closely aligned with the key ESP and ESSP processes and provisions. However, the FTI has had little influence on the processes and practices of coordination, harmonisation and alignment, and consequently on transaction costs. Education, along with health, had spearheaded the introduction of good practice aid coordination systems some years before. The profile of aid effective approaches has been raised, but more as a result of promptings from government central agencies such as MEF, the Ministry of Planning and CDC, who are involved in disseminating the Paris Declaration and the Accra Action Agenda. Where system improvements are being made in education planning and management, this is happening as a result of cycle of joint MOEYS and donor activities coordinated through the ESWG and JTWG.

9.32 It can be argued that an opportunity was lost to strengthen the efficiency of government systems by adopting a parallel project financing modality. However, this decision was very much influenced by the risk assessments, which were commissioned by the donor group into the FTI planning process in 2007. To some extent, the aid modality outcome was predetermined by the instructions handed down from HQs on the endorsement and application process. WB is the supervising entity so it will be done according to WB standards of due diligence, which included stronger fiduciary requirements as FTI went on. Similarly, the framework arrangements for dealing with applicant countries including Cambodia (use of ESWG as a conduit, presentation to the FTI steering committee by ESWG) acted against country ownership.

9.33 The progress in improving financial management systems is linked to progress with PFMRP, which is a long term endeavour. At this stage, the challenge is to look to PFMRP to bring PFM in government generally, and MOEYS in particular, to a level which can be used for PFM alignment for any future continuation of the FTI, post 2010.

9.34 The process of developing the FTI CF project was reasonably efficient, based on the institutional arrangements provided through the JTWG and ESWG.

9.35 The major gap in terms of improving the efficiency of harmonisation and alignment has been the lack of donor buy-in (except for the EC) to the use of government's financial management system, which the FTI was not able to overcome.

Sustainability

9.36 The major deviation from good H&A as a means of underpinning long term sustainability, has been the lack of buy-in (except for the EC) by the donors to government's PFM system. The work of PFMRP will address this. If the FTI continues to a second stage, there should be a platform in two to three years time to harness the PFM reforms for the purpose of channelling the FTI resources through government systems.

9.37 In the meantime, there is a considerable degree of uncertainty about the future levels of funding which will be available from the CF and from the FTI partners over the long term. The FTI CF grant has contributed to the short term predictability of funding to the sector by providing multi-year funding. However, the long term is not at all predictable since there is no indication for Cambodia as to what will happen after 2010. This is particularly serious where operational activities are being funded by the FTI.

10 Cross-Cutting Issues

Context

10.1 Despite gender parity having been achieved on average, wider discrepancies exist if analysis is taken down to the provincial and district level. Just as there are remote regions where "reaching the unreached" is a challenge, so there are pockets of gender disparity found in specific parts of the country. Only 11 out of 24 provinces, for instance, had achieved gender parity at primary level (as reported in the EFA Mid-Decade Report 2007). At lower secondary level, dropout is high, though the gap between boys and girls making the transition to junior secondary is steadily closing, and the impact of the girls' secondary school scholarship programme has already been seen to be positive.

10.2 Both ESP/ESSP and EFA plans had detailed sections on Gender and on "Special Challenges in the Cambodian Context", including strategies for addressing cross-cutting issues such as HIV/AIDS, Ethnic Minorities, Children and Adults with Disabilities, etc. A Gender Mainstreaming Strategy has been developed and a Gender Education Policy, in addition to Quality Standards and Indicators for Gender Mainstreaming in Education, drafted in 2006. There is an inter-ministerial Gender Working Group and a Steering Committee for Gender and Girls' Education in the MOEYS, as well as gender mainstreaming committees in each of the technical departments of the MOEYS.

10.3 It is rare to find women in management positions, and the percentage of female teachers is below that of males, though steadily rising. It is difficult to attract women into capacity building programmes.

FTI Inputs

10.4 The FTI CF project document (World Bank 2008a) incorporates strategies to enhance access to and quality of primary education among vulnerable and disadvantaged groups with due attention to equity, gender, children with disabilities and student learning on both academic disciplines and life skills. The main beneficiaries will include children in remote areas, those from poor families and those with disabilities with careful attention to gender equality.

10.5 EPDF monies have been used to craft policies and strategies for dealing effectively with vulnerable and disadvantaged groups, including work that has contributed to the government Policy on Education for Children with Disabilities and the survey of children with disabilities, in order to disaggregate data collection. Support was also given for the development of a teacher training manual for inclusion. Regional activities focused on a variety of themes including the use of mother tongue languages, awareness of children with disability, the development of materials for inclusion education and access for the poor and disadvantaged to education beyond the primary level.

10.6 The primary school scholarship programme being established as part of the FTI CF project favours girls and the disadvantaged, but does not specifically include disabled children for consideration.

10.7 The CFS programme aims to be an inclusive education programme, and specific training and materials have been developed for this purpose. The provision for disabled children at primary level is limited. There is a Special Education Office in the PED, but with limited resources. Accommodating children whose first language is not Khmer has been a challenge, also addressed in some of the regional activities organised with EPDF funds.

Attracting teachers from the communities of such children has been one approach taken, with some incentives for teaching in remote areas.

Relevance

10.8 FTI support to cross-cutting issues was through supporting the ESP/ESSP framework, which was therefore supportive of and relevant to the policy adopted by the government. Gender, inclusion and disability have been a focus and are particularly relevant in the Cambodian context.

Effectiveness and efficiency

10.9 Cross-cutting issues are already mainstreamed in the education sector plan and in the planning process. The FTI is likely to be effective in facilitating this through supporting more reliable data and better capacity building.

10.10 Using the ESP/ESSP frameworks is an appropriate and efficient way of channelling the FTI funds.

PART D: CONCLUSIONS AND RECOMMENDATIONS

11 Conclusions

11.1 This chapter first gives the evaluation team's overall assessments for Cambodia against each of the main high level questions. It then provides a summary of conclusions for each of the evaluation's six workstreams, which relate to policy and planning, financing of education, data and M&E, capacity development, aid effectiveness and cross-cutting issues.

The High Level Evaluation Questions

Is what the FTI aims to accomplish consistent with current needs and priorities of Cambodia?

11.2 FTI is supporting a set of priorities that were identified by the Government and supported by other donors, predating the FTI by a number of years. These priorities are set out in a coherent five year planning framework, the ESP, and are complemented by the longer term EFA strategy and the annual ESSPs. These planning frameworks, from which the FTI priorities have been selected, are consonant with the NSDP. The FTI-CF project will make a significant contribution to closing the financial gap for UPC/EFA.

11.3 The RGC is committed to EFA and has adopted its agenda of action which is broader than UPC, focusing on early childhood, literacy, and gender. The FTI CF project focuses on up-scaling a set of activities and existing initiatives designed primarily at impacting on access to education, particularly for deprived and vulnerable areas and groups. Broadly, therefore, in terms of content and focus the FTI CF project is relevant to the priorities and needs of the country.

11.4 Whilst the scaling up and clear alignment with Government's plans is important, the process of deriving the project design and the project modality which resulted, had limited relevance to the broader aid effectiveness agenda and the steps already taken by joint Government-donor actions toward the creation of an education SWAp.

11.5 Thus while the FTI supported the needs and priorities of Cambodia from a policy perspective, it did not contribute to enhancing or strengthening progress towards a full SWAp and actually had a detrimental effect on this process. In the design of the FTI, the opportunity was missed for taking a broader perspective on the sector and ensuring that key capacity and ownership issues were tackled. The relevance of the FTI was also potentially reduced because it was understood by many for a considerable amount of time to be essentially a funding source.

To what extent is FTI accomplishing what it was designed to do, accelerating progress on EFA?

11.6 Cambodia is making progress overall on EFA on a number of very important fronts which were highlighted in this report. The objectives of the ESP and ESSP are to expand pre-school and primary education services to reach the most vulnerable groups; and to enhance professional and administrative institutional capacity for education service delivery. This includes planning at school and district levels, a focus on gender, teaching and learning improvement and school self-assessment.

11.7 However, the consultative, participatory process involving MOEYS Departments was curtailed by the WB's own team finalising the CF project document. Neither improved micro-level planning nor the broader macro agenda issues (CD, AE and links to the PFMRP) was developed. Nonetheless, the FTI in-country partnership provides the opportunity to build further on the progress already made in these areas.

11.8 Little can yet be said on the impact of the FTI on the gaps that need to be addressed to achieve EFA or UPC. It is timely that the FTI programmes are starting, as general coordination of DP and departmental AOPs is making significant improvements. Revised indicators and targets for measuring progress will be reviewed by stakeholders at the upcoming NEC, and targets for key cross-cutting issues included in discussion.

11.9 Despite the lack of a coordinated approach to capacity development in the Ministry, and the contribution the FTI could have made to reducing the fragmented approaches – both by Government as well as those supported by the donors – the FTI did not step in. This was a lost opportunity, especially in view of the recently produced FTI CD Guidelines that could have facilitated this process.

11.10 The FTI is expected to make an important contribution by providing much needed resources to priority areas. However, there is a strong concern about issues of continuity and sustainability as the current funding line will expire in 2010 and there are no clear indications of what will happen after this.

11.11 The polarisation of views experienced in the process of designing the FTI CF Project focused minds more on the aid effectiveness of different aid modalities, rather than the modalities and trade-offs of achieving the EFA goals. In effect, this meant that the opportunity to achieve in-depth, technical policy dialogue was lost, though the technical limitations of the majority of ESWG members also limited such opportunities.

11.12 Relatedly, the slow start-up of the FTI CF Project, both in its design, and initial implementation, meant that it was insufficiently supportive of prior progress made by AOP NEC/Joint Review and existing international procurement.

Has the FTI helped mobilise domestic and international resources in support of EFA and helped donor agencies to adopt more efficient development assistance strategies based on Paris Declaration ideals?

11.13 When the FTI became part of the education landscape, significant resources had already been mobilised by Cambodia's DPs. The RGC has been firmly committed to providing resources for education.

11.14 The FTI process is relatively young in Cambodia, with CF funding approved in principle in May 2007, and a first disbursement of USD 15 million made in October 2008. It is therefore not possible to judge whether the FTI funding will lead to additional funds for the sector. So far, there is no evidence of a catalytic effect of the FTI endorsement process whereby other donors expect to increase their financial support. In view of DP and RGC understanding of the FTI largely as a source of funds, this is not surprising. Rather, there are early indications that a reverse trend could be taking place. At least one donor has given indications that it may not extend one of its projects because of the availability of FTI funding to the sector.

11.15 There is no strong evidence that the FTI has helped donor agencies to adopt more efficient development assistance strategies in line with the Paris Declaration ideals. While the FTI endorsement process has supported existing policy, priorities and processes in general, there is evidence that the FTI may be working against some of the key principles in the Declaration which it seeks to promote. This includes those related to alignment (avoiding parallel project implementation arrangements), harmonisation (using common procedures), ownership, and predictability (as there is no assurance of what will happen after 2010).

FTI Inputs, Relevance, Effectiveness, Efficiency and Sustainability

Education policy and planning

11.16 FTI inputs are designed to: 1) expand pre-school and primary education services to reach the most vulnerable groups; and 2) enhance professional and administrative institutional capacity for education service delivery. FTI provides finance for strategies for achieving UPC, in particular by allowing the scaling up of initiatives especially of classroom and district education administration facilities.

11.17 FTI supports planning at school and district levels as part of the Child Friendly Schools (CFS) programme, and includes components on gender, teaching and learning improvement and school self-assessment.

11.18 FTI CF project activities were consistent with country and policy needs as reflected in the ESP/ESSP and EFA priorities. The FTI CF project focused on scaling up existing design and activities.

11.19 However, the FTI CF project design should have taken a broader view of the results framework which would have prioritised systematic capacity building and government ownership issues.

11.20 The FTI has contributed to the participation of key education stakeholders in policy setting and planning processes, and to access to and quality of primary education among vulnerable and disadvantaged groups with attention to equity, gender and disability.

11.21 The FTI CF project design process was reasonably efficient in terms of its interaction with policy and planning since it was aligned with the existing ESP and EFA frameworks and processes of education policy and strategy formulation.

11.22 Micro and macro level planning and policy dialogue, would have benefited from additional guidance to education policy and strategy formulation.

11.23 There were also weaknesses in the design process where the preparation of key planning documents insufficiently involved government.

11.24 Operational efficiency has been reduced by the slow process of TA recruitment.

11.25 The FTI has only influenced policy and planning through the formulation and implementation of the FTI CF project. The process of planning the CF project did not lead to any noticeable improvements in the existing policies and processes.

Financing of education

11.26 The FTI finance inputs were provided exclusively through EPDF and CF grants.

11.27 The FTI will help close the financing gap for UPC. Stakeholders considered the finance package for building new schools and district education offices, and for scholarships, and for classroom quality improvements, to be reasonably balanced in terms of dealing with access and quality issues.

11.28 It is too early to judge whether the FTI funding will lead to additionality in funding. There are signs of a reverse trend with one major donor curtailing one of its projects because of availability of the FTI funding. There has been no change in the commitments to local finance contributed by Government.

11.29 The FTI CF funding has been flexible. It has allowed resources to flow to areas where they are really needed (e.g. to school building), at least in the perception of the Government. It has also been capable of being used in areas of recurrent activity such as in the provision of scholarships.

11.30 The education budget process is improving gradually in terms of comprehensiveness and transparency but the FTI has not contributed directly to this.

11.31 The FTI will support PFM reforms in principle but is unlikely to have major impact on the design of PFM systems since this is outside the control of the sector.

11.32 EPDF funds were used for a range of planning and policy activities including the preparation of the FTI CF project planning document.

11.33 The FTI in principle will support the general programme of PFM reforms which are being rolled out to all sectors through the PFM RP. It will strengthen procurement, financial management and monitoring and internal audit at different, and will therefore be directly relevant to the PFM challenges.

11.34 Fiduciary assessments pointing to a "high risk" rating led to the choice of a parallel project financial management modality. This has imposed a noticeable additional transaction cost on the government, and has worked against the strengthening of the financial management arrangements for the education sector SWAp.

11.35 The FTI CF grant has contributed to the short term predictability of funding to the sector. However, the long term is not predictable since there is no indication for Cambodia as to what will happen after 2010. This is particularly serious where operational activities are being funded by the FTI.

Data and M&E

11.36 Cambodia did not require major FTI inputs for the development of an EMIS.

11.37 FTI CF inputs were focused on scaling up existing programmes requiring further support. They will facilitate decentralised education management as well as the inspectorate of education to function more effectively, both from a pedagogical and a financial perspective.

11.38 The SSA is expected to strengthen results-based delivery. School development plans (supported by grants) are intended to improve and incentivise bottom-up performance monitoring.

11.39 It is too early to assess definitively the impact of the FTI. Revised indicators and targets for measuring progress will be reviewed by stakeholders at the up-coming NEC, and targets for key cross-cutting issues included in discussion.

11.40 The effectiveness of the FTI's plans to carry out a number of "rigorous evaluations" of progress, together with the intention of the WB to carry out, with the ESWG, semi-annual supervision missions, will depend on the integration of these operations, appropriately, with routine government M&E, rather than comprising parallel, externally-run "add-ons" to a fragmented system which the Government is trying to coordinate. Bringing together the NEC with the joint review in March 2009 is a positive sign. There was little other evidence that the FTI was contributing to the harmonisation and coordination of DPs M&E in this more efficient manner.

11.41 The long term influence of the FTI will depend on whether data that are being collected with FTI resources are utilised, and whether the data and M&E systems of the FTI CF project are fully integrated with government systems and harmonised with DPs.

Capacity Development

11.42 The focus of CD in the FTI CF project is on the weaker parts of the programme (i.e. financial management, parts of the programme planning and management process], where improvements had already begun. Although the FTI CF "project" drew substantially on the existing ESP and ESSP, ultimately, senior leadership in the MOEYS agreed to all three components in the name of expediency, concerned at their capacity to implement a more comprehensive programme, and to utilise the funding efficiently in the three-year project time-period.

11.43 Institutional development and capacity building is one of the three components of the FTI support. The implementation activities being supported by the FTI CF are being carried out through the regular departments of MOEYS, with the exception of the financial management function.

11.44 EPDF activities were identified mainly to support a range of preparatory activities connected with the main CF funded project.

11.45 Gaps in CD still exist as there is no effective system and institution in place to manage TA, and no evidence of a coordinated approach in the Ministry to CD. Practices have focussed on providing short term solutions rather than tackling the complex issues of public sector reform.

11.46 There is little awareness of the FTI CD Guidelines for addressing capacity needs in Cambodia, and its message concerning holistic CD had not caught on. There was little gain in the process of developing the FTI CF project in terms of capacity building. The initial work for the preparation of the FTI appraisal document was carried out exclusively by a consultant. The ESWG was not well equipped with educational expertise to support the planning process.

11.47 The fact that CD planning has been seen as a separate process from operational planning reduces the efficiency of processes in general, as does the failure to adopt an holistic approach to CD.

11.48 The FTI could be a catalyst to the integration of DPs' contributions to broader CD, but currently the FTI project seems relatively divorced from these higher goals.

Aid effectiveness

11.49 To some extent, the aid modality outcome was predetermined by the instructions handed down from HQs on the endorsement and application process. WB is supervising entity so the CF project will be managed according to WB standards of due diligence, which included stronger fiduciary requirements as the FTI went on.

11.50 The framework arrangements for dealing with applicant countries including Cambodia (use of ESWG as a conduit, presentation to the FTI steering committee by ESWG) acted against country ownership.

11.51 While the FTI activities have been in line with principles of better aid, it has had little influence on developing the aid effectiveness agenda. The FTI has so far had limited influence on sector dialogue, harmonisation, accountability, and some key aspects of alignment.

11.52 The FTI aligned its assistance with the ESP and ESSP and worked through the institutions which facilitated joint planning, monitoring and mutual accountability of the sector. FTI supported a good pre-existing set of policies and strategies, and helped maintain the progress towards UPC. There was no review of these long standing frameworks as a result of the FTI, nor was it necessary.

11.53 The FTI CF project adopted a parallel financing modality which mirrored the arrangements for the WB education sector projects. While the CF project has utilised and thereby strengthened technical implementation systems, the adoption of a parallel project aid modality, mirroring the arrangements for WB education sector projects, failed to strengthen the systems for the financial management of the education sector SWAp.

11.54 By and large, the extant aid effectiveness systems, albeit with weaknesses in relation to financial management alignment and donor harmonisation, were in place pre-FTI and have not evolved in response to the FTI

11.55 The major gap in terms of improving the efficiency of harmonisation has been the lack of donor buy-in to the use of government's financial management system. The work of the PFMRP will address this. However, neither has the ESWG pushed the broader AE agenda, and there is little reason for optimism that fragmented CD, donor managed TA and bilateral M&E missions, for instance, will be reduced.

11.56 If the FTI continues to a second stage, there should be a platform in two to three years' time to harness the PFM reforms for the purpose of channelling the FTI resources through government systems.

11.57 In the meantime, there is a considerable degree of uncertainty about the future levels of funding which will be available from the CF and from the FTI partners over the long term.

Additional Analysis

11.58 Annex E contains an Analytical Summary Matrix which provides workstream findings in more detail. The matrix identifies the FTI inputs and assesses the relevance, effectiveness, efficiency and sustainability of the FTI's contributions in the six workstream areas.

12 Recommendations and Reflections

12.1 This chapter considers some of the wider implications that may be drawn from the Cambodia case study. Whilst the case study focuses on what happened in Cambodia, the behaviour of many actors, especially the aid agencies, is also a reflection of wider factors. This raises questions for the evaluation as a whole: (a) are the Cambodian findings part of a wider pattern? and (b) do the findings throw up issues that need to be investigated at the global level?

12.2 The first point to note is the contrast between the implementation of the FTI in Cambodia and the ambitions of the FTI partnership (as summarised in Chapter 1).

12.3 The report examines the streams of effects corresponding to each of the "gaps" identified by the FTI (policy and planning, financing, data, capacity, and aid effectiveness). In each case the study found that the main manifestation of the FTI in Cambodia was through the CF project (e.g. see ¶5.9; ¶6.13: "In practice, the FTI finance inputs have so far been exclusively in the form of CF and EPDF grants. There is no evidence of a catalytic effect on resource mobilisation for the sector, either from donors or in the form of domestic financing". Also ¶9.18: "...feedback to the Country Study is clear that the domestic perceptions of the FTI, in both donor offices and in Government, was that the FTI was seen primarily as a funding modality, both by the government and the DPs".) The case study also comments on the lack of awareness among country donor representatives of the FTI's wider aid effectiveness objectives (¶9.5 "The lack of awareness of aid effectiveness which continues to exist on the in-country donor side is surprising, and does not reflect well on interactions between the FTI Secretariat, some donors HQs and donor country offices").

12.4 Neither does the case study illustrate any local response to the FTI Framework idea of a joint and monitorable commitment to finance a whole sector programme. This raises questions for the wider evaluation about the role of the FTI Secretariat and of aid agency HQs in propagating this wider perception of the FTI objectives.

12.5 It can be argued that, as the WB has assumed the due diligence of the CF, the increased rigour of WB management and the use of parallel systems, has diluted the progression of the aid effectiveness agenda. The choice of modalities, in effect, was dictated (a) by the donor group's dependence on the WB, and (b) the WB's rigid (though not necessarily internally consistent) rules on fiduciary risk (see ¶9.32: "to some extent, the aid modality outcome was predetermined by the instructions handed down from HQs on the endorsement and application process. WB is the supervising entity so it will be done according to WB standards of due diligence, which included stronger fiduciary requirements as FTI went on").

12.6 Further, the choice of what the CF project should focus on was again linked to the choice of modalities and the short time frame for implementation. This meant that the CF project was aligned with RGC priorities and preferences in a constrained sense:

- ¶3.35 notes that "on the basis of this alternative scenario for ESP 2006–10, MOEYS sought an increase in policy-led recurrent budget support from the international community in order to mitigate the risk of financing shortfalls and secure a predictable financial base for the ESP reforms". However, the FTI partnership response has been a conventional project with a short funding horizon which does not address the issues of predictable medium-term financing.
- ¶4.9 notes that "in May 2007, Cambodia submitted the request for a CF grant of USD 57.4 million to the FTI Steering Committee meeting held in Bonn. The application was approved with the comment that the award should support

sustainable "long term institutional building and systemic reforms", as set out in the SWPAM. Alignment with PFM reforms, the National Programme for Administrative Reform (NPAR) and the decentralisation and decentralisation programmes were stressed". However, as this report shows, the constraint was to adapt the content of the CF project to suit the (restricted) modality that was available, and the resulting project was not strongly oriented towards systemic and institutional reforms.

- Thus, ¶5.14 notes that "the FTI CF project activities that have been developed are thus fully consistent with ESP/ESSP and EFA priorities and fully relevant to national policy priorities. Departments reported to the Country Study that, in contrast to other projects, the FTI priorities are those of the Ministry itself. The construction programme (classrooms and district offices) will have direct impact on access, drop out and repetition as well as decentralised management. They can also be implemented in a short time-frame as is required". However, as the last sentence indicates, the modality and the time frame adopted for the CF project meant that the Ministry's menu of relevant options to include in the project was a restricted one (hence not strongly reflecting the systemic reform that the CF Committee had hoped for – see ¶4.9 quoted above). Hence, as noted in ¶5.18–5.20:

"The greatest challenge seems to be that project components only weakly address the specific issues of coordination by central management (through TA support and sample monitoring) and the development of planning and monitoring capacity. (¶5.18)

The planning process used to develop the FTI CF project and the resulting project management mechanism is less satisfactory in terms of relevance, therefore. (¶5.19)

Moreover, the decision on modality compromised the capacity development aspects of the programme". (¶5.20)

12.7 The combination of an apparently narrow understanding of the FTI objectives and a narrow menu of CF options had effects on how all the FTI "gaps" were addressed. It has already been noted that there were no financing gap effects beyond the CF itself, and the de facto choices available in the planning process were restricted. The following findings on data and capacity issues reinforce the point:

- ¶7.11 notes that "the endorsement process and argument over modality absorbed MOEYS and ESWG energies. It had the positive result in that it led to adoption of largely existing sets of (ESSP) strategic indicators, but missed the opportunity to address policy level issues such as broad capacity development and teacher remuneration, recognised as major barriers to reform and keys to sustainability".
- "This re-organisation (of inspection offices) does not seem to have been discussed in the programme design process and does not appear in project documentation beyond references to a revised inspection policy. This reinforces the perception of FTI as a funding envelope rather than as a reform partnership, despite its beneficial impact" (¶7.24).
- "In the final iteration of the FTI CF "project", promoting institutional development and capacity building was designated as one of the three components. However, in the process of streamlining the initial proposals worked on by the MOEYS departments, much of the training that had been envisaged, especially of teachers, was left out" (¶8.15).
- "In the first instance, proposals emerged from the work of the MOEYS departments. However, between January and April 2008, when the proposal was accepted by the WB and subsequently the FTI Steering Committee, the final

design was composed outside the MOEYS. As several respondents explained, in the final design stage, senior leadership in the MOEYS agreed to all three components in the name of expediency, concerned both at their capacity to implement a more comprehensive programme and their capacity to utilise the funding efficiently in the three-year project time-period. Thus whereas the process of CD was important in the first two stages, an emphasis on the quality of the product superseded this in the end. As had been pointed out in the revised drafts (EFA-FTI 2008), and in the guidance given to the Departments, operational plans linking the plans with the budget were essential. Expediency therefore took priority over the capacity development process" (§8.23).

12.7 There was a heated debate over the appropriate modality to adopt. However, the World Bank's position was governed by inflexible HQ guidance. The other education donors do not seem to have seriously considered an alternative supervising entity. This raises wider questions for the evaluation both about donor groups' understanding of the breadth of the FTI objectives, and about their in-country capacity. On the latter: "the ESWG was not particularly pro-active in decision making. It lacked educational and aid effectiveness specialists in its formal membership, and this limited its ability to address complicated technical issues relating to design and appraisal" (§9.16; see also §9.26–9.27).

12.8 Indeed, whilst the dependence of the FTI accession on the local donors' group is appropriate to ensure contextualisation, it is not necessarily appropriate for appraisal. Local representatives comprise a random selection of professional competencies, and may not be sufficiently experienced or qualified to appraise a country's FTI application. This raises a different potential role for those donors' HQs, rather than consigning the technical appraisal by default to the WB. This also raises the question as to whether the FTI Secretariat should be liaising formally and directly with both the Government and the ESWG, rather than simply through the ESWG.

12.9 In view of the substantial compromises made of wider FTI objectives, efforts should be made under the current arrangement to minimise the transaction costs as much as possible ensuring that all the FTI supervision, monitoring and evaluation are harmonised and aligned with the joint ESP/EFA framework of activities.

12.8 Locating the FTI CF project management within the MOEYS rather than establishing a PIU – when a project modality, rather than some form of budget support is the chosen financial modality – requires design work beyond assuming that in and of itself, such "embeddedness" will be effective. In particular, some linkage and understanding of the interface of such project management posts with public sector reform should be in place.

12.9 The need for changes already envisaged for EPDF allocation and reporting are confirmed in the case of Cambodia. There has been a missed opportunity through the FTI to contribute more fully to capacity development in Cambodia in the current phase of support, and this is partly related to lack of understanding by partners on the role of the FTI and the EPDF. The FTI Secretariat, donor HQs and ESWG should raise awareness of the FTI Capacity Development Guidelines for addressing capacity needs in Cambodia, and its message concerning holistic capacity development. At the country level, the ESWG should ensure that both Government and its membership are familiar with the contents of the FTI CD Guidelines.

12.10 The blurred and overlapping roles of the WB within the FTI need to be addressed – and a contribution to such greater definition may be found in an increased role for DP HQs in monitoring and support.

12.11 Further consideration of the leavening and leverage roles of the FTI, and not merely the CF as an additional funding source, needs to be reinvigorated. The lack of awareness of the aid effectiveness aspirations of the FTI amongst the ESWG should not go unchallenged. Indeed, it indicates the need for LDGs to become genuine LEGs as well as the need for much greater monitoring and communication between the FTI DP HQs, the FTI Steering Committee (Board), DP in-country staff and the FTI Secretariat. This country study highlights issues with respect to the communication around the FTI which need serious consideration during both the planning and implementation of the FTI activities. Encouraging exchange of experience with other FTI countries in the region or more generally, should also be considered, including the potential monitoring of the FTI DPs by endorsed countries.

12.12 The FTI was launched because of a recognition that the EFA and MDG goals would not be achieved through "business as usual" but Cambodia seems to provide a lesson in the durability of "business as usual". The overall evaluation will need to consider whether this is a common pattern across country cases, and to investigate the underlying reasons at global-level.

Annex A – A Note on Methodology

A1. The methodology for the mid-term evaluation of the Fast Track Initiative is fully described in the Evaluation Framework (Cambridge Education, Mokoro & OPM 2009a), available from the study web-site at: www.camb-ed.com/fasttrackinitiative.

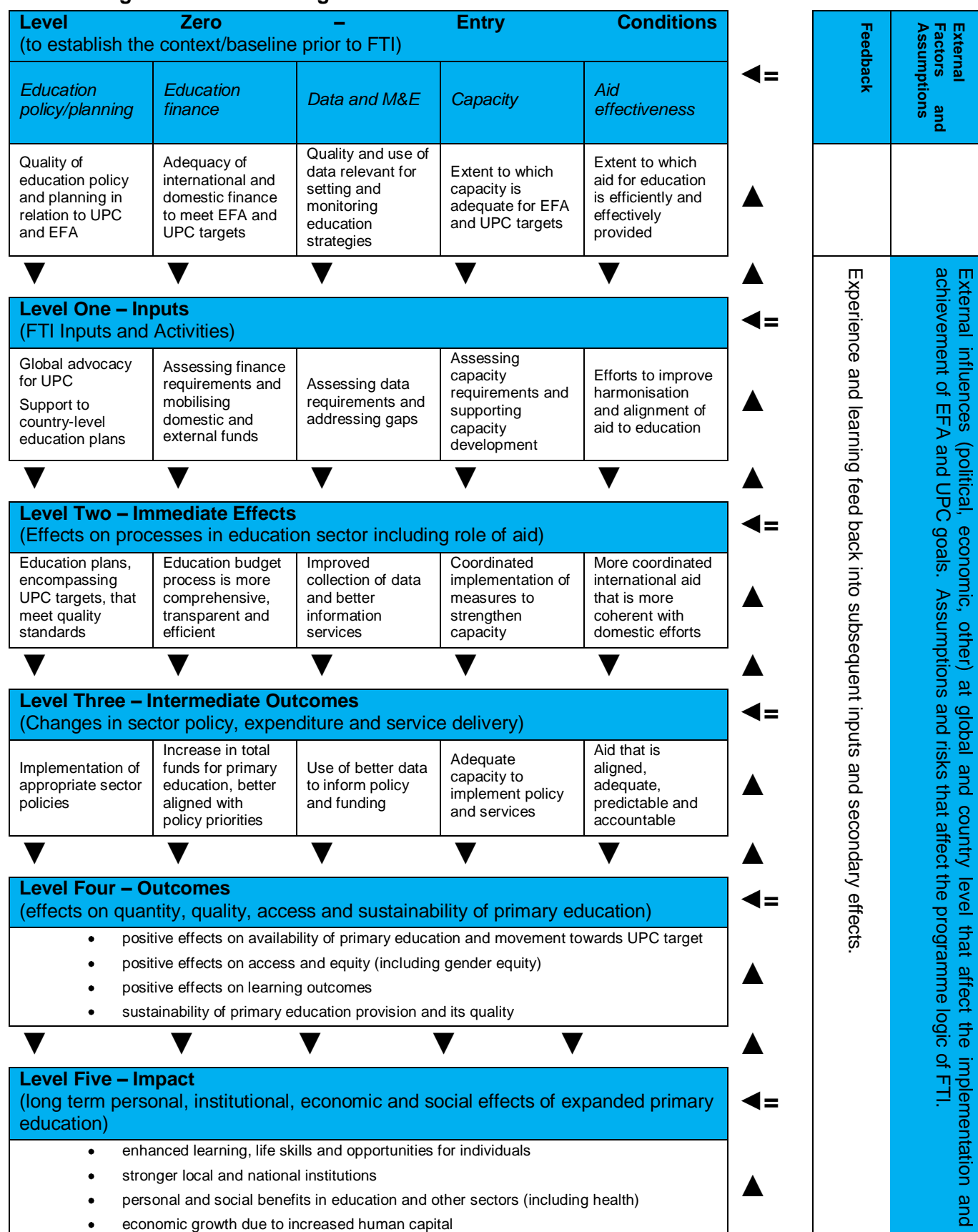
A2. The Evaluation Framework (Cambridge Education, Mokoro & OPM 2009a) includes a detailed programme theory for the FTI. This describes the hypotheses to be tested by the evaluation, and guides the evaluators on the questions to be considered, the likely sources of evidence, and the contextual factors and assumptions that need to be taken into account. The figure overleaf provides a snapshot of the programme theory; for the full details see the Evaluation Framework (Annex E). The same theory is being tested at both global and country levels (the detailed framework indicates which questions and sources are most relevant to the country level).

A3. The approach to the country studies is spelt out in Chapter 4 of the Evaluation Framework (Cambridge Education, Mokoro & OPM 2009a). Interviews with country stakeholders are an important part of the research. However, each team undertakes a thorough review of available documentation prior to the visit. It aims to engage with a full range of stakeholders while minimising the transaction costs of their involvement. A country visit note, shared soon after the visit, enables interviewees and others to comment on preliminary findings, and the draft country report will also be available for discussion and comment before it is finalised.

A4. Each country study includes a summary matrix which relates overall findings and findings against each workstream to the logical framework for the evaluation. (See the matrix in Annex E of this report.)

A5. For a more retrospective explanation and reflection on the study process and methodology, see the Note on Approaches and Methods which constitutes Appendix V (Volume 4) of the evaluation's final synthesis report.

Figure A1 Concise Logical Framework for the Mid-Term Evaluation of FTI



Source: Evaluation Framework, Figure 3A.

Annex B – Programme and Persons Met

Time & Date	Stakeholders	Venue
Monday, 19 January 2009		
AM	Team assemble and team meeting	Hotel
14.30	Teruo Jinnai (ex chair, current Deputy chair ESWG, rep at UNESCO) and Sun Lei, Ed. Prog. Specialist UNESCO	UNESCO
16.00	Courtesy visit to the Minister of Education, His Excellency Im Sethy	MOEYS
17.00	His Excellency Nath Bunroeun, Secretary of State, MOEYS	MOEYS
Tuesday, 20 January 2009		
09.00	Beng Simeth, Senior Operations Officer, World Bank	WB office
14.00	Dr. Sok Saravuth, Director, Dept. Budget,	MOEF
16.00	Peter Murphy, TA Public Finance Management Reform Programme, World Bank	WB
Wednesday, January 2009		
10.00	Department of Finance, MOEYS Mr Ly Sathik - Director Mr Sok Sohema - Deputy Director Mr Yeun Thach - Deputy Director Mr Seng Saran - Deputy Director Chhay Eang Saray Peou Ouk Sarath	Dept. of Finance, MOEYS
1600	Brian Levy, Education Officer Heng Sieng, Assistant Education Officer	USAID
Thursday, January 2009		
08.00	Vin McNamara, TA, Higher Education Dept., CESSP, Formerly TA for CF Project, JTWG	Higher Education Dept.
10.00	David Quinn, Team Leader, EC Sector Budget Support to Basic Education	ECTO
14.00	Joint Technical Working Group Meeting	MOEYS
Friday, January 2009		
10.00	Richard Bridle, Country Rep. Unicef, Chair of Education Sector Working Group (ESWG) David Coleman, Unicef, Chief of Education	Unicef
14.00	Lynn Dudley, Chief Technical Advisor, WB CESSP Current TA to FTI PMC	Dept. State Assets
16.00	Rong Chhun, Cambodian Independent Teacher Association (CITA)	CITA Office
Monday, January 2009		
10.00	Thong Boran, Director of Dept. of Personnel	MOEYS, Personnel Dept.

Time & Date	Stakeholders	Venue
14.00	Luise Ahrens, TA (Maryknoll), Royal University of Phnom Penh, NGO Education Partnership (NEP) Rep. on ESWG	NEP
16.00	Chhum Sophal, Deputy Director, Dept. Primary	Dept. Primary
17.00	Yim Chansrey, Director, Dept. ECCE	Dept. ECCE
Tuesday, January 2009		
8.30	Sam Sereyrath, Director of Planning Dept.	Dept. Planning
10.00	Phon Tara, Chief of PMMO, Dept. Planning, MOEYS	Dept. Planning
11.00	Huot Chea, Economist, WB	WB
15.00	Christian Provoost, Attache Edu. and Health EC Delegation Long term ESWG member	EC Delegation
16.00	Daisuke Kanazawa, Education Planning Advisor/JICA Expert, Department of Planning, and member of ESWG	Dept of Planning, MOEYS
Wednesday, 28 Jan.		
Day Field Trip to Kampong Cham province where the team met with the Director of the Provincial Department of Education, the Chief of the District Education Office, Preychhor, and School Principals of Trapaing Beng Lower Secondary School, Trapaing Beng Upper Secondary School, Toul Chambak primary school, and Trapaing Bei Primary School, all in Preychhor District		
Thursday, January 2009		
9.30	Sarah Jago. TA VSO Samphors, Deputy Director DAC ,On Sokhim Education Programme Officer Inclusive Education, Disability Action Council	Disability Action Council
11.00	Sopheha Mar, AsDB Program Officer	Asian Development Bank
15.00	Debriefing presided over by HE. Minister	MOEYS
Friday, 30 January 2009		
15.00	Leang Senghak, Director, Dept. Teacher Training	TTD

Annex C – FTI Timeline of Key Events for Cambodia

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
1990	Education For All (EFA) Goals adopted in Jomtien, Thailand			
1991		Peace agreement signed amongst warring factions		
1995		The first Socio-Economic Development Plan (SEDP) 1996–2000 set out medium-term goals.		
1996		A rolling Public Investment Programme (PIP), 1996-98, introduced		
July 1997		Development disrupted by factional fighting		
July 1998		National elections held		
2000	Dakar World Education Forum committed that no country with a credible sector strategy for achieving UPE by 2015 would be held back by a lack of resources			
Sept 2000	MDGs adopted. Education targets consistent with Dakar confirmed		Initial DP coordination meeting and agreement on moving towards SWAp. ESWG formed	
2001		Second SEDP (2001-2005) introduced	Introduction of first limited funding of PAPs for 10 selected provinces and for selected programme areas	
2001			1st drafts of the Cambodian ESP/ESSP 2001–5 prepared	

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
March 2002	The Monterrey Consensus called on developing countries to strengthen their commitment to policies and institutions that can stimulate growth, reduce poverty, and achieve the MDGs; developed countries required to provide more and better aid, as well as improved trade and debt policies.			
June 2002	The EFA Fast Track Initiative (FTI) launched		First meetings of Education Finance Management Committee, May 2002	Preparation of EFA Plan
Sept 2002		National Poverty Reduction Strategy (NPRS) adopted	1 st Annual ESSP Review held	
2002			Revision and expansion of PAPs. Publication of the EFA National Plan of Action Capacity Building Annual Plans developed by Depts	
Jan 2003			EC provided 7 year €15m support MOEYS through a conditionality based targeted sector budget support programme. The grant was accompanied by a complementary programme of institutional, TA and training support to MOEYS amounting to approximately €5m.	

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
Feb 2003	The Rome Declaration on Harmonisation endorsed by over 40 multilateral and bilateral development organisations and 28 aid recipient countries. Donors committed to align development assistance with partners' strategies, harmonise donors' policies and procedures, and implement principles of good practice in development cooperation. Partner countries committed to undertake reforms to enable progressive reliance by donors on their systems.			
2003		A set of Cambodia MDGs prepared through an intensive and inclusive consultative process. "Cambodia: Integrated Fiduciary Assessment and Public Expenditure Review (IFAPER)" carried out by World Bank	Capacity Building Annual Plans developed by depts.	
July 2003		National elections		
Sept -Nov 2003		IFAPER education seminar	2 nd Annual ESSP Review held	
Jan-March 2004			Revised ESP 2004-2008 drafted, March 2004	MOEYS accepted FTI endorsement as an ambition (ESP Workplan)
2004		Cambodia was selected as one of the 14 pilot countries to implement the Rome Declaration at the country level. Early in 2004, the Task Team carried out a survey of progress made on H&A in the 14 pilot countries	3 rd Annual ESSP Review held October 2004. Needs Assessment of planning and management – IIEP – proposal for Master's programme	Drafting of FTI Action Plan is a targeted action (by end of 2004) in the 2004-8 ESP SWPAM Action Matrix. ESP refers to more ambitious targets for UPE in context of FTI

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
March 2005	The Paris Declaration on Aid Effectiveness endorsed by more than 100 donor and developing countries and multilateral agencies, who committed to stepping up efforts and to take "far-reaching and monitorable actions to reform the ways [we] deliver and manage aid".			
April 2005	The WB EFA FTI Progress Report has Cambodia as one of the 24 eligible countries			
Nov 2005				Letter goes from MOEYS to Unicef expressing the desire to join the list of FTI countries
2005		Public Financial Management Reform Programme (PFMRP), Stage 1 - Credible Budget, introduced. PETS Report (Dec 2005) reports favourably on flow of public funds to schools	ESP and ESSP 2006-10 prepared (November 2005). ESP 2006-10 projects a USD 39m per annum financing gap. Annual National Education Congress. Capacity Building Annual Plans developed by Depts. The five year Cambodia Education Sector Support Programme (USD 8 million) is launched by the World Bank.	ESWG agreed to investigate the financial implications of endorsing the proposal for Cambodia to join FTI. (Cambodia Education Sector, Donor Report Nov 2005 Section 2.5)
Jan 2006		The National Strategic Development Plan, 2006-2010 (NSDP) approved		
Jan 2006		The Strategic Framework for Development Cooperation Management adopted. It clarified policies and procedures guiding the RGC relations with external partners and assigned roles and responsibilities within the Government		

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
Feb 2006		The Harmonisation, Alignment and Results (H-A-R) Action Plan 2006–15, was adopted by Government and donors. It updates the RGC 2004–08 Action Plan to reflect the Paris Declaration commitments.		
March 2006		The National Operational Guidelines (NOG) for Development Cooperation Grant Assistance set out policies, procedures and responsibilities for the planning and management of development cooperation activities. These guidelines complement the Standard Operating Procedures (SOP) for Externally Assisted Projects which cover loans and credits (August 2005).		
Oct 2006		Declaration by the RGC and DPs on Enhancing Aid Effectiveness was signed by the RGC and all major DPs. It applies the Paris Declaration principles to the national context	Annual National Education Congress. ESSP Review	ESWG publishes its Appraisal of Basic Education Component of Cambodia's Education Strategic Plan, a planning document for the FTI process.
Nov 2006				ESWG endorses the Cambodia ESP 2006-10
2006			Priority Mission Group (PMG) established	EPDF funds drawn on for: <ul style="list-style-type: none"> • Donor Coordination Advisor to Support the ESP Review • FTI Background Paper • AAA Quality Basic Education for All • Strengthening the Education Faculty at RUPP

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
March/ April 2007				As part of the pre-FTI activity, International Partners submitted a request for shorter term CF funding through the lead donor, based on an assessment of Cambodia's absorptive capacity (financing needs were approx. USD 130 million over 3 years, absorptive capacity was projected to be USD 57.4 million) - see mission Aide Memoire, Sept. 2007.
May 2007			Introduction of PBB to replace PAP	Cambodia applies for FTI grant of USD 57.4 million to Bonn FTI Steering Group
May 2007				The FTI Steering Committee approved in principle, an FTI grant of USD 57.4 million for the Cambodian education sector. The award should support sustainable ESP/ESSP "long term institutional building and systemic reforms", as set out in the SWPAM. Alignment with PFM reforms, the National Programme for Administrative Reform (NPAR) and the decentralisation and deconcentration programmes were stressed.

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
Sept 2007			<p>AsDB prepares its USD 33.3 million Enhancing Education Quality Project</p> <p>HIV/AIDS Coordination Conference involving RGOC and DP/NGO stakeholders.</p> <p>NEP research and conference report on Informal Fees</p>	<p>To support the MOEYS in the final preparation of the grant, the WB and donor partners to the education sector launched a joint mission. The mission reaffirmed the scope of the grant, discussed next steps in processing, and held initial technical discussions with line departments of MOEYS and MEF. The mission agreed procurement, financial management, social and environmental assessments. The assessments to be shared with ESWG and the Government for an open dialogue over the financing modality to be recommended. See mission Aide Memoire, Sept. 2007.</p>
Nov-Dec 2007			<p>Joint ESSP Review and AOP development taking place together with the Annual NEC.</p> <p>The NEC received sector programme and donor performance reports and plans for programme activities.</p> <p>JTWG and Dept. Medium Term Capacity Development Plans were also under discussion.</p> <p>Sector Wide Policy Action Matrix Revised and new draft circulated (no reference to FTI)</p> <p>CESSP Grade 3–6 student Assessment report presented</p>	<p>MOEYS Departments with TA support prepared detailed proposals for CF activities. A Technical Proposal was completed by mid-January.</p> <p>PMC discussions of project financing modality</p>

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
Dec 2007	EFA Mid-Decade Report 2005 has no reference to FTI		Internal Audit Department Handbook drafted and staff recruitment activity.	Submission & dissemination of fiduciary capacity assessment and procurement reports by WB (including decisions on modality). Ministry FTI CF Programme Preparation Workshop (Dec 13–14) for all DGs and Directors, with presentation of fiduciary reviews by WB experts giving Cambodia a "high risk" rating. MOEYS Programme Management Committee (PMC) meets Action Department Directors to plan next stage of revisions to the first draft technical proposal/action plan, informing them of revised specifications agreed at ESWG review
Dec 2007			Child Friendly School Master Plan developed, by MOEYS and DPs. Signed by Sec. of State.	EPDF drawn on for: <ul style="list-style-type: none"> • FM and procurement system assessments • Supporting policy dialogue on education for children with disability • Development of methodology and adaptation of assessment instruments in preparation for implementation of disability screening of children • Donor coordination advisor (USD 50,000 allocated)
Jan 11 2008			JTWG Annual Workplan drafted and discussed at ESWG, JTWG and Small Working Group meetings ESP/ESSP 2006 – 2010 Mid Term Review planned	Revised draft technical proposals submitted to Planning Department by Action Departments (Jan 11). MOEYS and ESWG review interim draft FTI Catalytic Fund (CF) Project Document (ESSUAP) and Action Plan and make recommendations for final revisions (Jan 25)

Annex C: FTI Timeline of Key Events for Cambodia

Date	International	Cambodia General	Cambodia Education	FTI in Cambodia
Feb 2008				WB Task Team Leader meets with FTI Secretariat to brief on progress with preparation of Programme Document
March 2008			The Joint ESSP/NEC Review Aide Memoire, processed through the ESWG and JTWG, and signed by DPs and MOEYS leaders, indicates this was "a well managed and successful Congress and Review"	Minister signs final Technical Proposal and submits to WB through WBO, with request extension of disbursement period from May 2010 to May, 2011. WB appraises final CF Programme Document, completing its own appraisal component for delivery to FTI Secretariat (March 18–31)
April 2008			Education Law approved by National Assembly Joint MOEYS/DPs ESP/ESSP Mid Term Review held March-April	WB forwards its FTI CF Programme Document for the Cambodian programme to FTI Secretariat for approval (April 1). FTI Secretariat approves Cambodian proposal for USD 57.4m. (April 15)
Feb-June 2008				Financing modality discussed and intermediate project modality agreed between MOEYS and WB
June 2008			Second PBB planning	Country FTI CF Grant becomes effective
July 2008		National elections		
Oct. 2008			New Minister appointed	1st disbursement of FTI Grant
Dec 2008		PFMRP reforms, Stage 2 - financial accountability, started		
March 2009			2009 Joint National Education Congress scheduled. Proposed alignment and harmonisation of Annual Operational Plans (Depts. & DPs)	EFA FTI Joint Evaluation Mission scheduled

Annex D – Basic Education Indicators

Table D1 Education statistics 2003–2008

	2003	2004	2005	2006	2007	2008 (est.)
GDP (current USD million)	4,722	5,510	6,455	7,293	8,350	8,613
Real GDP growth	9%	10%	13%	11	10%	7.0%
ODA disbursements (current USD million)	540	555	610	713	790	888
Bilateral share	64%	70%	69%	65%	76%	-
ODA/GDP ratio	11%	10%	9%	10%	9%	10%
GDP per capita (current USD)	350	394	455	514	594	712

Sources: World Bank 2008c; CDC 2008a, Table 4 for ODA figures.

Table D2 Top Ten Donors 1992–2007

Rank 1992- 2007	Country	Amount (current USD million)	Rank 1997	Country	Amount (current USD million)
1	Japan	1,559	1	Japan	122
2	AsDB	748	2	China	92
3	UN Programmes	700	3	UN Programmes	96
4	UN Own Funds	654	4	AsDB	69
5	USA	549	5	USA	58
6	World Bank	540	6	UN Own Funds	52
7	EC	500	7	World Bank	48
8	France	456	8	EC	45
9	Australia	335	9	Germany	36
10	China	305	10	Australia	30

Source: CDC 2008a, Annex 3, Table 3.3.

Table D3 Top Eight Aid Sectors 1992–2007

Rank 1992-2007	Sector	Share of ODA disbursements	Rank 1997	Sector	Share of ODA disbursements
1	Governance and Administration	17.5%	1	Health	14.0%
2	Health	12.9%	2	Governance and Administration	13.9%
3	Transportation	11.8%	3	Transportation	12.5%
4	Rural Development	11.3%	4	Education	11.1%
5	Education	10.7%	5	Rural Development	9.0%
6	Agriculture	8.0%	6	Community and Social Welfare	6.6%
7	Community and Social Welfare	7.7%	7	Agriculture	5.5%
8	Culture and Arts	6.8%	8	HIV/AIDS	5.2%

Source: CDC 2008a Annex 3, Table 3.4.

**Table D4 Aid Disbursements to the Education Sector 2003–08
(Current USD million)**

	2003	2004	2005	2006	2007	2008 est.	Total 2003-2007
Disbursements to Education	75.0	73.4	69.3	79.7	88.2	67.9	385.6
Total Aid Disbursements	539.5	555.4	609.9	713.2	790.4	887.9	4,096.3
Education as a Share of Total	13.9%	13.2%	11.4%	11.2%	11.2%	7.6%	9.4%

Source: CDC 2008a Annex 3, Table 3.4.

Table D5 Exploration of Possible Donor Commitments for 2006–2010

Donor	Total value of projects running in 2006	Actual amount disbursed Actual 2005	total value of programme					
			Budget 2006	Commitments 2006-2010	Projected total 2006-2010	Direct project support	Direct budget support	Other
US dollars '000								
AUF	3,115	345	382	1,622	1,818	100%	0%	0%
ADB	44,670	9,613	14,865	34,402	61,196	0%	45%	55%
BTC	10,763	2,560	4,460	7,163	17,551	100%	0%	0%
DFID	4,936	664	1,503	3,933	5,418	100%	0%	0%
EC	28,473	3,174	8,787	20,769	29,903	9%	63%	27%
France	20,061	2,421	2,196	9,065	11,543	0%	0%	100%
Japan	17,439	1,981	4,342	15,296	15,807	6%	0%	94%
Sida/Unicef	26,461	6,493	6,185	26,461	31,696	100%	0%	0%
UNESCO	511	203	191	191	983	100%	0%	0%
UNFPA	10,102	1,233	993	1,780	5,566	100%	0%	0%
USAID	9,679	3,300	3,000	4,579	15,750	100%	0%	0%
WB	29,800	2,450	5,450	27,350	19,750	100%	0%	0%
WFP	21,099	5,233	10,578	15,866	39,527	100%	0%	0%
Total	227,109	39,670	62,932	168,477	256,506	53%	17%	30%

Source: ESWG 2006

Table D6 Aid Disbursement to Education 2006–2010 (USD 000)

Development Partner	1 Oct 2006 to 30 Sept 2007	1 Oct 2007 to 30 Sept 2008	1 Oct 2008 to 30 Sept 2009	1 Oct 2009 to 30 Sept 2010	1 Oct 2007 to 30 Sept 2010
UNESCO	211	230	230	230	900
Unicef/Sida	7,667	6,897	4,350	3,625	22,539
UNFPA	159	283	320	330	1,091
WFP	3,890	9,859	9,859	9,859	33,467
USAID	4,096	952	1,000		6,048
AsDB	13,135	15,000	12,000	6,000	46,135
WB	5,554	6,135	8,000	5,238	24,945
EC	13,000	7,000	7,000	7,000	34,000
JICA	5,545	3,132	2,604	2,804	14,087
DFID					
France					
Belgium	3,157	3,737	2,835	1,339	11,068
Totals	56,413	53,243	48,199	36,426	194,280

Source: ESWG 2008

**Table D7 Total Government and Education, Youth & Sport Expenditure 2003–08
(Current KHRbn)**

	2003	2004	2005	2006	2007 prelim.	2008 prelim.
Total Govt. Recurrent Expenditure	1,758.1	1,745.2	1,967.5	2,366.6	2,873.9	3,441.9
Total Govt. Capital Expenditure	-	296.2	315.4	381.0	441.2	-
Total Govt. Expenditure	1,758.1	2,041.4	2,282.8	2,747.5	3,315.1	
EYS Recurrent Expenditure	300.5	325.9	350.8	445.6	491.3	622.0
Inflation	1.2%	3.9%	5.8%	4.7%	5.9%	19.7%
EYS Recurrent in real terms (2003=100)	300.5	313.7	319.1	387.1	403.1	426.3
EYS Capital Expenditure	-	9.3	7.8	8.7	13.7	
EYS Total Expenditure	300.5	335.2	358.6	454.3	505.0	
MEYS Recurrent as a proportion of Total Recurrent	17.1%	18.6%	18.2%	18.8%	17.1%	18.1%

Source: Ministry of Economy and Finance, Notes: a) EYS = Education, Youth and Sport, b) The Government tends to use the term "current" when referring to "recurrent" expenditure.

Table D8 Recurrent Budget Provisions by Subsector for the Education Sector, 2002–2009

(In billion of riels)	2003				2004				2005			
	Non-PAP	PAP	Total	% of total budget exp.	Non-PAP	PAP	Total	% of total budget exp.	Non-PAP	PAP	Total	% of total budget exp.
General Education	19.7	81.0	100.7	0.31	31.6	92.0	123.6	0.33	16.4	92.0	108.4	0.30
Higher Education	11.5	7.0	18.5	0.06	11.4	8.2	19.6	0.05	9.9	5.2	15.1	0.04
Youth and Sport	10.1	2.5	12.6	0.04	11.7	2.7	14.4	0.04	12.3	1.3	13.6	0.04
Provincial/Municipal	191.3	0.0	191.3	0.59	211.1	2.0	213.1	0.57	229.7	0.0	229.7	0.63
Total Budget Expenditures	232.5	90.5	323.0	1.00	265.8	104.9	370.6	1.00	268.3	98.5	366.8	1.00
Actual Budget Expenditures			300.5				335.2				358.6	
	2006				2007				2008			
	Non-PAP	PAP	Total	% of total budget exp.	Non-PB	PB	Total	% of total budget exp.	Non-PB	PB	Total	% of total budget exp.
General Education	39.0	109.7	148.6	0.34	41.4	121.6	163.0	0.30	44.9	121.6	166.6	0.27
Higher Education	10.8	5.3	16.1	0.04	16.4	2.6	19.0	0.03	14.7	2.9	17.7	0.03
Youth and Sport	12.4	1.6	13.9	0.03	14.3	1.7	16.0	0.03	15.1	1.7	16.8	0.03
Provincial/Municipal	262.3	0.0	262.3	0.59	348.0	0.0	348.0	0.64	421.0		421.0	0.68
Total Budget Expenditures	324.5	116.5	441.0	1.00	420.0	125.9	546.0	1.00	495.7	126.3	622.0	1.00
Actual Budget Expenditures			454.3				479.4					
Source: MoEYS, Finance Dept												

Source: Ministry of Economy and Finance

Annex E – Analytical Summary Matrix

SUMMARY – Cambodia
Context: <i>What was the situation at level zero? What was happening in country before the FTI?</i>
<ul style="list-style-type: none"> Donors and government joined together in 2000 to begin a movement towards an education sector SWAp. A coherent five year planning framework – the Education Sector Plan (ESP) and its operational plan, the Education Sector Support Plan (ESSP) - emerged from this process, with full basic education being an ESP goal. Broad policy targets relating to increased enrolment and reduced drop out are set out in the "Sector Wide Policy Matrix", an attachment to the ESP. The preparation processes take into account a wide range of stakeholder views. Cambodia also has a longer term strategy, the Education For All Action Plan, released in 2003. The EFA agenda goes beyond basic/UPC, focusing on early childhood, literacy and gender. The Mid Decade Assessment Report described the progress in meeting national EFA targets. The latest National Poverty Reduction Strategy and the National Strategic Development Plan emphasise the importance of education in enabling income generation and job creation. Cambodia has been heavily aid dependent. Till 2004, Cambodia's development assistance was equivalent to its national budget. Given the still low ratio of government revenues to GDP, it will continue to depend heavily on ODA in the medium term. Aid flows have been used to improve health and education, physical infrastructure and for institution and capacity building. Systems of aid management have been gradually developed by Government, with the health and education sectors providing valuable experience. More recently, the Government has been utilising the Paris process to disseminate aid effectiveness principles and good practice. For education, between 2006–10, 53% of donor support was estimated to be in the form of project support, 17% as budget support, and the balance was classified as other mainly referring to aid in kind such as school feeding. Key cross-cutting issues were incorporated into the main policies and operational plans for the education sector and addressed gender, inclusion and disability.
Inputs: <i>What did the FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>
<ul style="list-style-type: none"> Cambodia education sector stakeholders have been gradually developing a set of modalities which allowed for a process of policy and strategy development increasingly owned and led by the government. The process started with the development of a SWAp in 2000, in the form of a sector policy and support programme (the ESP and ESSP) backed up by the Education For All (EFA) Action Plan in 2005. Mechanisms had been put in place for revising the ESP/ESSP planning framework annually. And a wide range of stakeholder participation was facilitated through a Joint Technical Working Group (JTWG) and an Education Sector Working Group (ESWG) which included NGO representation. FTI was initially perceived simply as a source of additional funding, both by the government and by most of the local DPs. The FTI CF project has utilised the pre-existing policy and institutional framework to provide resources for scaling up a set of activities designed to impact on access to education particularly for deprived and vulnerable areas and groups (building additional schools, scholarships) and on quality in the classroom (school improvement grants, training and classroom materials, and capacity development).

SUMMARY – Cambodia		
Relevance - Were the objectives of FTI support relevant? Was the design appropriate?	Immediate effects and intermediate outcomes: What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector policy expenditure and service delivery)	
	Effectiveness – To what extent did the FTI contribute to improving education sector policies, planning, data, budgeting, level of finance, delivery, monitoring and evaluation and aid effectiveness?	Efficiency - How economically was FTI support translated into results?
<ul style="list-style-type: none"> The FTI CF project supported a set of priorities that had been identified by a joint government-donor process. The project and its technical design was relevant both to the locally defined needs and priorities, and to the need to fill the financing gap for achieving UPC. FTI was relevant to the aid effectiveness principles and good practice being disseminated by government. There are reservations about whether it was appropriate to use a project-type financial modality. The choice of the latter was decided on the basis of fiduciary assessments carried out during the planning phase of the FTI CF project. This development has been seen as detrimental to advancing the nascent SWAp and its harmonizing aspects. 	<ul style="list-style-type: none"> Education policy has been improving since 2000 through a gradual and iterative process of building on progress already made. Improvements in quality of policy and strategy cannot be attributed to FTI though FTI resources are contributing to an expansion of existing activities. It is difficult to gauge whether the funding gap for UPC/EFA has been closing over time. But the FTI CF project has made a significant contribution to filling the UPC financing gap over the medium term. FTI was less than effective in supporting the dissemination of aid effectiveness principles and good practice, not least through the lack of sensitisation of stakeholders. 	<ul style="list-style-type: none"> Since the FTI CF project was broadly aligned with the policy priorities of government and a broad donor group unified through the ESP/ESSP process, the FTI project should have contributed significantly to allocative efficiency in the education sector. At the operational level, there are a number of efficiency reservations. Implementation has been slow to get off the ground partly because of difficulties and delays in recruiting TA which was needed to initiate some of the activities. The adoption of a parallel project-type financial management modality has required a significant additional management inputs which has detrimentally stretched scarce government resources.
Sustainability: Are the changes that took place in policy and planning, finance, capacity, M&E and aid effectiveness interventions likely to survive? How resilient are the benefits to risks?		
The policies and SWAp approach which are being supported by the FTI are well established and well supported both at political, technical and donor levels. The relative unity which has been developed over a long period augurs well for sustaining efforts towards UPC over the long term.		

STREAM 1: Policy and Planning
Context: <i>What was the situation at level zero with respect to policy and planning? What was happening in country before the FTI? Did a sector plan exist? What were the policies?</i>
<ul style="list-style-type: none"> • The ESP and EFA processes were already well under way when Cambodia sought FTI endorsement and access to the Catalytic Fund. • The ESP/ESSP planning framework has been a significant factor in guiding priority setting in education for both government and donors. The latest ESP covers the period 2006-10. • Both ESP/ESSP and EFA had detailed sections on gender and on "special challenges in the Cambodian Context" including strategies for addressing cross-cutting issues such as HIV/AIDS, ethnic minorities, children and adults with disabilities. • A further planning mechanism has been the annual National Education Congress (NEC) conducted "internally" by MOEYS until 2006. This October Congress brought together district, provincial and central education officials with the objective of summarising progress over the past school year and setting goals for the following year. • Largely for historical reasons, the ESSP annual review was conducted separately, with participation (and funding) from donors. Central Ministry participation was largely the same at both the NEC and the ESSP review. • A major development from 2006 has been the merging of these two fora into a single, joint review and planning event.
Inputs: <i>What did FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>
<ul style="list-style-type: none"> • FTI inputs have been mainly expressed through the CF project. • The FTI CF planning process sought to contribute to strengthening the existing mechanisms for sector planning, particularly decentralised education planning. • FTI CF project inputs derive directly from the ESP and ESSP and are designed to: 1) expand pre-school and primary education services to reach the most vulnerable groups; and 2) enhance professional and administrative institutional capacity for education service delivery. • The FTI CF project provides finance for strategies for achieving UPC, in particular by allowing the scaling up of initiatives especially of classroom and district education administration facilities (although this did not include ECCD or scholarships) • The CF project supports planning at school and district levels as part of the Child Friendly Schools (CFS) programme. CFS includes components on gender, teaching and learning improvement and school self-assessment. FTI will support the expansion of the CFS especially in assessment and planning. • The CF project will support central planning and policy development through its monitoring and evaluation provisions. • The design of CF project inputs were coordinated by processing through the pre-existing government/donor Joint Technical Working Group (JTWG) and the donor Education Sector Working Group (ESWG), which includes NGO representation. Both groups were active in the design stage, but the ESWG has been less active since. • The FTI CF project document incorporates strategies to enhance access to and quality of primary education among vulnerable and disadvantaged groups with due attention to equity, gender, children with disabilities and student learning on both academic disciplines and life skills.

STREAM 1: Policy and Planning		
Relevance - Were the objectives of FTI support to policy and planning relevant? Was the design appropriate?	Immediate effects and intermediate outcomes: What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector policy and planning)	
	Effectiveness – To what extent did the FTI contribute to developing quality education plans encompassing UPC targets? To what extent did FTI contribute to implementation of sector policies?	Efficiency - How economically was FTI support to country-level policy and planning translated into results?
<p>FTI CF project activities were fully consistent with country and policy priorities as reflected in the ESP/ESSP and EFA priorities. The FTI CF project built on the existing design and activities and focused on scaling these up. Greater ability of NGOs to access and influence the mainstream planning processes might have made the programme more responsive to these needs.</p> <p>The design should have taken a broader view of the results framework which would have prioritised systematic capacity building and government ownership issues.</p>	<ul style="list-style-type: none"> • From 2009, all planning processes – government and donor – have in principle been aligned and harmonised, including the review of FTI. This latter will potentially be an important contribution to strengthening policy and strategy planning processes, although there is a long way to go from the current proliferation of projects and donor driven missions. • The FTI has only influenced policy and planning through the formulation and implementation of the FTI CF project. The process of planning the CF project did not lead to any noticeable improvements in the existing policies and processes. • The FTI has contributed to the participation of key education stakeholders in policy setting and planning processes. • The FTI has contributed to access to and quality of primary education among vulnerable and disadvantaged groups with attention to equity, gender and disability. • Micro and macro level planning and policy dialogue, would have benefited from additional guidance to education policy and strategy formulation. 	<ul style="list-style-type: none"> • The FTI design process was to a degree efficient in terms of its interaction with policy and planning since it was aligned with the existing ESP and EFA frameworks and processes of education policy and strategy formulation. • However, there were weaknesses in the design process where the preparation of key planning documents insufficiently involved government. • Operational efficiency has been reduced by the slow process of TA recruitment • The use of a project management modality will hamper efficiency improvements in the government system, for example through the existence of separate CF AOPs.
Sustainability: Are the changes that took place in policy and planning interventions likely to survive? How resilient are the benefits to risks?		
<p>At the planning level, Cambodia's education policy and strategy plans have had strong political and donor support over a long period, and the processes of policy and strategy development are becoming increasingly consolidated though an over reliance on TA continues. There is a lack of an appropriate, comprehensive CD strategy..</p> <p>Over time, local political and state leadership in the sector has been generally relatively strong, which augurs well for future sustainability.</p> <p>The main risk is that the use of project modalities under any extension of FTI in Cambodia will prevent government implementation and management system from becoming the focus of improvement.</p>		

STREAM 2: Finance

Context: *What was the situation at level zero with respect to education finance? What was happening in country before FTI?*

- In education, donor funds have been used predominantly to finance the development budget, and domestic funds the recurrent budget. In 2008, the recurrent budget was the equivalent of USD 155 million, compared with USD 67.2 million of donor aid.
- Government has committed to provide 18.5% of government recurrent budget to education, and since 2004 has been close to or has exceeded this commitment. According to the NSDP 2006–10, 60% of total government and donor resources are earmarked for basic education, whereas the ESP 2006–10 targets 71% of recurrent budget to go to basic education by 2010. Actual expenditure is usually close to budget allocations, consistently running at over 90% of budgetary provision. There have, however, been extreme in-year fluctuations associated with delayed releases of the cash budget.
- Most donors have been managing their funds in education through parallel structures, in spite of the SWAp type framework put in place with the ESP and ESSP
- The annual rollover of the ESSP has been regularly costed, though the quality of the costings has regularly been in question.
- Estimation of the funding gap for the sector has been a routine task carried out in the context of the annual rolling over of the ESSP since the early 2000s.
- There have been structural weaknesses in the budget process particularly in terms of linking the capital budget with the MTEF, the PIP and donor funds. The quality of the costings is also open to question. The lack of budget integration and poor costings are weaknesses which continue to the present.
- Fiduciary risk generally in Cambodia has been assessed as being high. Weak capacity, financial management and control, in the accounting system, weak internal and external auditing capacity and failure to integrate ODA with the National Budget and accounting systems, will be tackled through the PFMRP.

Inputs: *What did FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?*

- In practice, FTI finance inputs have been exclusively in the form of CF and EPDF grants. For the CF grant, the planning process involved the preparation of funding proposals by MOEYS Departments, intra-Ministerial discussions within MOEYS, intra-donor discussion in the ESWG, and formal (through the JTWG) and informal discussions between MOEYS and DPs, which was the basis for decisions on budget allocations to different uses (including the 63% of funds allocated to school and district office building).
- The ESWG planning document estimated the financing gap. The document estimated an aggregated funding gap to achieve universal basic education completion for the five-year period 2006–10 of USD 850 million. This was estimated to be the difference between available funding under the MTEF plus PIP and what was needed according to the report's "hybrid" calculations of education sector costs.
- The key decision about the amount to be requested from the FTI CF was prompted by the ESWG. Its approximately 20 donor members came to a consensus as to what the government education system was capable of absorbing during the FTI project period. This was based on estimates of the absorptive rates that were being achieved by projects at that time, and was determined by asking DPs to assess recent disbursement performance of projects, generally reported to be poor. In the event, an amount of USD 57.4 million for the period 2008–10 was requested and approved.
- 63% of funds were allocated for building new schools and for district education offices. The balance of funds is for scholarships, and for classroom quality improvements through school improvement grants, training and classroom materials. Feedback to the Country Study considered the package of activities to be reasonably balanced in terms of dealing with access and quality issues.
- Fiduciary assessments pointing to a "high risk" rating ultimately led to the choice of a project-type financial management modality
- EPDF funds were used for a range of planning and policy including the preparation of the FTI planning document, and for the services of a Donor Coordination Advisor to support the ESP and to work closely with the Department of Planning on EFA/FTI assessment. Funds were also provided for strengthening the Education Faculty at RUPP.
- EPDF activities also supported a number of other elements of the preparation process. It funded the financial management and procurement system assessments). It supported policy dialogue on education for children with disability to raise awareness of education issues facing children with disability, it supported the development of inclusive education materials; an initial survey and data collection of children with disability; and a workshop to discuss and agree on government policy on the education of children with disability; and a national coordination body (the Disability Action Council). EPDF was also used for the development of a methodology and the adaptation of assessment instruments in preparation for implementing of disability screening of children; to address early identification of children with disabilities for policy planning; to develop and adapt a methodology and instruments to collect data and calculate prevalence rates for both out of school children and children with disabilities; to help inform the ECD project under FTI/CF; and also for reaching the unreached; and providing a potential model for EAP replication and local capacity development.

Non FTI inputs into country-level financial planning and resource mobilization in the education sector in the period since FTI came in:

- PFM reforms now addressed by the PFMRP which is a long term comprehensive reform aiming to transform the PFM system to one which displays generally accepted best international standards by 2015.

STREAM 2: Finance		
Relevance - Were the objectives of FTI support to education finance relevant? Was the design appropriate?	Immediate effects and intermediate outcomes: What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Immediate effects refer to processes, intermediate outcomes refer to changes in policy, expenditure and service delivery)	
	Effectiveness – To what extent did FTI contribute to a stronger education budget process? To what extent did FTI contribute to the increase in total funds for primary education?	Efficiency - How economically was FTI support to country-level finance for education translated into results?
<p>The assessments of the financing gap, and the fact that FTI will be the biggest donor to education between 2008 and 2010, indicate that FTI objective of mobilising more funds for UPC and EFA, was highly relevant.</p> <p>FTI will support the general programme of PFM reforms which are being rolled out to all sectors through the PFMRP. The FTI project will in particular strengthen procurement, financial management and monitoring and internal audit at different levels, and will therefore be directly relevant to the PFM challenges which the country faces.</p> <p>FTI funds for primary education are well aligned with policy priorities relating to access and quality.</p>	<ul style="list-style-type: none"> • FTI will help close the financing gap for UPC. Stakeholders considered the finance package for building new schools and district education offices, and for scholarships, and for classroom quality improvements, to be reasonably balanced in terms of dealing with access and quality issues. • It is too early to judge whether the FTI funding will lead to additionality in funding. There are signs of a reverse trend with one major donor curtailing one of its projects because of availability of FTI funding. There has been no change in the commitments to local finance contributed by Government. • The FTI CF funding has been flexible. It has allowed resources to flow to areas where they are really needed (e.g. to school building), at least in the perception of the Government. It has also been capable of being used in areas of recurrent activity such as in the provision of scholarships. • The education budget process is improving gradually in terms of comprehensiveness and transparency but FTI has not contributed directly to this. • FTI will support PFM reforms in principle but is unlikely to have major impact on the design of PFM systems since this is outside the control of the sector. 	<ul style="list-style-type: none"> • Fiduciary assessments pointing to a "high risk" rating led to the choice of a parallel project financial management modality. This has imposed a noticeable additional transaction cost on the government, and has worked against the strengthening of the financial management arrangements for the education sector SWAp. The government is having to staff a separate FTI financial management function. • FTI is supporting innovative measures e.g. the integration of resource planning and donor funding into annual operational plans. However this is a process that is not attributable to FTI and is taking place outside the regular planning and budgeting process of the GoC, raising issues of efficiency. • The FTI CF funding was approved in principle for Cambodia in May 2007, and the project document was approved by the FTI Steering Committee in April 2008; the grant became effective in June 2008, and the first disbursement of USD 15 million was made in October 2008. The FTI CF grant has thus contributed to the short term predictability of funding to the sector. However, the long term is not at all predictable since there is no indication for Cambodia as to what will happen after 2010. This is particularly serious where operational activities are being funded by FTI.
Sustainability: Are the changes that took place in the education budget process and the level of finance for primary education likely to survive? How resilient are the benefits to risks?		
<ul style="list-style-type: none"> • Despite solid government support to the education sector's recurrent budget, there is a major sustainability issue about what happens after the completion of the current FTI project in 2010 as a substantial portion of the FTI funding is being used for operational activities (training, scholarships, school improvement grants) and it is unclear whether these can be accommodated by the government budget. • Macroeconomically, Cambodia has been gradually improving its domestic revenues and its ability to support sectors such as education. It has honoured its commitment to sustain education recurrent expenditures at around 18.5% of total recurrent budget. However, it will be dependent on aid for the foreseeable future in sustaining its efforts towards UPC and EFA. <p>Risks include:</p> <ul style="list-style-type: none"> • Lack of finance after FTI. 		

STREAM 3: Data and Monitoring & Evaluation		
Context: <i>What was the situation at level zero with respect to data and M&E? What was happening before FTI? Was quality and use of data relevant to the context and monitoring needs of education strategies?</i>		
<ul style="list-style-type: none"> Data collection and monitoring mechanisms were in place and were producing a reasonable range and quality of data, but require greater coordination. MOEYS departments and many DP programmes still carry out separate monitoring missions to provincial and district offices and schools to check on aspects of the education system from teaching quality to textbook availability and enrolments. EMIS was in place and collecting annual returns from school principals, and produced key information on trends as well as targets and projections. The Planning Department had an AMIS (Aid Management Information System) in place which tracked and published data on donor programmes, linked to the CDC ODA database. The MOEYS Department of Planning collects a brief return from schools three times a year to supplement its annual major publication. There are institutional mechanisms for monitoring non-formal programmes, disability (the Disability Action Council), HIV/AIDS awareness and education (the Inter-departmental Committee on HIV/AIDS) and gender mainstreaming strategies (the Gender Working Group). Data on the growing private sector involvement in education are not yet very developed, though higher education and NGO support to lower levels are better documented. Traditionally, reporting from the field to central departments currently has a low priority. Responsibilities of schools and districts to local communities have not yet been emphasised, and mechanisms for rewarding improved performance (through direct grants, etc.) by increasing school budgets and discretion, are still new. 		
Inputs: <i>What did FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>		
<p>FTI specific inputs:</p> <ul style="list-style-type: none"> FTI design discussion centred on data interpretation and the choice of indicators. Some felt strongly that the suggested FTI indicator framework was being used too rigidly and prescriptively. In Cambodia, promotion and drop-out rates particularly in the early grades, are serious concerns which are not always easy to measure e.g. the problem of incomplete schools. FTI will provide funds for (a) strengthening financial monitoring; b) audit and inspection; c) performance and impact monitoring, and d) quality monitoring. Implicitly this support will work across a range of issues including those which are cross-cutting <p>Non-FTI inputs into country-level education data and monitoring and evaluation in period since the FTI came in:</p> <ul style="list-style-type: none"> Support by Unicef and the EC to a human resource management information system Development of a Finance Management Information System by the MOEYS Department of Finance 		
Relevance - <i>Were the objectives of the FTI support to data and M&E needs relevant? Was the design appropriate?</i>	Immediate effects and intermediate outcomes: <i>What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector policy and planning)</i>	
	Effectiveness - <i>To what extent did the FTI contribute to improved collection of data? To what extent is there better use of data to inform policy and funding</i>	Efficiency - <i>How economically was the FTI support to country data and M&E translated into results?</i>
<ul style="list-style-type: none"> Given the weaknesses identified in data and M&E in Cambodia, the priorities chosen for FTI support appropriate. FTI inputs will facilitate decentralised education management and the inspectorate of education to function effectively, both from a pedagogical and a financial perspective. It represents a modest contribution to the improvement of technical and financial monitoring 	<ul style="list-style-type: none"> Implementation is just beginning so progress reporting has not yet taken place and no assessment of effectiveness can be made The integration of processes through the joint review is expected to strengthen Ministry ownership and utilization at all levels of service provision, but opinions are mixed as to whether this will indeed happen The EFA and UPC targets will be reviewed and will include cross-cutting issues 	<ul style="list-style-type: none"> Little can be said on the impact of the FTI or gaps that need to be addressed to achieve EFA or UPC. It is certainly timely that the FTI programmes are starting as general coordination of DP and departmental AOPs are significantly improving. Revised indicators and targets for measuring progress will be reviewed by stakeholders at the up-coming NEC, and targets for key cross-cutting issues included in discussion. A reservation concerns the FTI plans to carry out a number of "rigorous evaluations" of progress and, in addition, the intention for the WB to carry out, with the ESWG "semi-annual supervision missions to review progress in the achievement of ESSSUAP development objectives. Financial management reviews will be conducted 3-4 times a year." The intention is to strengthen management for results, but joint missions at the rate of up to 6 p.a. for one project (in addition to the regular internal reporting) may strengthen external management at the expense of MOEYS ownership, and reduce efficiency
Sustainability: <i>Are the changes that took place in the data and M&E management likely to survive? How resilient are the benefits to risks?</i>		
<p>The long term influence of the FTI will depend on whether data that are being collected with the FTI resources are utilised.</p> <p>Risks include: Insufficient attention may be paid to the importance of local capacity strengthening reducing the long-term benefit to the Ministry, and possibly even weakening the Ministry system.</p>		

STREAM 4: Capacity		
Context: <i>What was the situation at level zero with respect to capacity? To what extent was the capacity adequate for EFA and UPC targets?</i>		
<ul style="list-style-type: none"> Capacity was severely affected by the decimation of Cambodia's professional cadres during the Khmer Rouge. Lack of progress has been affected by a proliferation of formats and demands by donors resulting in parallel systems for procurement, disbursement, reporting, accounting, and auditing. Despite considerable resources and attempts to consolidate departmental "capacity gaps" in an overall CD plan, neither the MOEYS nor the DPs have yet embraced an integrated and holistic approach to individual, institutional and organisational CD. Furthermore, the management of CD efforts continues to rest with the DPs. 		
Inputs: <i>What did the FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>		
<p>CF specific inputs:</p> <ul style="list-style-type: none"> Institutional development and capacity building is one of the three components of the FTI support. This includes new school inspection policy and strengthening of administrative processes, and in-service training in classroom teaching and learning through "child friendly" methodologies. The implementation activities being supported by the FTI CF are being carried out through the regular departments of MOEYS, with the exception of the financial management function. EPDF activities were identified by the World Bank mainly to support a range of preparatory activities connected with the main CF funded Project. <p>Non-FTI specific inputs to capacity assessment and capacity building in the period since the FTI came in:</p> <ul style="list-style-type: none"> Support to a functional audit of the Ministry (by the AsDB). TA for the development of a HRD policy by the Department of Personnel (supported by the EC). 		
Relevance - <i>Were the objectives of the FTI support to policy and planning relevant? Was the design appropriate?</i>	Immediate effects and intermediate outcomes: <i>What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Effects refer to processes, outcomes refer to changes in sector policy and planning)</i>	
	Effectiveness – <i>To what extent did the FTI contribute to implementation of measures to strengthen capacity? To what extent was quality capacity created to implement policy and services?</i>	Efficiency - <i>How economically was the FTI support to country-level capacity building translated into results?</i>
<ul style="list-style-type: none"> The FTI CD Guidelines were relevant to the situation where CD planning and management fragmented. The focus of CD in the FTI project is on the weaker parts of the programme (i.e. financial management, parts of the programme planning and management process], where improvements had begun. Although the FTI CF "project" drew substantially on the existing ESP and ESSPs, thus implying it was "relevant" to Cambodia's EFA and UPC concerns, the process of designing the FTI "project" gives an insight into its "fit" as well as relevance. Ultimately, senior leadership in the MOEYS agreed to all three components in the name of expediency, concerned at their capacity to implement a more comprehensive programme and to utilise the funding efficiently in the three-year project time-period. 	<ul style="list-style-type: none"> While it is too early to judge the effectiveness of the FTI effort, clear gaps still exist as there is no effective system and institution in place to manage TA, and no evidence of a coordinated approach in the Ministry to CD. Practices in the sector have focussed on providing short term solution rather than tackling the complex issues of public sector reform. There is little awareness of the FTI CD Guidelines for addressing capacity needs in Cambodia, and its message concerning holistic CD had not caught on. Rather, the shared perception of CD, is really one of CB, of identifying the gaps that needed filling There was little gain in the process of developing the FTI CF project in terms of capacity building. The key initial appraisal phase for the preparation of the initial planning document were carried out exclusively by a consultant. The ESWG was not well equipped with educational expertise to support the planning process. 	<ul style="list-style-type: none"> It is too early to make an assessment of the effectiveness of the FTI support to country-level capacity building. However the fact that CD planning has been seen as a separate process from operational planning – reducing the linkages to routine departmental activities – reduces the efficiency of processes in general, as does the failure to adopt an holistic approach to CD.
Sustainability: <i>Are the changes that took place in capacity likely to survive? How resilient are the benefits to risks?</i>		
<p>FTI could be a catalyst to the integration of DPs' contributions to this broader CD, but currently the FTI "project" seems to be relatively divorced from these higher AE goals. Given the past experience of non-holistic approaches to CD, and the negligible impact of the FTI on CD to date, the risk to the sustainability of the FTI CD activities is moderate</p>		

STREAM 5: Aid Effectiveness
Context: <i>What was the situation at level zero with respect to aid effectiveness? What was happening in the sector before the FTI? To what extent was aid for education efficiently & effectively provided?</i>
<ul style="list-style-type: none"> • Cambodia had a reservoir of good aid management practices on the ground well before the advent of the FTI, based on a SWAp approach providing a coherent policy and operational framework for the education sector through the ESP and ESSP. At the national level, various national plans have provided a sound underpinning to the education sector. • The ESP and ESSP are widely understood and accepted by government, DPs and other stakeholders, as providing a sound and coherent, country-led, sector wide framework for aid alignment. • Government and donors were generally able to work together effectively through the institutional mechanisms of the JTWG and the ESWG. These joint structures were established in 2000/01 as part of aid effectiveness measures promoted across all sectors. • These institutions have simultaneously provided for broad stakeholder participation and gradually strengthening government ownership of the sectoral planning and management processes. • MOEYS pragmatically promoted the use of a mixed set of financing modalities including budget support, investment projects, and capacity building assistance. • Despite some early alignment with government PFM systems, the use of parallel financial systems by donors is widespread. PFM weaknesses are now being addressed by the PFMRP. • However, the fragmented nature of support to capacity development was reducing the efficiency and effectiveness of the support provided by donors in this area.
Inputs: <i>What did the FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>
<p>FTI specific inputs to improving aid effectiveness:</p> <ul style="list-style-type: none"> • FTI aligned its assistance with the sectoral policy and strategy framework and built on the set of institutions which facilitated joint planning, monitoring and mutual accountability of the sector. • But the FTI adopted a parallel financing modality which mirrored the arrangements for the World Bank education sector projects. • Apart from the issue of the financing modality, the FTI interaction with aid effectiveness has been to utilise and thereby to strengthen the systems already in place, rather than to build new aid effectiveness systems. • Thus, the FTI planning process was carried out within a policy and institutional framework which already existed pre-FTI. Over time, improvements have been gradually made to education systems and processes, especially in terms of having MOEYS lead and own the processes. And there was no review of these long standing frameworks and practices as a result of the FTI. <p>Non-FTI measures to improving of aid effectiveness during the period since the FTI came in:</p> <ul style="list-style-type: none"> • The National Education Congress and the ESSP annual review are in the process of being merged into a single, joint review event as a result of donor/government agreement.

STREAM 5: Aid Effectiveness		
Relevance - Was the FTI support to aid effectiveness relevant? Was the design appropriate?	Immediate effects and intermediate outcomes: What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Effects refer to processes, outcomes refer to changes in sector policy and planning)	
	Effectiveness – To what extent did the FTI contribute to more coordinated international aid that is more coherent with domestic efforts in the sector?	Efficiency - How economically was the FTI support to aid effectiveness translated into results?
<ul style="list-style-type: none"> FTI arrived into a context where policy and strategy for the sector has been owned and increasingly led by senior MOEYS staff since 2000. FTI was seen simply as a funding modality, both by the government and the DPs. FTI has been designed primarily as a means to address key priorities of school access and classroom quality improvements. The vexed issue of the choice of a project-type financing modality is an area of disagreement amongst donors. 	<ul style="list-style-type: none"> To some extent, the aid modality outcome was predetermined by the instructions handed down from HQs on the endorsement and application process. WB is supervising entity so will be done according to WB standards of due diligence, which included stronger fiduciary requirements as the FTI went on. Similarly, the framework arrangements for dealing with applicant countries including Cambodia (use of ESWG as a conduit, presentation to the FTI steering committee by ESWG) acted against country ownership. FTI supported a good pre-existing set of policies and strategies, and helped maintain the progress towards UPC. While the FTI activities have been in line with principles of better aid, it has had little influence on developing the aid effectiveness agenda. There has been no review of the pre-existing planning frameworks and practices as a result of the FTI. FTI has so far had little influence on sector dialogue, harmonisation, alignment and accountability. While the CF project has utilised and thereby strengthened technical implementation systems, the adoption of a parallel project aid modality, mirroring the arrangements for WB education sector projects, failed to strengthen the systems for the financial management of the education sector SWAp. The extant aid effectiveness systems, albeit with weaknesses in relation to financial management alignment and donor harmonisation, were in place pre-FTI and have not yet evolved in response to the FTI. 	<ul style="list-style-type: none"> The process of developing the FTI project was reasonably efficient based on the institutional arrangements provided by JTWG and ESWG. The major deviation from good H&A has been the lack of buy-in (except for the EC) by the donors to government's PFM system. However, neither has the ESWG pushed the broader AE agenda, and there is little reason for optimism that fragmented CD, donor managed TA and bilateral M&E missions, for instance, will be reduced.
Sustainability: Are the changes that took place with respect to aid effectiveness likely to survive? How resilient are the benefits to risks?		
<p>FTI was established in an aid management situation which had already achieved major aid effectiveness milestones. These comprised a coherent policy and strategy framework with which donors could align their assistance with, and a set of institutions which facilitated joint planning, monitoring and mutual accountability of the education sector. Some degree of donor harmonisation had been achieved in terms of annual joint review of the ESSP.</p> <p>The work of PFMRF will address the problem of donor buy-in to government PFM systems. If the FTI continues to a second stage, there should be a platform in two to three years time to harness the PFM reforms for the purpose of channelling the FTI resources through government systems.</p> <p>In the meantime, there is a considerable degree of uncertainty about the future levels of funding which will be available from the CF and from the FTI partners over the long term.</p>		

STREAM 6: Cross-Cutting Issues (HIV/AIDS, gender, equity and exclusion)		
Context: <i>What was the situation at level zero with respect to cross-cutting issues? What was happening in country before the FTI?</i>		
<ul style="list-style-type: none"> Both ESP/ESSP and EFA plans had detailed sections on Gender and on "Special Challenges in the Cambodian Context" including strategies for addressing cross-cutting issues such as HIV/AIDS, Ethnic Minorities, Children and Adults with Disabilities, etc. A Gender Mainstreaming Strategy has been developed and a Gender Education Policy, in addition to Quality Standards and Indicators for Gender Mainstreaming in Education, drafted in 2006. There is an inter-ministerial Gender Working Group and a Steering Committee for Gender and Girls' Education in the MOEYS, as well as gender mainstreaming committees in each of the technical departments of the MOEYS. Despite gender parity having been achieved on average, wider discrepancies exist if analysis is taken down to the provincial and district level. Just as there are remote regions where "reaching the unreached" is a challenge, so there are pockets of gender disparity found in specific parts of the country. Only 11 out of 24 provinces, for instance, had achieved gender parity at primary level (as reported in the EFA Mid-Decade Report 2007). At lower secondary level, dropout is high, though the gap between boys and girls making the transition to junior secondary is steadily closing, and the impact of the girls' secondary school scholarship programme has already been seen to be positive. 		
Inputs: <i>What did the FTI do? What problems did it identify and how did it address them? What non-FTI inputs and processes took place over the same period?</i>		
FTI specific inputs: <ul style="list-style-type: none"> EPDF funds were used at the CF project preparatory stage to support dialogue and policy development for a government policy on children with disabilities and the development of a methodology and assessment instruments for implementing disability screening of children. Support was also given for the development of a teacher training manual for inclusion. Regional activities focused on a variety of themes including the use of mother tongue languages, awareness of children with disability, the development of materials for inclusion education and access for the poor and disadvantaged to education beyond the primary level. The FTI project incorporates strategies to enhance access to and quality of primary education among vulnerable and disadvantaged groups with due attention to equity, gender, children with disabilities and student learning on both academic disciplines and life skills. The main beneficiaries will be children in remote areas, those from poor families and those with disabilities. For all categories specific attention is given to gender equality. 		
Relevance - <i>Were the objectives of the FTI support to cross cutting issues relevant? Was the design appropriate?</i>	Immediate effects and intermediate outcomes: <i>What were the effects and intermediate outcomes on the sector in terms of effectiveness, and efficiency? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector planning and implementation with respect to cross-cutting issues)</i>	
	Effectiveness - <i>To what extent did the FTI contribute to improved strategies to address cross cutting issues? To what extent did the FTI contribute to implementation of these strategies?</i>	Efficiency - <i>How economically was the FTI support to cross cutting issues translated into results?</i>
FTI support to cross-cutting issues was through supporting the ESP/ESSP framework, which was therefore supportive of and relevant to the policy adopted by the government. Gender, inclusion and disability have been a focus and are very relevant in the Cambodian context.	<ul style="list-style-type: none"> Cross-cutting issues are already mainstreamed in the education sector plan and in the planning process. FTI is likely to be effective in facilitating this through supporting more reliable data and better capacity building. 	<ul style="list-style-type: none"> Using the ESP/ESSP frameworks is an appropriate and efficient way of channelling FTI funds.
Sustainability: <i>Are the changes that took place in the manner in which cross-cutting issues are addressed likely to survive? How resilient are the benefits to risks?</i>		
The Cambodian education sector has a reasonably good track record in highlighting and following through on cross-cutting issues. This argues well for the future, but will need a sustained focus through the FTI and other donor support.		

References

- AsDB 2003 *Education Sectorwide Approach, Cambodia Education Case Study.* January 2003.
- Bately et al 2006 *Mozambique Country Report: Joint Evaluation of General Budget Support 1994–2004.* Richard Bately, Liv Bjornestad and Amelia Cumbi, IDD and Associates, 2006.
- Bray 1999 *The private costs of public schooling: household and community financing of primary education in Cambodia,* International Institute of Education Planning/UNESCO, Mark Bray August 1999.
- Bruns et al 2003 *Achieving Universal Primary Education for All by 2015: A Chance for Every Child.* Washington: World Bank. Barbara Bruns, Alain Mingat, and Ramahatra Rakotomalala, 2003.
- CDRI 2002 *Technical Assistance and Capacity Development in an Aid-dependent Economy: The Experience of Cambodia.* Godrey, Martin et al. 2002. *World Development.* Vol. 30, No. 3, p355–373.
- CDRI 2004 *Envisioning a New Paradigm of Development Cooperation in Cambodia.* Mysliwiec. February 2004.
- Cambridge Education, Mokoro & OPM 2009a *Mid-Term Evaluation of the EFA Fast Track Initiative: The Evaluation Framework- Evaluation Team Guidelines on Process and Methodology.* Cambridge Education, Mokoro and OPM, 2009.
- Cambridge Education, Mokoro & OPM 2009b *Mid-Term Evaluation of the EFA Fast Track Initiative: Preliminary Report.* Cambridge Education, Mokoro and OPM, 25 May 2009.
- Carr-Hill 2006 *Improving Aid Effectiveness in the Education Sector in Uganda, Final Draft.* Roy Carr-Hill, 2006.
- Carr-Hill 2009 *Working Paper 3, Issues in Data and Monitoring and Evaluation. Mid-Term Evaluation of the EFA Fast Track Initiative.* Cambridge Education, OPM and Mokoro. Roy Carr-Hill, 28th June 2009.
- Chiche et al 2010 *Burkina Faso Country Case Study, Mid-Term Evaluation of the EFA Fast Track Initiative.* Cambridge Education, Mokoro and, OPM. Mailan Chiche, Elsa Duret, Clare O'Brien, and Serge Bayala, February 2010.
- Clarke & Bundy 2004 *The EFA Fast-Track Initiative: Responding to the Challenge of HIV and AIDS to the Education Sector.* Washington: DFID and World Bank. David Clarke and Don Bundy, October 2004.
- Clarke & Bundy 2008 *The EFA Fast Track Initiative: An Assessment of the Responsiveness of Endorsed Education Sector Plans to HIV and AIDS.* UNAIDS Inter-Agency Task Team on Education. David Clarke and Don Bundy, April 2008.
- CDC 2000 *Building More Effective Partnerships for Development in Cambodia.* 2000.
- CDC 2008a *Cambodia Aid Effectiveness Report 2008.* 2008.
- CDC 2008b *Independent Review Team, Final Report.* 2008.
- CDC 2008c *Technical Cooperation for Capacity Development in Cambodia: Making the system work better, Final Report.* Independent Study in collaboration with the Joint Technical Working Group on Partnership and Harmonisation, January 2008, Land, Anthony and Morgan, Peter.
- Dom 2009 *Working Paper 6 FTI and Fragile States and Fragile Partnerships. Mid-Term Evaluation of the EFA Fast Track Initiative.* Cambridge Education, Mokoro and OPM. Catherine Dom, 9th January 2009.
- Draft Skills Development Project in Education Planning, Management 2007 *Project Proposal.* November 2007.
- EC 2007 *Increasing Aid Effectiveness in the Cambodian Education Sector: Analysis and Recommendations.* EC, March 2007.

EC 2008	<i>EC Sector Policy Support Programme (SPSP) – Targeted Budget Support to Pro-poor Basic Education Reforms in Cambodia (KHD/AIDCO/2002/0405).</i> EC, October 2008.
Effective Technical Cooperation for Capacity Development 2008	<i>Cambodia Case Study, Joint Study on Effective Technical Cooperation for Capacity Development.</i> Anthony Land and Peter Morgan 2008.
ESWG 2005	<i>Cambodia Education Sector, Donor Report for the Period 31 January to 31 August 2005.</i> November 2005.
ESWG 2006	<i>Appraisal of Basic Education Component of Cambodia's Education Strategic Plan.</i> October 2006.
ESWG 2008	<i>Donor Performance Report 2007.</i> 2008.
FTI 2004	<i>Accelerating progress towards quality universal primary education: Framework.</i> FTI, 2004.
FTI 2008	<i>Guidelines for Capacity Development in the Education Sector.</i> FTI, February 2008.
FTI 2009	<i>Making Aid More Effective by 2010: 2008 Survey on Monitoring the Paris Declaration Indicators in Selected FTI Countries.</i> FTI Secretariat, 2009.
FTI-Cambodia 2008	<i>Catalytic Fund Decision Memorandum Seeking Approval of the World Bank Country Director and Lead Donor, Cambodia: Education Sector Support Scale Up Action Programme.</i> April 2008.
FTI EOC 2008	<i>External Evaluation of the Education for All – Fast Track Initiative Terms of Reference.</i> FTI Evaluation Oversight Committee, 2008.
OECD DAC 2006	<i>Survey on Harmonisation and Alignment of Donor Practices: Measuring Aid Harmonisation and Alignment in 14 Partner Countries: OECD DAC Journal - Volume 6 Supplement 1 January 2006 , pp. i-191(192).</i>
Pirnay 2007	<i>Increasing Aid effectiveness in the Cambodian Education Sector: Analysis and Recommendations,</i> prepared for submission to the European Union. 2007
Prasertsri 2008	<i>Cambodia Case Study of Government and Donor Efforts for Improved Aid Effectiveness in the Education Sector (2000-2008).</i> Background paper prepared for the GMR 2009. UNESCO. Supote S. Prasertsri 2008.
Purcell et al 2009	<i>Cambodia Case Study: Country Visit Note.</i> Mid-Term Evaluation of the EFA Fast Track Initiative. Cambridge Education, Mokoro and OPM. Ray Purcell, Abby Riddell, George Taylor, Khieu Vicheanon. 8 February 2009
Rawle 2009	<i>Working Paper 2: Finance and Public Financial Management, Mid-term evaluation of the EFA FTI,</i> Cambridge Education, OPM and Mokoro: Georgina Rawle, 28 June 2009.
Riddell 2009	<i>Working Paper 4: Preliminary Paper on Capacity Development: Mid-Term Evaluation of the EFA Fast Track Initiative.</i> Cambridge Education, Mokoro, OPM. Abby Riddell, 2009.
RGC 2003	<i>Education for All National Plan 2003–2015.</i> MOEYS, 2003.
RGC 2004	<i>ESSP Summary Report.</i> MOEYS, December 2004.
RGC 2005a	<i>Education Sector Performance Report 2005.</i> MOEYS, December 2005.
RGC 2005b	<i>Education Strategic Plan 2006–2010.</i> MOEYS, December 2005.
RGC 2005c	<i>Education Sector Support Programme 2006–2010.</i> MOEYS, December 2005.
RGC 2006	<i>National Strategic Development Plan (NSDP), 2006–2010.</i> RGC January 2006.
RGC 2007a	<i>Public Financial Management Programme (PFMRP), Annual Progress Report for 2007.</i> World Bank Report to Development Partners financing the MDTF, 2007.

RGC 2007b	<i>Enhancing Education Quality Project</i> . Prepared by Cambridge Education Ltd., UK For Ministry of Education, Youth and Sport, Royal Government of Cambodia, Document 14 (Financed by the Japan Special Fund), Final Report, July 2007.
RGC 2007c	<i>Draft National Financial Management Capacity Assessment: Education Sector - Fast Track Initiative</i> . MOEYS, November 2007.
RGC 2007d	<i>Capacity Building Medium Term Plan (2008 – 2010)</i> . MOEYS, November 2007.
RGC 2007e	<i>National EFA Mid-Decade Assessment Report 2007</i> . December 2007.
RGC 2008a	<i>PFMRP, Stage 2, Building on Improved Budget Credibility Toward Achieving Better Financial Accountability</i> . 2008.
RGC 2008b	<i>Education Sector Support Programme 2006–10 Scale-Up Action Plan 2008–11</i> . MOEYS, January 2008.
RGC and DPs 2007	<i>Aide Memoire Between the Ministry of Education, Youth and Sport and the Education Sector Working Group on the Education Congress</i> November 2007
Seel 2007	<i>Country profile prepared for the. Global Monitoring Report 2008, China, Vietnam, Cambodia, Philippines and Indonesia Country case studies</i> . A Seel. 2007.
UNESCO 2006	<i>World Data on Education</i> . UNESCO IBE 6th Edition Cambodia 2006
Unicef 2005	<i>Education Finance Model, Issues and Challenges</i> . N Triaswati, Finance Consultant - Education, Unicef Office Cambodia, December 2005.
Visser-Valfrey 2009	<i>Working Paper 5b: Governance, Mid-Term Evaluation of the EFA Fast Track Initiative</i> : 24 March 2009. Cambridge Education, Mokoro, OPM. Muriel Visser-Valfrey, 2009,
White 2009	<i>Working Paper 3b: Impact Evaluation Scoping Study</i> , Prepared for the Mid-Term Evaluation of the Education For All Fast Track Initiative, draft, 11 March 2009, International Initiative for Impact Evaluation (3ie). Howard White, 2009.
Williamson and Kizilbash Agha 2008	<i>Building Blocks or Stumbling Blocks? The effectiveness of New approaches to aid delivery at the sector level</i> . ODI. Tim Williamson and Zainab Kizilbash Agha, January 2008..
Woods 2009	<i>Working Paper 1: Preliminary Paper on Education Policy and Planning, Mid-Term Evaluation of the EFA Fast Track Initiative</i> , 29 March 2009. Cambridge Education, Mokoro, OPM. Eric Woods, 2009.
World Bank 2005	<i>Cambodia – Public Expenditure Tracking Survey (PETS) in Primary Education</i> . December 2005.
World Bank 2007a	<i>Aide Memoire Fast Track Initiative – Catalytic Fund (FTI CF): Technical Proposal Preparation</i> . September 2007.
World Bank 2007b	<i>Draft National Financial Management Capacity Assessment: Education Sector - Fast Track Initiative</i> . November 2007.
World Bank 2007c	<i>Procurement Capacity and Procurement Capacity and Risk Assessment</i> . November 2007.
World Bank 2008a	<i>Cambodia: Education Sector Support Scale Up Action Programme (ESSUAP)</i> . WB, 2008.
World Bank 2008b	<i>Country Assistance Strategy Progress Report for the Kingdom of Cambodia</i> . WB, 2008.
World Bank 2008c	<i>World Development Indicators</i> , World Bank, 2008.
World Vision 2007	<i>Including the excluded: Integrating disability into the EFA Fast Track Initiative processes and National Education Plans in Cambodia</i> . World Vision Cambodia 2007.