



Federal Ministry  
for Economic Cooperation  
and Development

SPECIAL 152

# Capacity Development for Education for All: Putting Policy into Practice



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## Executive Summary

This BMZ Special: *Capacity Development for Education for All: Putting policy into practice* is a synthesis of the discussions and main findings of the international forum of the same title hosted by the German Federal Ministry for Economic Cooperation and Development in October 2007. The Forum was held against the background of the on-going debate about Capacity Development (CD) and aid effectiveness in general and achieving EFA specifically. Forum discussions took the consensus articulated in the **Paris Declaration on Aid Effectiveness** and the **OECD-DAC GOVNET** paper “**The Challenge of Capacity Development: Working towards good practice**” as points of departure.

One hundred twenty-one participants from across the globe highlighted priorities for CD strategies to be successful: governments and donors should take a systemic approach to CD, and understand CD beyond training; stakeholders must agree on a clear definition of roles and responsibilities, based on the principle of strengthening country ownership. Above all, collaboration among government, donors and civil society, including the private sector, is critical to tapping into existing capacities and achieving Education for All (EFA).

### CD for Implementing EFA Plans and Achieving Better Learning Outcomes

Systemic and country-owned strategies for CD on all levels (individual, organisational, institutional – as well as micro, meso, macro) are needed to implement EFA plans and improve the quality of education:

- To improve **capacity for education planning**, a framework must be created that enables effective and **participatory** policy

making and planning, as well as monitoring and evaluation. Data collection and monitoring systems need to be reliable and transparent.

- **Decentralisation** efforts should be promoted to achieve effective planning and efficient financial management, including the subsidiary distribution of responsibilities, fiscal decentralisation and bottom-up quality control. This requires developing the capacities of local governments, which should in return have the ability to delegate responsibility to schools and encourage the involvement of community organisations.
- In order to **strengthen individual capacity**, governments have to create public sector employment schemes to attract, train and retain qualified staff – from ministry staff to teachers. Qualified and motivated teachers are at the heart of quality of education.

### CD and Additional Education Finance

To **increase the effectiveness and efficiency of education finance** donors and partner countries need to adapt better to new modalities in delivering and using aid:

- With the shift from project-based, fragmented aid to more programme-based approaches, partner countries’ budgetary and administrative processes are challenged in their capacity. Increases in aid levels must thus go hand-in-hand with strengthening policy dialogue and CD measures at **macro, meso and micro level**. Donor countries should refrain from using their own implementing and monitoring

systems and instead support the capacity, ownership and accountability of **partner countries' procedures**. Absorption bottlenecks are best addressed by **tapping into existing national and local capacities**.

This includes collaboration with civil society, including the private sector.

- To overcome **absorptive capacity** constraints, education sector plans should be aligned with overarching national macroeconomic and development policies. Budget reliability and inter-ministerial dialogue are of particular importance in this context. Likewise, **aid predictability, on-time disbursement and long-term commitment** are crucial in the education sector. In addition, strengthening capacity for procurement is essential.

### Sustainable Capacity Development

Apart from embedding CD programmes for the education sector in wider strategic government plans such as education sector and poverty reduction plans, partner countries and donors can help ensure the sustainability of CD initiatives in the education sector by promoting cooperation between stakeholders, and ensuring initiatives are demand-driven and impact-oriented:

- Partner country leadership is key to **ensuring coordination and collaboration** with various partners. Clear communication of interests and expectations as well as transparent mechanisms help make partnerships between different stakeholders successful and sustainable. Partnerships should be demand-driven and focus on expanding existing local capacities.
- **Regional networks** are important for **peer learning** and **multi-stakeholder exchange** to improve knowledge manage-

ment and to create fora for the exchange of good practices. Moreover, regional networks can help promote leadership and support advocacy efforts by promoting educational issues on the national policy agenda.

- **Monitoring and evaluation (M&E)** of CD should be **embedded in a national M&E policy** based on an agreed set of definitions and objectives. Existing M&E systems should be reviewed to identify gaps in the ability to report back, collect, systematise and analyse data within the education sector. Successful M&E requires **meaningful indicators**, the involvement of **external stakeholders** and **improved knowledge management** between education institutions, and statistical and research institutions as well as line ministries, decentralised authorities and schools.

### CD for the Education Sector in Fragile Environments

Fragile states are characterised by severe structural weakness of state policies and institutions, constraining national actors' capacity to deliver education services. Attracting urgently needed external funds is often difficult, as donors are reluctant to give long-term support. It is therefore of central importance to react to the specific challenges connected with CD in fragile states. Including and funding CD strategies in the education sector in **humanitarian interventions** is one appropriate response. Moreover, strategic and country-specific CD approaches need to be developed to address capacity gaps that hamper core state functions. These approaches need to be sensitive to political and conflict dynamics. Including non-state actors and explicitly seeking out existing capacities can help improve service delivery and create a pluralistic environment where state structures are weak and ineffective.

## List of Abbreviations

ADEA	Association for the Development of Education in Africa
CD	Capacity Development
CSO	Civil Society Organisation
EFA	Education for All
EPDF	Education Programme Development Fund
EFA-FTI	Education for All – Fast Track Initiative
GOVNET	the OECD-DAC Network on Governance
ICT	Information and Communication Technology
M&E	Monitoring and Evaluation
NGO	Non-governmental Organisation
ODA	Official Development Assistance
OECD-DAC	Organisation for Economic Cooperation and Development- Development Assistance Committee
PPP	Public Private Partnership
PRSP	Poverty Reduction Strategy Paper
SWAp	Sector-wide Approach

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# 1 Introduction

The education sector plays a complex, double role in country-led social and economic development, presenting both a challenge and an opportunity for sustainable development. It is both producer (supplier) and consumer (demander) of capacity – at individual, organisational and institutional levels. Succinctly put by Richard Manning, former Chair of the OECD-DAC: “You need to have capacity to run the education sector and you need the education sector to build capacity.”<sup>1</sup>

There is an urgent need for action. 72 million children are still out of school; one in five adults worldwide lack basic literacy skills – two-thirds are women. Education is a human right; it is also the uncontested prerequisite for the sustained economic and social development of a nation. Education for All and specifically reaching MDG 2 and 3 will only be successful if massive increases in both external and domestic financing for education become a reality, and if existing funds are used effectively and efficiently. It is not enough that additional resources reach classrooms and communities; it is crucial that quality teaching and relevant learning take place. At the same time, increases in financing for education must take place in the context of a much broader discussion about implementation and the challenges of putting the most equitable policies and the best formulated plans into practice. **Increased financing must be met with increased capacity** across the sector. This balance between more financing and better capacity is central to increasing ownership and accountability at country level and needs to be reflected in credible plans and in their sustainable, country-driven implementation.

There is also an urgent need for change – not only generally, the way development aid is both deliv-

## The Six Education for All (EFA) Goals

1. Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children;
2. Ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete, free and compulsory primary education of good quality;
3. Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life-skills programmes;
4. Achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for adults;
5. Eliminating gender disparities in primary and secondary education by 2005, and achieving gender equality in education by 2015, with a focus on ensuring girls' full and equal access to and achievement in basic education of good quality;
6. Improving all aspects of the quality of education and ensuring excellence of all so that recognised and measurable learning outcomes are achieved by all, especially in literacy, numeracy and essential life skills.

Source: *The Dakar Framework for Action: Education for All – Meeting our Collective Commitments*. World Education Forum, Dakar, Senegal, 26 – 28 April, 2000. [www.unesco.org](http://www.unesco.org).

<sup>1</sup> Richard Manning, Opening Remarks, “Capacity Development for EFA: Putting policy into practice”, October 8 – 10, 2007, Bonn.

ered and used, but more specifically regarding the challenge of Capacity Development. The 2008 EFA Global Monitoring Report highlights this policy priority: “Another impetus for changing the ways of delivering aid to increase effectiveness is the perception that decades of ‘capacity building’ has not resulted in sustained institutional development necessary for the planning and implementation of development activities.”<sup>2</sup>

This BMZ Special: *Capacity Development for Education for All: Putting policy into practice* represents a synthesis of the discussions and main findings of the international forum by the same title hosted by the German Federal Ministry for Economic Cooperation and Development in October 2007 in Bonn.<sup>3</sup> The Forum was held against the background of the on-going debate about CD and aid effectiveness in general and achieving EFA specifically. Forum discussions took the consensus enshrined in the **Paris Declaration on Aid Effectiveness** as a point of departure. Capacity Development is indispensable to implementing the Paris Declaration principles of country ownership, alignment, donor harmonisation, managing for results and mutual accountability. The process of developing sustainable capacity has to be country-led and supported by coordinated donor assistance. While the Paris Declaration constituted the policy framework for the event, the **OECD-DAC GOVNET** paper “**The Challenge of Capacity Development: Working towards good practice**” served as the conceptual framework. While the paper itself does not specifically focus on experiences in the education sector, it provides an extremely useful, concise and coherent framework for re-thinking CD as an endogenous,

### MDG 2 and 3 on Education

Out of eight MDGs two (MDG 2 and 3) specifically refer to education.

#### MDG 2: Achieve universal primary education

Ensure that, by 2015, children everywhere will be able to complete a full course of primary schooling.

#### MDG 3: Promote gender equality and empower women

Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.

Source: [www.un.org/millenniumgoals/index.html](http://www.un.org/millenniumgoals/index.html)

country-led process that cuts across individual, organisational and institutional levels. Produced in the context of the OECD-DAC, the paper brings together the good *and bad* experiences of many diverse agencies over time and distils a certain consensus on CD good practice in line with the Paris Declaration.

In this context, the Forum aimed at making concrete steps toward implementing political commitment and good practice in the context of EFA. The Forum was designed to move discussion from “what to do” to “how to do it” and to produce a series of recommendations to this end. All core messages of this paper are based on these recommendations.

Following a set of general prerequisites for a **comprehensive approach to CD** (Section 2) high-

2 UNESCO. 2007. *EFA Global Monitoring Report 2008. Education for All by 2015 – Will we make it?* p. 165. The GMR further notes, based on Independent Evaluation Group evidence, that “even the largest donor in the education sector [the World Bank] has not succeeded in encouraging the implementation of effective capacity development programmes [...] efforts to build capacity within education management systems in projects had been fragmented and largely ineffective [...]” Ibid., pp.170 – 171.

3 The findings and recommendations were produced in different workshops, a panel and fishbowl discussion, plenary discussions and open space sessions.

lighted by Forum participants, the paper presents key Forum recommendations for better CD for Education for All. The question of how **CD can help implement EFA plans and achieve better learning outcomes** is addressed in Section 3.1.

The importance of participatory sector planning, decentralisation and qualified and motivated staff for improved learning environments and quality teaching are the core issues dealt with under this topic. Section 3.2 deals with the question of how to **increase the efficiency and effectiveness of additional education finance**. In the

context of changing aid environments, crucial issues such as increasing absorptive capacity, using country procedures and instruments and building multi-stakeholder partnerships for effective service delivery are examined. Section 3.3 then addresses the question of how to **make capacity development sustainable in the education sector**. The section focuses on the role of partnerships, regional cooperation, and monitoring and evaluation. Section 3.4 takes a brief look at the special **CD needs of fragile states**.

## 2 A Comprehensive Approach to Capacity Development

### Defining Capacity Development beyond Training

- Capacity development is a complex concept to define. It involves, yet reaches far beyond the training of individuals. It encompasses organisational and institutional development as well as the creation of an **enabling environment**. CD encompasses developing the ability of individuals, institutions and societies to solve problems, make informed choices, define priorities and plan for the future.<sup>4</sup>
- **Institutional development** includes improved communication and cooperation between key national stakeholders within a supportive legal framework. **Organisational development** refers to streamlining and optimising structures and processes including changes within the culture of the organisation, this includes **clearly defined roles, responsibilities and decision-making powers**. Whilst the importance of institutional and organisational CD is increasingly recognised, **enhancing the knowledge and skills of individuals** remains an essential dimension of CD.

### Strengthening Country Ownership

- Country ownership and leadership are critical for sustainable CD. Increasing ownership requires strengthening country-owned process to identify capacity needs and develop a national CD strategy instead of relying on **donor-led technical** processes. In accordance with this, partner countries should integrate specific CD targets in national development strategies. In order to strengthen ownership national governments should ensure that CD requirements are identified for and coordinated with sector plans.
- The implementation of the Paris Declaration consensus requires a more concerted effort on behalf of partner countries and donors alike. Donors need to implement their commitments to align their technical and financial support with partners' CD objectives and strategies, to make effective use of existing capacities, and to decrease transaction costs, administrative burdens and fragmentation.

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4 DAC Network on Governance. 2006. *The Challenge of Capacity Development: Working towards good practice*. Paris, OECD-DAC, p. 14 and 15. Capacity Development comes by many names: capacity building, capacity cultivation, capacity enhancement. The critical objective of the Forum organisers was to encourage new, more systemic thinking about developing capacity in the education sector more in-line with the concepts outlined in this paper than with more traditional and limited uses of the term "capacity building." (p.12)

### Strengthening Partnerships

- Partner countries as well as donors should follow a **multi-stakeholder approach**. This encompasses stronger involvement of in-country stakeholders, in particular civil society, including the private sector. As genuine partners for development, donors should align behind country processes and priorities and provide coordinated,

effective technical support according to their comparative advantages. Enhancing partnerships should be given priority over creating new institutions.

Derived from the general findings on how to enhance CD, specific approaches can be formulated how to develop capacities for the education sector and how to employ CD to sustain an inclusive, effective and quality education system.

## 3 Capacity Development for Education for All

### 3.1 CD for Implementing EFA Plans and Achieving Better Learning Outcomes

The ultimate aim of CD initiatives in the education sector is to give every learner access to a **good quality education**. As stated in the 2008 EFA Global Monitoring Report, Education for All cannot be achieved without developing skills, knowledge and capabilities at all levels of the education system:

*“As overall enrolment rates rise, the difficulty of achieving further increases by attracting hard-to-reach children intensifies, necessitating more innovative approaches, while interventions to improve quality and learning achievement require even greater management capacity. Appropriate aid for capacity development (not traditional technical assistance) must thus be a very high priority if EFA is to be achieved.”<sup>5</sup>*

Capacity needs in the education sector can be identified across all levels – from a) **institutional**, such as creating legal frameworks for participatory policy planning and accountable monitoring, to b) **organisational**, such as strengthening the responsibilities and capabilities of local government authorities and civil society organisations (CSOs) to c) **individual**, such as securing the availability of a qualified teaching workforce, the latter aspect having been defined as one of the critical factors to reach the EFA goals.<sup>6</sup>

In his introductory presentation, Desmond Bermingham, Head of the EFA-Fast Track

#### CD for what? Implementing EFA Plans: Experiences from Honduras

Elements of the education sector reform in Honduras involved curriculum reform, system restructuring, and decentralised financing as well as the development of a legal framework, a master plan for infrastructure and technology and also strategic plans for each province. Explicit education goals referring to quality and learning outcomes, school infrastructure and equipment as well as teacher supervision have been set to be achieved by 2015. The following CD challenges and bottlenecks have been identified for the education sector:

**Challenges** are cross-cutting issues like gender, environment and risk management, decentralisation, intercultural understanding, HIV and AIDS.

**Bottlenecks** are political and policy stability, civil service reform, realistic alignment and harmonisation, management capacity at all levels, structure for decentralisation, teacher evaluation programs, empowering parents and participation of teacher unions.

In Honduras the **evaluation of institutional capacities** involves social audits of teachers by parents, joint reviews of the EFA Plan and independent external audits.

*Source: Presentation by Dr. Marlon Brevé Reyes, Minister of Education of Honduras, “Capacity Development for Education for All”, October 8 – 10, 2007, Bonn.*

<sup>5</sup> UNESCO. 2007: *EFA Global Monitoring Report 2008. Education for All by 2015 – Will we make it?*, p. 191.

<sup>6</sup> Ibid., p. 74.

Initiative (EFA-FTI)<sup>7</sup> Secretariat, outlined three principles that should be followed in order for CD initiatives to be successful and sustainable. CD efforts should be 1) **country-owned** and **country-led**, 2) **system-wide** and 3) **incremental**, i.e. take a step-by-step approach to evoke **gradual changes**.<sup>8</sup> In accordance with these principles, partner countries should commit to integrating specific capacity strengthening objectives in national development strategies and to pursue their implementation.

### Strengthening CD for Country-led Education Sector Planning

- Any policy aimed at pushing net enrolments towards 100% must also ensure decent learning conditions and opportunities. To this end, the **capacity of governments for effective and participatory** policymaking, planning, implementation, monitoring and evaluation must be improved. **Stronger links among government departments** responsible for early childhood care and education, literacy and health can help improve quality.
- Securing the dependable **release of funds** remains a major bottleneck for effective education planning. To ensure effective planning and budgeting on a national level, inter-ministerial communication and coordination needs to be improved. This includes introducing more effective **institutional cooperation** between ministries of education, ministries of finance, other line ministries and education departments on decentralised level.<sup>9</sup>
- A systematic and detailed assessment of capacity needs and constraints is an indispensable first step for all strategic CD planning. **Existing capacity**, including **local and community knowledge**, should **be recognised and used** as a valuable basis for CD programmes. Governments, supported by cooperating partners, should implement EFA plans by tapping into and building onto existing national capacity, specifically by cooperating with higher education and research institutes, as well as CSOs and the private sector.
- A **participatory policy dialogue** should provide a basis for **complementary action** with government, donors, civil society actors and the business community and a **common commitment to align to national priorities**. This, in turn, provides a basis for the more effective use of resources.

### Promoting Civil Society Participation

- **Civil society participation** can contribute to better targeted, more effective and sustainable implementation of sector plans particularly at local level. Therefore, the participation of community groups and other CSOs in the implementation of government plans should be strengthened. In addition, CSOs should play a stronger role in monitoring and evaluating resource allocation, programme implementation and outcomes.

<sup>7</sup> [www.education-fast-track.org](http://www.education-fast-track.org)

<sup>8</sup> Desmond Bermingham, "Capacity Development for Education for All", October 8 – 10, 2007, Bonn.

<sup>9</sup> See section 3.2.

- In many countries, CSOs are far from being equal partners in policymaking. Greater CSO participation requires **the creation of formal spaces for continued, substantive participation**. A legal and administrative framework should be established to institutionalise their role, i.e. to guarantee access to information about targets, budgets, donor commitments and spending. Funding the engagement of CSOs in the education sector could be secured by earmarking sector funds and/or through other mechanisms such as the EFA-FTI Education Programme Development Fund (EPDF).
- Increasing civil society participation also calls for organisational and individual CD measures – including training in advocacy work and media skills, and abilities to engage in vertical dialogues and partnerships with other stakeholders such as government, schools and teachers, local communities and private actors.

### Strengthening CD for Data Collection and Monitoring and Evaluation (M&E) for Quality Education

- An important step in improving the quality of education is to develop the **systematic availability of information** on education expenditure and service delivery, as well as the **capacity to measure learning outcomes**. Recognising the importance of meaningful, reliable data is a first step **in improving data collection systems**. To this end, advocacy programmes concerning the use of data for decision-makers and the corresponding technical training programmes should be promoted.
- A framework needs to be established to enable the transparent and accountable collection of data. On a national level, a legal framework for Education Manage-

ment Information Systems (EMIS), including budget allocations, should be established.

- Appropriate tools and procedures are needed to assess the quality of learning results and processes. As the **quality of school management and supervision** are often insufficient or ineffective, assessment and quality control mechanisms need to be established. Therefore, donors and governments should pay more attention to developing **capacity for the collection**

### Increasing the Quality of Education through Decentralisation in Malawi

The Government of Malawi has introduced the following changes to promote decentralisation in order to achieve education quality.

1. Creating a policy framework for sector devolution. This includes, passing the control of the primary school system to district level, as well as enabling district authorities to manage basic education programmes, including the implementation of complementary programmes in cooperation with NGOs as service providers.
2. Recruiting district personnel directly; providing training according to new roles and functions such as financial management, district planning, inspection and supervision, recruitment and allocation of teachers.
3. Encouraging the participation of parents in managing primary schools.
4. Providing financial support and grants directly to schools.

*Source: Presentation by Anthony Livuza, Principal Secretary, Ministry of Education Malawi, "Capacity Development for Education for All", October 8 – 10, 2007, Bonn.*

of **data, monitoring and evaluation** on a national and local government level as well as in schools. On an international level, an exchange on M&E methods for education quality should be encouraged.

### Supporting Decentralisation

- **Decentralised education management** plays a crucial role in **allocating resources according to school needs**. In other words, decentralisation can help identify and implement local solutions to local problems. To achieve efficient and effective **decentralised financing and planning**, developing the capacities of **local government authorities** is essential. Financial management, planning and monitoring capacities need to be improved. Decentralisation strategies need to equip local authorities with the necessary decision-making and financial powers. Essentially, following the principle of subsidiarity, national government authorities should pass on control to local government bodies, but retain the ability to work against regional inequalities and preserve similar national interests. Likewise, local government authorities delegate responsibility to those providing education services.
- Without the **empowerment** of those receiving the services, decentralisation runs the danger of replicating the problems of centralised government. Therefore, CD for schools and community initiatives, including teachers, learners and parents associations, has to be part of a holistic strategy to decentralise the education sector. The aim of such measures should be: securing **bottom-up control** to demand accountability of local planning and spending; strengthening abilities to engage in policy planning processes; improving capacity for data collection and quality

assurance; and improving the general functioning of schools. Enabling schools to manage their affairs efficiently and effectively includes giving them a degree of **financial autonomy**, for instance equipping them with bank accounts, transparently supervised by the local community.

- **Passing on responsibility** for education planning and service delivery **to the local level** can be a means to improve the quality of education and **increase ownership** for education sector development. Forum participants suggested that to encourage democratic decentralisation efforts, donors could pledge to make available an agreed amount of their resources directly at the local level.

### CD for Quality in the Classroom

- Quality education can only be achieved if teachers can enable students to develop cognitive and self-learning skills, and to think analytically and critically. **Teacher training** programmes therefore have to include **experience-based and child-centred learning** and value-oriented education that aims at respecting diversity, human rights, citizenship and democracy. Overcoming bottlenecks on the meso-level requires equipping teacher training institutes and educating trainers and other multipliers.
- Just as national and local government employees must be better trained and receive incentives to improve their work, teachers and directors need to be given **incentives and career opportunities** in order to motivate them to work in places where they are needed, giving special attention to rural and conflict-prone areas. National **employment systems** should be put in place to **attract, recruit, retain and motivate qualified** staff. In the Philippines

for instance, a payment scheme in the form of a “hardship allowance” was introduced to motivate qualified teachers to work in extreme or difficult environments.<sup>10</sup> In general, staff development should include a suitable range of training programmes at all levels with pre-service training, refresher courses, in-service programs, hands-on training and guidance, career-relevant upgrading programs, etc.

- CD for **school managers** is an essential factor for achieving better quality of education. School managers should receive continuous training in organisational development and management and **cooperation with the community**. In turn, capacity of communities, in particular teacher-parents-associations, should be enhanced to participate in the management of schools to **ensure better learning and child friendly environments**, teacher performance and effective use of available resources.
- An institutional **dialogue between governments and representatives of disadvantaged and marginalised groups** should be established in order to determine needs, priorities and solutions for inclusive learning environments and curricula as well as inclusive approaches to education planning and teacher training.
- All stakeholders can contribute to improving **quality in the classroom**. Partnerships between governments and non-state actors can help ensure quality in teacher training, school management and education service provision.<sup>11</sup>

### 3.2 CD and Additional Education Finance

The urgent question of **how to make the best use of more education finance** emerges from the following trends: The education sector enjoyed an increase in Official Development Assistance (ODA) for the period between 1999 and 2004.<sup>12</sup> This increase goes hand-in-hand with a change in the modalities of providing external aid, re-defining the international aid architecture with a strong focus on aid effectiveness. This change is characterised by a shift from project financing and fragmented aid to more programme-based approaches relying on the partner countries’ budgetary and administrative processes. New modes of aid delivery challenge existing national systems in their management capacity, technical skills and individual professionalism at national and decentralised level. These emerging trends in development assistance in the education sector have resulted in a general awareness of the need to develop national capacity, and moreover to assess bottlenecks limiting absorptive capacity. In view of these trends, the question arises how governments, donors, civil society, academia and the private sector could each – within the scope of their competencies – make efficient and effective use of education finances and to increase absorptive capacity.

#### Adapting to New Aid Modalities

- Changes in delivering aid require a **change of donor behaviour**, paying more attention to the enhancement of CD in partner countries. Top priority should be to develop sound, nationally owned policies, technical and institutional **capacity for public expenditure management** and administrative and individual skills. Donors need

10 Example taken from the presentation by Maria Lourdes A. Khan, Asian South Pacific Bureau for Adult Education (ASPBAE): “Capacity Development & Civil Society”, “Capacity Development for Education for All”, October 8 – 10, 2007, Bonn.

11 See UNESCO. 2007. *EFA Global Monitoring Report 2008*, p. 104 – 105 for concrete examples from India, South Africa and countries in Latin America.

12 ODA for education rose by 65 percent (between 2000 (US\$6.5 billion) and 2004 (US\$10.7 billion). For 2005 the Report notes that in 2005 allocations fell by over US\$2 billion, although total ODA continued to increase. UNESCO. 2007. *EFA Global Monitoring Report 2008*, p. 154 – 155.

### Absorptive Capacity: A Definition

Pauline Rose, Centre for International Education – University of Sussex, provided a useful definition of absorptive capacity in the context of education during the panel discussion on “How to make the best use of more education finance?” at the Forum in Bonn. Absorptive capacity was defined as “the pace at which new financial, human and technical resources can be efficiently used in the educational system and allocated appropriately, so that there will be a sustainable improvement in educational outcomes.” Successful national CD strategies would logically increase this pace.

Source: Rose, Pauline. 2007. *Review of Absorptive Capacity and Education in the Context of Scaling-up Aid*, p. 1.

### Improving Absorptive Capacities: Experiences from Ghana

Presenting the case of Ghana, Dr. Anthony Akoto Osei, Minister of State for Finance, noted that effectively managing large donor funding requires staff with long-term commitments to their posts and institutional experience. Lack of human resources at national, local and school level – particularly regarding public financial management – can be a major constraint to absorbing funds. In order to improve public expenditure management, Ghana has implemented Public Expenditure Tracking Surveys (PETS) in the education and health sectors since 2006.

Source: *Presentation by Anthony Akoto Osei, Panel “How to make best use of education finance?”, “Capacity Development for Education for All”, October 8 – 10, 2007, Bonn.*

to refrain from using their own implementing and monitoring systems and instead support the capacity and accountability of partner countries for their national arrangements. At the Forum it was suggested that donors **adapt their rules and procedures to the country context** in order to enable partner countries to tap into existing national and local capacity and to address absorption bottlenecks.

- **Partner countries** need to develop capacity to deal with development processes as well as **macroeconomic constraints**. **Dialogue and collaboration** between various government ministries, especially ministries of education and ministries of finance, can ensure that the financial planning for the education sector is in line with **sound national macroeconomic policy** and considered appropriately, especially in light of national budget constraints.
- The **education sector** often accounts for a large percentage of government expenditure and external funding. **Effective sector management** thus requires specialists at national and decentralised levels who can plan, budget, implement and monitor sector policies against political goals and desired outcomes.

### Enhancing CD for Public Financial Management

- **Capacity development for procurement and public financial management** needs to be approached strategically and holistically to generate systematic change and to

ensure sustainability from the national to the school level. CD in this regard should involve policy and institutional reforms as well as management training and the establishment of common, transparent procedures.

### Strengthening Partnerships with Civil Society and Private Sector

- Governments should take the lead to establish **partnerships** with key stakeholders for efficient and effective service delivery in education. Addressing the **private sector** as an important but still fairly neglected partner in implementing education plans, Tim Unwin, World Economic Forum, suggested creating better opportunities for the **private sector to support the public sector** regarding management, financing and service delivery. This could, for example, be enforced by increasing the number of Public Private Partnerships (PPP). Examples of such a PPP could be supporting procurement for textbooks, school construction, etc. Another example of PPP is to give civil servants the opportunity to develop their skills and understanding of management practices by spending some time in a private sector company.
- Gorgui Sow, Coordinator of the Africa Network Campaign for EFA, highlighted that the **participation of the civil society** in the implementation process of education policies needs to be strengthened. Participants suggested allocating three percent of ODA to **reinforce the capacity of CSOs**. Gorgui Sow stressed that without proper monitoring, financial resources would not necessarily reach schools and hence hamper the improvement of learning conditions.

### Improving Disbursement and Predictability

- **Donor practices can limit absorptive capacity**, due to excessive administrative burdens, fragmented aid, a focus on project-based support, use of parallel planning and monitoring systems, and a lack of ambition to harmonise and align. For recipient countries, unpredictable aid leads to planning constraints. Aid predictability, on-time disbursement and long-term commitment are crucial in the education sector in order to contribute to resolving absorptive capacity constraints. This is particularly relevant when governments heavily rely on external financing for teachers' salaries, or when there is little left of the recurrent budget after covering teachers' salaries.
- **Harmonisation and alignment** applies to **financial** as well as **technical assistance**. **Donor-led technical** processes focussed on transferring knowledge or organisational models from North to South in a fragmented, uncoordinated way have limited opportunities for sustainable CD. Donors should, therefore, continue to explore options for harmonising technical assistance (TA), including pooling resources for TA, particularly in the context of increasing numbers of sector-wide approaches in the education sector.
- Donors are reluctant to change their aid modalities in countries where they see institutional problems and consider the national apparatus to be weak. At the Forum in Bonn, it was widely agreed that increases in aid levels must thus go hand-in-hand with the strengthening of policy dialogue and CD measures at **macro, meso and micro level**. It was recommended to elaborate **CD programmes for donors** on harmonisation processes, financial

management instruments and sector dialogue.

- Donors are responsible to partner countries for making aid available in ways that are consistent with national education sector plans and that involve minimal transaction costs. Bruno Wenn, KfW Development Bank, reminded the donor community of its obligation to enhance alignment, harmonisation and the division of labour with regard to the implementation of the Paris principles.

### 3.3 Sustainable Capacity Development

Birger Fredriksen, World Bank Consultant,<sup>13</sup> focussed in his presentation on three main challenges to ensuring the sustainability of CD strategies: **technical capacity, political will and institutional systems**. **Technical capacity** needs to be available to enable regular data collection and analysis for evidenced-based policies that can then be translated into CD programmes under the ownership of national and local stakeholders. **Political will** is needed for decision-making, adequate resource allocation and developing and implementing a comprehensive education sector plan and for promoting donor alignment behind sectoral goals. External agencies are required to support partner countries in coping with these challenges. Their responsibilities include providing funds, delivering quality technical support as well as supporting South-South knowledge exchange, regional efforts and cooperation for sustainable CD.

During the Forum discussions on sustainable CD the following questions were raised: (i) How to coordinate efforts across sectoral and technical, strategic and operational levels; and (ii) How to fully integrate key stakeholders in these dialogues.

### Enhancing Coordination and Collaboration

- Participants agreed that inter-state and international cooperation is crucial for sustainable CD. Governments are to take the lead in building partnerships with civil society, the private sector and academia in order to develop ownership for development at all levels. **Partnerships for sustainable CD** should be demand-driven, long-term, cross-sectoral, and multi-stakeholder oriented. Such partnerships should search for solutions how to **mobilise, strengthen and retain existing capacity** rather than “fill gaps” with external personnel and create capacities in an ad hoc way through external interventions. Such development partnerships should be dynamic processes in which all stakeholders have the opportunity to gradually strengthen their capacity, their voice and ability to negotiate in order to **ensure sustainability**.
- Sustainability can only be ensured if participatory approaches are taken and partnerships are promoted, that aim at the overall development of communities and particularly improving the situation of schools.
- Adhering to the Paris Declaration principles, there was agreement at the Forum that donors need to (i) engage diverse stakeholders in planning, implementation and monitoring processes, (ii) exchange concerns and constraints in an open dialogue and (iii) create an atmosphere of trust. Donors should therefore improve their knowledge and understanding of country-specific social and cultural contexts, institutional and organisational

<sup>13</sup> Birger Fredriksen, “Capacity Development for Education for All”, October 8 – 10, 2007, Bonn.

structures as well as technical know-how. It was recommended that partner countries and donors together elaborate and enforce a “code of conduct” at country and headquarters level. In return, partner countries are expected to voice clear demands.

- Sustainable CD involves the creation of **knowledge management systems** for governments and multi-stakeholder networks as well as cooperation with scientific institutions for research and systematic assessment, training and organisational development.

### Strengthening the Role of Regional Institutions and Networks

- Regional institutions and networks provide valuable forums for advocacy and policy dialogue. They enable the dissemination of information and sharing of good practices on EFA and training, academic studies and research. Intensified South-South cooperation will help partner countries evaluate experiences made with CD and EFA implementation from other countries against their own development background. Establishing regional networks demands strong political leadership from participating countries to build institutional and organisational frameworks in which knowledge exchange and joint activities will take place. Partner countries should better explore how regional networks can effectively contribute to developing capacities.

- **Regional institutions and networks** like RED KIPUS, the Teacher Network of Latin America and the Caribbean, and ADEA, the Association for the Development of Education in Africa, provide valuable regional forums for advocacy and policy dialogue. Through these, they share good practices on EFA and CD, training, academic studies and research and on the dissemination of information. The objectives of these regional networks include political advocacy, i.e. promoting educational issues on the national political agenda, as well as service delivery and knowledge management. Even though effective coordination of multi-stakeholder partnerships remains challenging, there are a number of good practice examples of successful regional initiatives. These deserve more visibility and their efforts should be linked to state policies.
- Individual countries are often necessarily focussed on domestic concerns. Thus, regional initiatives rely heavily on donor support. It was recommended that EFA partners should explore how to make financial support available for sustainable regional cooperation in support of CD.

### Strengthening Monitoring and Evaluation of CD

- Monitoring and evaluation (M&E) is an integral part of tracking the inputs and outcomes of a CD strategy taken by a partner country.<sup>14</sup> Participants agreed that more attention should be given to the **monitoring and evaluation of CD**. How

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<sup>14</sup> M&E of CD should be considered part of a planning cycle; interlinking priority setting, strategy selection, resource allocation and budgeting and implementation. M&E closes this cycle by delivering information on whether intended outcomes of CD interventions were met; why they were not achieved and whether chosen CD interventions turned out to be relevant in achieving education sector targets (e.g. CD for effective school management and improved teachers performance; changed public administrative and management procedures and staff policy).

ever, problems regarding the establishment of a suitable monitoring process and the identification of adequate indicators need to be solved. In order to make monitoring effective, definitions, objectives and targets have to be agreed on. Accordingly, results-oriented reporting and assessment frameworks including meaningful indicators need to be established. It was recommended to integrate CD monitoring in the sector plan, to make it part of the joint annual review and to include external stakeholders.

- M&E systems should examine CD inputs and interventions and long-term development outcomes and evaluate cause-effect linkages. An appropriate M&E system for tracking CD needs to be established within the framework of the existing national M&E system.
- In many countries M&E systems have already been established to track development strategies such as the PRSPs or SWApS. However, governments often lack capacity to fulfil their core functions despite their growing importance with the shift to programme-based aid. Hence, donors should strengthen national capacity of M&E systems instead of operating through parallel donor M&E systems. A prerequisite for this is for donors to harmonise their monitoring and reporting requirements.
- As outlined in Section 3.1, civil society plays a critical role in the assessment of education service delivery and policy processes. As civil society actors are considered to represent beneficiaries and users of education services they can deliver valuable information for M&E of CD on the direct impacts on education outcomes.
- Successful M&E requires improving knowledge management between education

#### Yemen: ICT for better M&E

Yemen has introduced a comprehensive web-based data collection and presentation system, replacing traditional surveys and providing more cost-effective, faster access to management information. Coverage area consists of: 15,515 schools, 4,600,000 students and 253,000 employees.

Under the new system, ownership and responsibility for the verification of data is being shifted from the central ministry departments to the schools, districts and governorates. To overcome conflicts between the old and new system, careful change management and training is needed.

Main success factors have been the high level support of national M&E ministry leaders (minister and vice minister) and their awareness of the critical importance of data and its use in decision-making, the ability and willingness of the IT-department to develop and launch the system and the benefits of the IT-system, its usability, efficiency and presentability.

*Source: Presentation by Jamal Ghailan, Ministry of Education Yemen, "Capacity Development for Education for All", October 8 –10, 2007, Bonn.*

institutions and statistical and research agencies as well as line ministries on a national and local level. Existing experiences of collaborative CD monitoring should be systematised and disseminated for wider use.

### 3.4 CD for the Education Sector in Fragile States

Of the 72 million out of school children in the world, 37 percent live in 35 states considered to be fragile. In these countries classrooms are crowded and dilapidated, textbooks are scarce, there is

insufficient instructional time, repetition rates are high, completion rates are low, regular school attendance is insufficient and learning outcomes are weak. Gender and educational disparities within these countries remain critical issues.<sup>15</sup> Providing these children access to good quality education is as problematic as it is urgent.

- State fragility is complex and country-specific, hence there is no one-size-fits-all solution. Fragile states face a severe risk of conflict and political instability due to severe structural weaknesses of state policies and institutions. Capacity challenges in fragile environments can be similar to those in other developing countries, although they might vary in intensity and call for a different set of interventions. Depending on the degree of political and systemic instability, donors might work through different mechanisms and with different partners, i.e. non-state actors. Although affected countries could benefit from additional aid, donors are reluctant to increase funds because fragile states do not generally meet the criteria of ownership and partnership. It is therefore of central importance to react to the specific challenges connected with CD in fragile states. Including and funding CD strategies in the education sector in **humanitarian interventions** is one appropriate response. Moreover, strategic and country-specific CD approaches need to be developed to address capacity gaps that hamper core state functions. These approaches need to be sensitive to political and conflict dynamics. Including

### **Fragile Environments: Experiences from Afghanistan**

The case of Afghanistan illustrates the struggle to implement policy targets in the education sector against the background of a serious lack of stability and security in many parts of the country. A specific problem is the enormous difference in pay-scale between contracted external personnel and civil servants. Qualified staff and experts would rather work in non-governmental organisations than in irregular, low-paid government positions in an unstable institutional environment. Often donors' demands for visible results undermine long-term needs for CD.

*Source: Presentation by Susan Wardak, Ministry of Education Afghanistan, "Capacity Development for Education for All", October 8 – 10, 2007, Bonn.*

non-government actors and explicitly seeking out existing capacities is important to improve service delivery and create a pluralistic environment where state structures are weak and ineffective. Forum participants recommended (i) to support evidence-based research to identify ways in which **early investments in CD for education** can help to promote a "turnaround" towards sustainable transformation in fragile surroundings and (ii) to develop education strategies, with clear and attainable targets aligned with a **holistic, local and national CD strategy** addressing the unique aspects of fragile states.

<sup>15</sup> UNESCO. 2007. *EFA Global Monitoring Report 2008*, p. 2, 95.

## 4 Conclusion

During the course of the international Forum “Capacity Development for EFA: Putting policy into practice”, 121 participants from across the globe developed over 30 recommendations for various stakeholders on how best to ensure sustainable CD for achieving Education for All. Recommendations aimed at enhancing international cooperation, public institutions, local authorities, civil society, community organisations and schools. Discussions and recommendations focussed on the following key issues in the service of achieving EFA: (1) strengthening country ownership, (2) approaching sustainable CD comprehensively and (3) strengthening partnerships. Capacity Development for quality basic education requires developing capacity for school management, qualifying and motivating teachers, engaging civil society, improving data collection, analysis and use and measuring learning outcomes.

The Forum also highlighted the critical need for more systemic and systematic attention to the issue of CD for the education sector. The **individual** capacities of teachers and school managers as well as of national government staff have to be developed so that they can provide quality education. The **organisational** capacities of civil society and local government as well as those of national institutions need to be improved to enable effective financial management, quality service provision and monitoring. **Institutional** frameworks need to be improved to allow for participatory and result-oriented sector planning, led by governments, in collaboration with civil society and coherently supported by donors.

Capacity Development for the education sector will only encourage sustainable social and economic development if the following principles are respected: (1) **ownership** – referring to politi-

### Ranking Recommendations: The participatory “Top 10”

At the end of the Forum, participants were asked to consider all 30 recommendations derived from the thematic and open space workshops and “vote” for the 10 that they considered most important to follow-up on. This ranking does not lessen the significance of the other recommendations made, but it offers a kind of “temperature reading” of the issues viewed as central to promoting sustainable CD for the education sector. *The Forum organisers note that due to the participatory nature of this method and the early departure of key participants, including NGO representatives, certain prominent threads of the three-day debate – e.g. the role of civil society – were not captured in this exercise.*

1. Develop national capacity for planning and financial management through pre- and in-service training by specialised national/regional institutions, and sharing good practices across countries.
2. Create an active Task Force within Education for All to support countries in developing strategies to include capacity development and knowledge enhancement in post-primary education as part of the education systems. (Link up with existing bodies, e.g. Secondary Education Initiative for Africa)
3. Ensure that capacity development requirements are identified, costed and coordinated within each activity of the sector plan. All resources are considered and utilized. (Responsibility: Government with cooperating partners assisting.)
4. EFA partners should explore effective mechanisms for making financial support available for

sustainable regional networks/ cooperation in support of capacity development.

5. Clarify functions and decision-making powers at decentralised levels, based on school- and classroom-level needs. These should be backed up with capacity and funds, with appropriate accountability mechanisms.
6. Enhance teacher training to include experience-based, active and child-centred pedagogy and value-oriented education (which aims at respecting diversity, human rights, citizenship, democracy).
7. Capacity development monitoring needs to be integrated in the sector plan, part of Joint Annual Review, and needs to include external stakeholders (critical friends).
8. Reinforce the leadership of schools for quality assurance, through school heads training and community engagement in school management.
9. The dialogue between national senior leaders and donors should focus on the requirements of sustainable capacity development (stability of the availability of technical trained staff, merit based personnel policy, liberation and strengthening of local capacity).
10. Continue the exchange process on the quality of education: Establish therefore a Task Force working on education quality.

cal commitment and the ability to formulate inclusive education policies, (2) **alignment** – the extent to which external support is consistent with the parameters of national plans (3) **harmonisation** – the extent to which donors implement common arrangements and increase complementarity, (4) **management for results** – the

extent to which objectives, indicators and policies are evidence-based, and (5) **mutual accountability** – the extent to which all stakeholders share responsibility for results in an agreed, transparent fashion, including making use of demand-based **multi-stakeholder partnerships**.

Links between good education and a wide range of economic and social development benefits are undisputed. Not only CD, but *better* CD for the education sector is therefore essential to achieve international development goals. The value of education extends beyond individual benefit – enabling members of society to make informed choices, enhance job perspectives and increase income. Due to the complex and multiple interactions of individuals within a community, the labour market, organisations, and their engagement in public and political affairs, education serves a greater public good. All stakeholders can work towards unleashing these benefits for society by translating their particular interests and needs into improving the availability and quality of education.

After over thirty years of experience in technical and financial cooperation with developing partner countries, this international Forum was also a learning event for German Development Cooperation. The initial idea for the Forum grew out of Germany's work at country and global levels with the EFA-FTI and with the Task Team on Capacity Development. The findings will continue to inform German policy interventions and practice at country level in both the education sector and in the wider context of international commitments to improving the effectiveness of development aid.

Forum recommendations were presented to the UNESCO Education for All Working Group in preparation for the Meeting of the High Level Group on EFA in December 2007. The final Forum documentation will be made available to the EFA-Fast Track Initiative Partnership for further deliberation on how to increase the effectiveness of the

Partnership in terms of supporting CD at country level. Forum conclusions will also be integrated into further multi-stakeholder cross-sector dis-

cussions leading up to the Third High Level Forum on Aid Effectiveness in September 2008 and beyond.

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