

Mid-Term Evaluation of the EFA Fast Track Initiative

Country Desk Study: Zambia

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Discussion Draft



SUMMARY INFORMATION FOR ZAMBIA

- Currency = Zambian Kwacha (ZMK)
- Exchange Rate (31 July 2009) USD 1 = ZMK 5,095.71
- Fiscal Year = January - December
- School year = January- December
- Structure of education system: Nine years of basic education, including upper basic education in grades 8 and 9, and three years of secondary education.
- Population: 11.7 million
- Population growth rate: 2.9%

Acknowledgements

The evaluation team would like to express its gratitude to the Ministry of Education in Zambia, whose staff at all levels gave generously of their time. They would also like to thank all those persons interviewed who 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

Purpose of the Evaluation

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 has now been running for half its expected lifetime. The FTI partnership has recognised the need to evaluate whether it is achieving the goals it has set itself. The evaluation will provide an opportunity for reform and change if 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 will draw lessons learned from the FTI's strengths and weaknesses and make a series of recommendations to further improve future partnership programming and effectiveness. Most importantly it is hoped that, as a result of this evaluation, progress towards expanding and enhancing educational opportunities will be strengthened.

The evaluation is independent but is jointly supported by a consortium of donors. The evaluation is taking place between November 2008 and December 2009. The Evaluation Oversight Committee (EOC) is made up of representatives from the donor community, partner countries and civil society. It is coordinated by Joe DeStefano (email: jdestefano@futureofschooling.org).

The evaluation team is a consortium of three companies Cambridge Education, Mokoro and Oxford Policy Management (OPM).

Scope of the Desk Studies

The evaluation includes nine full country case studies, in Cambodia, Kenya, Burkina Faso, Ghana, Mozambique, Nicaragua, Nigeria, Pakistan, and Yemen.

A number of lighter desk studies are also being undertaken, of which Zambia is one. The desk studies are not researched in the same depth as full country case studies (which typically included a two week field visit by a team of three or four evaluators). They are based on the relevant literature which can be accessed without visit to the country (including the FTI Secretariat archives for the country in question, plus a standard set of aid data derived from the OECD DAC records). The desk study authors are individuals already familiar with the methodology of the evaluation and with the country concerned. Authors could consult one or two key informants (by phone or email) for clarification or to get the latest available documents etc.

In the case of Zambia, the author was able to draw on previous experience in Zambia. She also benefited from consulting other evaluation team members with experience of working in Zambia who were familiar with the education sector and consulted several key informants from bilateral and multilateral donors who have been involved in FTI in Zambia.

Feedback

This is a discussion draft, circulated for comments, which may be sent to Anthea Sims Williams, the research coordinator, at asimswilliams@mokoro.co.uk. For regular updates about the evaluation and the most recent outputs please refer to the evaluation website at: www.camb-ed.com/fasttrackinitiative

EXECUTIVE SUMMARY

FTI inputs and effects

S1 Zambia was selected to be one of the first countries to join the FTI partnership in June 2002. Despite this, Zambia did not submit its education sector plan for FTI endorsement until 2008, with FTI endorsement achieved in September 2008. The main reason why Zambia did not seek FTI endorsement earlier was that there was not perceived to be a significant value-added from the process. It was clear that additional funding would have to be raised in-country as Zambia did not qualify as a donor orphan and donors at the time were confident that they would be able to raise the necessary additional funding. Given this, the Ministry of Education (MoE) and education sector donors did not feel that much would be gained from FTI endorsement.

S2 In addition, the sector plan had not been finalised and the SWAp was in the process of being established as well as the education sector pooled fund, so there was concern among education donors that FTI might undermine country-led strategic planning processes and jeopardise good working relationships with the MoE. This was compounded by the fact that the World Bank had indicated that they wouldn't support the education plan as they didn't think it was credible, so education donors were worried that a top-down World Bank led process would be introduced as a result of FTI.

S3 Zambia decided to apply for FTI endorsement when additional funding became available through the FTI Catalytic Fund (CF) as the donor orphan eligibility criterion was changed in 2007. It also became clear during the preparation of the education National Implementation Framework 2008-2010 (NIF) that there would be a funding gap that couldn't be filled by donors in-country. Appraisal of the education sector strategic plan led to the identification of a funding gap for basic education of USD 81 million and an application was made at the time of endorsement for a contribution of USD 60 million from the FTI CF from 2008.

S4 A problem arose as the World Bank would normally be the supervising entity for FTI, but under World Bank rules it would not have been able to fund through the education pooled funds without additional procurement procedures. World Bank International Competitive Bidding (ICB) procedures would have needed to be used for all the pooled funds or CF resources would have had to be ring-fenced or virtually earmarked in some way.

S5 The MoE and education sector pooled fund donors were unhappy with this situation and argued strongly with the support of the Ministry of Finance and National Planning (MFNP) that an alternative solution was needed which would allow for alignment with Government of Zambia (GRZ) systems and the proposed move to sector budget support in education. Agreement was reached on the Netherlands to be the supervising entity for the funds rather than the World Bank. The CF application was granted in January 2009 with USD 60 million covering 2009 and 2010 to be disbursed in two or three tranches depending on circumstances.

S6 Zambia also received Education Program Development Funds (EPDF) which financed the public expenditure tracking survey (PETS) which was used by the MoE and education donors to feed into the fiduciary risk assessment (FRA) to decide on the most appropriate funding channel for the CF. Due diligence background reports on financial management and procurement were also funded which were used to prepare the

groundwork for the World Bank to be the supervising entity. Zambia also participated in an EPDF funded Capacity Development Workshop on 'Country Leadership and Implementation for Results in the EFA-FTI Partnership' in July 2007.

FTI and aid effectiveness

S7 FTI CFs had the potential to undermine the aid effectiveness agenda in Zambia, if the decision had been made to use the World Bank as the supervising entity as this would have led to an education sector pool that was less aligned with GRZ systems. Due to the strength of the education partnership group and the processes that had already been developed by the group and within Zambia as a whole, it was possible for the two co-lead donors, the Netherlands and Irish Aid, to make the case that a different supervising entity should be chosen rather than the World Bank.

S8 The education donors in Zambia had also studied and learnt from the Mozambique experience of CFs where the choice of supervising entity in the form of the World Bank had resulted in a backwards step in terms of alignment with government systems, due to the imposition of World Bank procurement rules. They decided that they did not want a similar situation to occur which might undermine the gains that they had made in harmonisation and alignment in the education sector. As a result, they invested considerable time and effort in ensuring the process went smoothly in Zambia by ensuring on-going dialogue between donors' in-country, donor headquarters, the MoE, the MoFNP, the FTI Secretariat and the World Bank.

S9 Key to the success of this process was also the aid effectiveness agenda which was strongly supported by the donors and the World Bank and was used as an argument for having a supervising entity that could channel FTI funds through the education sector pooled fund. In order to be in line with the Joint Assistance Strategy for Zambia (JASZ), it was not possible to include an additional donor in the sector as the supervising entity, as the aim of the JASZ was to ease congestion in sectors. As the World Bank was not currently funding education, the Netherlands was a more obvious choice, while the MoE had made it clear from the outset that they would not be interested in the FTI funds if they were channelled in the form of a World Bank project.

High level evaluation questions

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

S10 When Zambia was first invited to join FTI in 2002, the aims of FTI were consistent with the needs and priorities of Zambia, but Zambia saw no value-added in joining given that they were already prioritising education and no additional funding was likely to be forthcoming from FTI. In the light of this, Zambia decided not to seek endorsement as the cost of going through the process outweighed the benefits, as funding was going to come from bilaterals in-country anyway, so the FTI represented an additional hoop to jump through which was perceived to be unnecessary.

S11 By 2007 when Zambia decided to apply for FTI endorsement it had made significant progress in key educational indicators, which seems to vindicate this decision and suggest that FTI endorsement was not needed earlier. Now that Zambia has a financing gap that will not be filled by donors in-country, there is better alignment between the aims of FTI and the needs and priorities of Zambia. The JASZ process has led to donors leaving the sector and the amount of support to the education sector pooled fund diminishing. Although there has also been a corresponding increase in GRZ funding, a funding gap still remains.

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

S12 As Zambia only received FTI endorsement in 2008 it is too soon to make a judgement on whether FTI is accomplishing what it was designed to do, accelerating progress on EFA. However, Zambia already has a good record in improving key basic education indicators as the primary PCR was 64% in 1999 and 91% in 2007. As a result, it is unlikely that FTI through CFs will accelerate progress on EFA, rather it is more likely to play a role in supporting progress already under way.

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?

S13 FTI has assisted in mobilising international resources through provision of CFs and as these will be channelled through the Netherlands as supervising entity into the education sector pooled fund this has supported the alignment process and the Paris Declaration.

Reflection

S14 As Zambia was only endorsed for FTI in September 2008 and CFs have not yet been disbursed, it is too soon to judge the efficiency, effectiveness and sustainability of FTI on the education sector. The main impact is likely to be through the CFs which provide additional funding for the activities outlined in the NIF and through this should make a contribution to achieving Universal Primary Completion (UPC). Also through choosing a supervising entity that can channel CF's through the education sector pool, FTI has supported the aid effectiveness agenda in Zambia by using the most aligned funding modality.

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Abbreviations and Acronyms

ART	Antiretroviral Therapy
CF	Catalytic Fund
BESSIP	Basic Education Sub-sector Investment Programme
CIDA	Canadian International Development Agency
DFID	Department for International Development
DPO	Development Policy Operation
EC	European Commission
EFA	Education for All
EMIS	Education Management Information System
EPDF	Education Program Development Fund
FNDP	Fifth National Development Plan
FRA	Fiduciary Risk Assessment
FTI	Fast Track Initiative
GBS	General Budget Support
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
GNI	Gross National Income
GRZ	Government of the Republic of Zambia
HDI	Human Development Index
HIPC	Highly Indebted Poor Country
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
ICB	International Competitive Bidding
IDA	International Development Association
IF	Indicative Framework
IIEP	International Institute of Education Planners
IMF	International Monetary Fund
JASZ	Joint Assistance Strategy for Zambia
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MFNP	Ministry of Finance and National Planning
MoE	Ministry of Education
MoESP	Ministry of Education Strategic Plan 2003-2007
MoU	Memorandum of Understanding
MSTVT	Ministry of Science, Technology and Vocational Training
ODA	Official Development Assistance
OECD DAC	Organisation for Economic Cooperation and Development / Development Assistance Committee
NIF	National Implementation Framework 2008-2010
PCR	Primary Completion Rate
PETS	Public Expenditure Tracking Survey
SIL	Specific Investment Loan

TEVET	Technical Education and Vocational & Entrepreneurship Training
SWAp	Sector Wide Approach
UK	United Kingdom
UNAIDS IATT	Joint United Nations Programme on HIV/AIDS Inter-Agency Task Team
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UPC	Universal Primary Completion
USAID	United States Agency for International Development
USD	United States Dollar
ZMK	Zambian Kwacha

1 Zambia Background

1.1 Zambia has a population of 11.7 million people and is relatively urbanised compared with other African countries, with 44% of the population living in urban areas. At independence in 1964 Zambia was one of the wealthiest nations in Africa, with the economy reliant on copper as the main driver of economic growth. By the mid-1970s, poor economic management, combined with significant falls in export prices and a rise in fuel prices, resulted in a decline in Zambia's economic status and corresponding high levels of poverty.

1.2 In the early 1990s an economic reform programme was introduced following the transition to multi-party democracy in 1991. The removal of exchange rate controls, liberalisation of the trade regime, decontrolling food and agriculture prices and privatisation of state-owned enterprises led to more stable economic growth. Gross domestic product (GDP) has grown at an average of 5.1% since 2000, while GDP per capita has also increased significantly since 2000, initially at USD 314 rising to USD 1,223 in 2008 (World Bank, 2008a).

1.3 Zambia received Heavily Indebted Poor Country (HIPC) and Multilateral Debt Relief Initiative (MDRI) status in 2005 and 2006 respectively, but poverty is still high with 64% of the population living below the USD 1 a day level and 68% living under the national poverty line. Rural poverty is also a major issue with 78% of the rural population currently living below the poverty line in contrast to 53% of the urban population (World Bank, 2008b).

1.4 This is reflected in the United Nations Development Programme (UNDP) Human Development Report 2008 which gives Zambia 0.453 in the human development index (HDI), where Zambia is ranked 163 out of 179 countries. Zambia is on track to achieve some of the Millennium Development Goals (MDGs), but it is likely that they will not be achieved in areas such as extreme poverty, child mortality, maternal mortality and major diseases. The main challenges to achieving the MDGs are the prevalence of HIV/AIDS, the limited effectiveness of public institutions in delivering services and weaknesses in fiscal and public financial management and accountability.

1.5 The global financial crisis is also currently significantly affecting Zambia through a sharp fall in copper prices which has reduced copper exports, which in turn is reducing government revenues and capital inflows. The rise in world fuel and food prices has also increased inflation significantly in Zambia (International Monetary Fund (IMF), 2009). This is likely to result in a slowdown in economic growth and less favourable economic prospects for Zambia in the medium-term.

2 Aid Relationships

2.1 Zambia experienced an increase in aid commitments of USD 570 million between 1999 and 2006 (Annex B, Figure B.1). Over time Zambia's aid dependency has increased rising from approximately 8% of Gross national income (GNI) in 1999 to 14% in 2006, but this fell to 10% in 2007 (Annex B, Figure B.2 and OECD DAC Statistics). Similarly, there has been a fluctuation in the share of multilateral aid in total aid, with a peak of 49% in 2000 and a low of 13% in 2005, which rose again to 23% in 2007.

2.2 The majority of bilateral Official Development Assistance (ODA) during 2006-2007 was directed at debt relief, while the second largest share of ODA was for health and population activities. The third was programme assistance, with around 8% of bilateral ODA for the education sector (OECD DAC). The major donors by aid commitments during 1999-2006 were the United Kingdom (UK) with 14% of total commitments, International Development Association (IDA) with 13%, the European Commission (EC) with 12% and both Germany and Japan with 11% of total commitments (Annex B, Figure B.3).

2.3 In terms of aid to basic education, as Figure B.4 in Annex B indicates, between 1999 and 2006, aid commitments to education and basic education have fluctuated. Initially aid from bilaterals declined, but then rose again from 2001, although aid from multilateral institutions has been on a downward trajectory during the whole of this period. The share of aid to basic education as a share of total aid to education has also fluctuated over the period. It declined significantly in 2000 and 2003, but has increased since.

2.4 The Netherlands has been the largest donor to basic education by commitment with 53% of total aid. Next are the United States, the EC and Norway with 11% and then Ireland with 6% of the total. Until 2008 there were 10 donors providing financing directly to the education sector. Of these donors, eight provided support to the sector through a pooled fund which was established in 2003 to support the subsectoral primary education programme. As of 2008, four donors have switched from pooled funding to providing general budget support (Annex B, Table B.7.). These are Department for International Development (DFID), EC, Norway and Finland, leaving the Netherlands, Irish Aid, Denmark and the United States Agency for International Development (USAID) as the only donors supporting the education pooled fund.

2.5 There has been an initiative to improve the effectiveness of aid in Zambia through a harmonisation and alignment process which began in 2002. This process translated into two main outputs which were the Zambia Aid Policy and Strategy in 2005 and the Joint Assistance Strategy for Zambia (JASZ 2007-2010). The Aid Policy provides a framework for guiding how development aid should support the Fifth National Development Plan (FNDP), while the JASZ attempts to harmonise aid delivery and decongest donor activity in sectors. This has resulted in some donors leaving sectors and a division of labour being agreed between donors across each sector, with one donor leading and functioning as the focal point between cooperating partners and the Government of Zambia (GRZ). Currently Irish Aid and the Netherlands are co-leads for the education sector.

3 Basic Education in Zambia

Education System

3.1 The education system in Zambia is divided into five subsectors which are basic schools, high schools, teacher training, technical education, entrepreneurial and vocational training (TEVET) and universities. These institutions are under the remit of the Ministry of Education (MoE), except for TEVET, which falls under the authority of the Ministry of Science, Technology and Vocational Training (MSTVT) and the two universities which are self-governing parastatal bodies.

3.2 A process of decentralisation has been undertaken with the MoE deconcentrating decision-making and financial management authority to local administrative levels. There have been Education Boards introduced at the District, High School and Teacher training Colleges. Textbook procurement has been decentralised, while per capita school grants were introduced in 2000.

3.3 Current policy and planning initiatives have their origins in the efforts that were made to initiate and develop these processes in the early 1990s. In 1996 a policy document 'Educating Our Future' was published which was then implemented through the Basic Education Sub-Sector Investment Programme (BESSIP). This outlined the objective of equitable access to quality education and made changes to the structure of the pre-tertiary education system.

3.4 The previous education system involved seven years of primary education and five years of secondary education, whereas the new system introduced nine years of basic education, which included upper basic education in grades 8 and 9 and three years of secondary education. The logic behind this change was that since most secondary education was undertaken in boarding schools, it made sense to ensure that a basic nine years was offered at local schools, in order to encourage all children to complete a minimum of nine years education (World Bank, 2006). This new system has not yet been fully introduced with in 2006 only 30% of basic local schools offering grades 8 and 9 and only 15% of secondary schools have stopped teaching grades 8 and 9. Part of the reason for this is that local basic schools need to be expanded with the construction of additional classrooms.

3.5 Education policy has been implemented since 2003 through two sector plans. The Ministry of Education Strategic Plan (MoESP) from 2003-2007 and the Education National Implementation Framework (NIF) 2008-2010. Prior to this in 2002, a policy of free basic education was introduced which abolished user fees for grades 1-7 and ensured that school uniforms were not compulsory.

3.6 The 2003 MoESP focused on five main priorities which were: i) improved access, gender equity and quality in basic education; ii) improved quality and efficiency in high school and tertiary education; iii) development of relevant skills and enhanced learning achievement by all learners; iv) decentralisation of decision-making, procurement and financial management to districts and schools; and v) management and the mitigation of the impact of HIV/AIDS.

3.7 The NIF translates the 2006 Fifth National Development Plan (FNDP) 2006-2010 into medium-term targets, strategies and programmes. The main priorities outlined for education

in the FNDP are; i) development, recruitment, deployment and retention of teachers; ii) construction of additional classrooms and new high schools; iii) procurement and equitable distribution of learning materials; and iv) review of existing and development of diversified and comprehensive criteria.

3.8 Zambia has made good progress on key education indicators. In 1999 the primary gross enrolment rate (GER) and primary completion rate (PCR) were 75% and 63% respectively. These have risen to a primary GER of 130% and PCR of 91% in 2007, with a GER of 100% and 70% for grades 1-7 and 8-9 (Annex B, Table B4). There are few gender disparities, but there are large disparities between rural and urban areas.

3.9 These improvements have mainly been due to increased demand for education, the introduction of free education, double shifting in primary schools and increased GRZ financing of the sector. In 1999 public expenditure on education was 2% of GDP, a fall from 1983 when it was 5%. Public expenditure then rose to 4.1% of GDP in 2007, which represents 17% of total public expenditure (Fast Track Initiative (FTI) Assessment, 2007).

3.10 The majority of GRZ spending on education is directed towards basic education with 62% of total GRZ funds to the education sector funding this subsector in 2005. Overall, basic education received 51% of education sector pool funds, while only 15% went to secondary education.

3.11 Although progress has been made in terms of access to education, quality of education remains an issue. The assessment of the NIF by the education donor group notes that although Zambia has recruited 20,000 additional teachers, there has not been adequate progress in expanding educational infrastructure and tackling teacher retention and absenteeism.

4 Overview of the FTI in Zambia¹

4.1 Zambia was selected to be one of the first countries to join the FTI partnership in June 2002. In July 2002 this invitation was accepted by the GRZ and an external appraisal mission visited Zambia in November of that year. Despite this, Zambia did not submit its education sector plan for FTI endorsement until 2008, with FTI endorsement achieved in September 2008.

4.2 There were a variety of reasons why the appraisal and endorsement process were not completed earlier. Both the 2007 Education for All (EFA) FTI Aide Memoire and sector informants note that the main reason was that there was not perceived to be significant value-added from the process. It was clear that additional funding would have to be raised in-country as Zambia did not qualify as a donor orphan, which meant that to have access to Catalytic Fund (CF) funding a country had to have fewer than four donors disbursing more than USD 1m annually. Also education sector donors at the time were confident that they would be able to raise the necessary additional funding. Given this, the MoE and education sector donors felt that there was not much to be gained from FTI endorsement.

4.3 Additionally the sector plan had not been finalised and the Sector Wide Approach (SWAp) was in the process of being established as well as the pooled fund, so there was a concern among donors that FTI might undermine country-led strategic planning processes and jeopardise good working relationships with the MoE. This was compounded by the fact that the World Bank had indicated that they wouldn't support the education plan as they didn't think it was credible, so donors were worried that a top-down World Bank led process would be introduced as a result of FTI.

4.4 Zambia decided to apply for FTI endorsement when additional funding became available through FTI CFs. In 2007 the eligibility criterion for CF funds based on being a donor orphan was changed and the criteria was now based on the size of the country's plan 'funding gap', compared to existing levels of aid from local donors. It also became clear that during the preparation of the NIF that there would be a funding gap that couldn't be filled in-country and CF was then an attractive option.

4.5 The FTI Secretariat visited Zambia in 2007 to define and agree on a work programme and timeline for Zambia's endorsement by the local donor group. Zambia prepared the first draft of the NIF and submitted this to its partners for appraisal in June 2007. This first appraisal mission was not successful because the associated implementation plan was judged unsatisfactory. The document was then revised and resubmitted and achieved endorsement by the local donor group and FTI Secretariat endorsement in 2008.

4.6 Appraisal of the education sector strategic plan led to the identification of a funding gap for basic education of USD 81 million and an application was made at the time of endorsement for a contribution of USD 60 million from the FTI CFs from 2008-2010 (see Annex B, Table B1 for a calculation of the education sector funding gap). The full amount of the funding gap was not applied for in order to not discourage local mobilisation of resources. The local donor group made clear in their application for CFs that these funds should be channelled through a funding modality in line with the current harmonisation and alignment initiatives in the sector. This was also supported by the MoE.

¹ See Timeline of FTI Events at Annex A.

4.7 The local donor group followed this up by commissioning a Fiduciary Risk Assessment (FRA) in 2008 to explore ways in which the education sector could improve the education sector pooled fund and develop a more efficient channel for donor funding including FTI CFs. The assessment [Ministry of Education, 2008) concluded that using the pooled fund for CFs was more efficient than alternative funding mechanisms. The education sector pooled fund had more benefits in comparison to the GRZ budget system because it provided predictable funding for the first quarter of the fiscal year and more efficient funding for the lower levels by disbursing grants on a quarterly basis. Some fiduciary risks and flaws in the system were highlighted which related to requirements for dual planning and accounting systems which increased the administrative burden for GRZ. However, the report concluded that the sector pool functioned reasonably well, but the most efficient system would be to move to sector budget support as this would be fully aligned with GRZ systems. This is a transition that is intended to take place during 2009.²

4.8 A problem arose as the World Bank would normally be the supervising entity for FTI, but under World Bank rules it would not have been able to fund through the education pooled funds without additional procurement procedures, which would have moved the fund further away from alignment with government systems. World Bank International Competitive Bidding (ICB) procedures would have been needed to be used for all the pooled funds or CFs would have had to be ring-fenced or virtually earmarked in some way.

4.9 The World Bank did offer two options for channelling CFs if it was to become the supervising entity. These were to use either a development policy operation (DPO) and channel financial support through general budget support (GBS) or a sector investment operation support (SIL). The MoE and the donor group were concerned about using a DPO due to problems that the MoE has experienced with late and irregular payments from the Ministry of Finance and National Planning (MFNP) and the fact that disbursement of these funds would be based on the fulfilment of triggers, which if not reached could result in funds not being disbursed.

4.10 Under a SIL, ICB procedures for civil works, goods and services above specific thresholds (USD 2.5 million for civil works and goods) must be used according to World Bank guidelines. The World Bank argued that this should not be a problem as this would be consistent with the new Zambian procurement law. As a temporary solution before the new law was adopted they proposed that specific activities within the education pooled fund that were below the ICB threshold should be earmarked for CF funding, so that ICB procedures would not need to be used. This would be a form of virtual earmarking.

4.11 The education donor group and the MoE were not happy with this solution as they wanted to move away from a position where funds were earmarked for specific activities and required additional reporting. They also felt that this went against the spirit of the planned move towards sector budget support in education. In response the donors prepared a 'Proposed Modalities for FTI' note (Laursen, 2008) that outlined the reasons for their opposition to a solution that would involve the World Bank as supervising entity and put forward the option as the Netherlands as the supervising entity.

4.12 Agreement was reached in-country for the Netherlands to be the supervising entity for the CFs rather than the World Bank and a background note explaining this decision was

² The intention is for donors to move to a system where they still earmark financial support to the NIF, but do not disburse into an account managed by the MoE with additional accounting and reporting requirements, rather the funds are joined with GRZ funds and channelled through the MFNP to finance any activity included under the MoE annual work plan and budget.

appended to Zambia's FTI application for the CF Committee meeting in Oslo in December 2008. This was then approved by the CF committee which made the final decision on the supervising entity.

4.13 It was the two co-lead donors in the education sector that took the lead in pushing for the funds to go through the education sector fund, supported by the other donors who funded the education sector pooled fund. The MoE were also active in gaining support for this position from the MFNP, while donors lobbied their headquarters for support. The FTI Secretariat focal point for Zambia was clear that any decision on this had to be made at country level and was kept aware of progress of discussions in country. The final decision on whether to accept the Netherlands as the supervising entity was made by the CF Committee when the decision on whether Zambia should receive CF funds was made.

4.14 The application for CFs was granted in January 2009 with USD 60 million covering 2009 and 2010 to be disbursed in two or three tranches depending on circumstances. As the supervising entity the Netherlands concluded a bilateral agreement with the MoE to support the NIF from 1st July 2008 to 31st December 2010 for an amount of USD 65 million, which included the CFs. This was based on the standard template for partner country agreements with the government for bilateral cooperation.

4.15 A transfer agreement was also concluded between the CF Trust Fund and the Netherlands to ensure that fiduciary responsibility rests with the Netherlands. This enables the Netherlands to use its own regulations, rules, procedures and practices in disbursing and supervising the use of the funds, discharging the World Bank from any monitoring, supervision, reporting or other responsibilities following disbursement of funds. The Netherlands will also charge a management fee for fund supervision which is in the line with that of the World Bank.

4.16 Disbursements for CFs will be made by the Netherlands and will follow the established mechanism for disbursement into the sector pool. This means semi-annual disbursements in the i) 2nd and 3rd quarter; and ii) 4th and 1st quarter. Disbursements are triggered by payment requests submitted by the MoE. There are no additional reporting requirements due to CFs, as the same reporting will be used as already exists for the sector pooled fund. These are that the MoE is required to submit a consolidated semi-annual progress and financial reports according to the stipulations in the Memorandum of Understanding (MoU), as well as undertaking an annual audit and joint annual review with stakeholders. The Netherlands will submit an annual report to the FTI Secretariat based on the annual progress reports from the MoE.

4.17 Zambia also received EPDF funds to prepare for the CF application. These funds financed the Public Expenditure Tracking Survey (PETS) which was used by the MoE and education donors to feed into the FRA study to decide on the most appropriate funding channel for CFs. Due diligence background reports on financial management and procurement were also funded which were used to prepare the groundwork for the World Bank to be the supervising entity. Also Zambia participated in an Education Program Development Fund (EPDF)-funded Capacity Development Workshop on 'Country Leadership and Implementation for Results in the EFA-FTI Partnership in July 2007.

5 Key Issues

FTI and Education Policy and Planning

5.1 More recent successes in developing a policy and planning process can be traced back to efforts to initiate sector planning in the early 1990s in Zambia. The first education strategic plan from 2003-2007 was being developed at the time that Zambia was invited to join FTI and this was a country led process. Although there was an awareness of the FTI Indicative Framework (IF) indicators these were not the main drivers of the plan. There is also no mention of FTI in the Joint Appraisal of the plan in 2002, nor does the plan itself refer to FTI.

5.2 The NIF covers 2008-2010 and was prepared at the time that Zambia was seeking endorsement for FTI and making an application for CFs. The document translated policy decisions already included in the Fifth National Development Plan (FNDP) into the plan. The FTI Secretariat review of the plan notes that ‘the NIF has a comprehensive coverage of key priorities and policies and issues relevant to education’ (EFA FTI 2008b, p1). The local donor group endorsed the plan and noted that there were a few areas of concern. These were overall capacity to implement the plan, the significant increase projected in construction of school classrooms, attention to equity issues and an action plan was recommended as a result, as well as a strategy to raise learning outcomes.

FTI and the Financing of Education

5.3 Zambia did not seek FTI endorsement in 2003 when the MoESP was being developed as the funding gap could be covered from resources in-country. The funding gap in this instance was calculated by comparing the actual projected costs of the plan with the resource envelope available. The resource envelope was calculated by projecting domestic resources available from the GRZ budget and commitments by donors. In this instance the plan included specific targets for educational indicators for 2007 rather than EFA goals.

5.4 As noted in ¶44.2 and ¶44.4 above, the financing gap was an important factor in Zambia’s decision as to whether to apply for CFs. In the preparation of the NIF a financing gap of USD 81 million was identified (see Annex B, Table B1). This was based on projections of different scenarios made as part of the NIF planning process. The costing was undertaken on the basis of the resources needed to reach specific targets by 2015. One target related specifically to EFA which is Universal Primary Completion (UPC) for middle basic grades (Grades 1-7) by 2015 and a 0% drop out rate for upper basic education (Grades 8-9). After discussion between the MoE and donors it was decided to apply for only USD 60 million from the CFs. This was because it was felt that it was important not to discourage resource mobilisation from domestic sources. Particularly as it was expected that government revenues would increase as a result of a new mining tax regime, debt reduction and economic growth.

5.5 This increase in domestic resources has occurred, as there is an increase in GRZ funding of Zambian Kwacha (ZMK) 1.8 trillion in 2008 for the MoE, an increase from ZMK 1.6 trillion in 2007 and this is expected to rise to ZMK 2.5 trillion by 2010 (EFA-FTI 2008a). Overall GRZ financing to education has increased from 3.0% of GDP in 2002 to 4.1% of GDP in 2007 (Annex B, Table B5.) and is also projected to increase further to 4.4% of GDP by 2010 (EFA-FTI 2008a).

5.6 At the same time there has been a reduction in direct donor funding to the education sector as four donors have moved from sector pooled funding to GBS. In 2007 donors disbursed directly USD 94 million to the education sector overall, with approximately USD 82 disbursed through the pooled funds. It is expected that this will decline to around USD 52.5 million annual from 2008-2010. This means that the education pooled fund only covered 12% of the MoE's annual work plan in 2008, whereas in 2005 it covered 38%. On the other hand, the increase in domestic resources is substituting for this fall in direct donor funding, which is being financed partly by more donors funding through GBS rather than direct to sectors.

5.7 The CF of USD 60 million will assist in funding the activities outlined in the NIF and through this should make a contribution to achieving UPC. As noted in ¶44.17 Zambia has also benefitted from receiving assistance from the EPDF with funds being used to assist in a variety of activities to support the CF grant application and attendance at a capacity development workshop in Dakar in 2007.

FTI and the Data Gaps

5.8 Data on education is reasonably reliable with MoE data systems providing indicators of major trends and baselines for key indicators of access, quality, efficiency, completion and equity. The Education Management Information System (EMIS) system according to UNESCO was rated as one of the stronger systems in the region and uses data from the annual school census to produce information classified by geographic region, gender and sub-sets of vulnerable populations.

5.9 There are however weaknesses in the system as there are according to the Government of Zambia Assessment of the NIF (2008a), relatively large differences between enrolment rates based on EMIS and those from household survey. There is also limited MoE capacity to use data produced for planning purposes. To date there have been no FTI related initiatives to improve data gaps or strengthen data collection systems.

FTI and Capacity Development

5.10 Zambia has had assistance in capacity building through funding from EPDF. The NIF 2008-2010 itself includes an analysis of capacity constraints and measures to strengthen capacity in management, procurement, budgeting and finance. Also in response to both the FTI Secretariat and local donor group pointing out that ambitious school construction targets included in the NIF imply a need to focus capacity building in this area, the MoE has developed an Infrastructure Operational Plan 2008 which outlines plans, budgets and a monitoring system for community construction programmes.

FTI and Aid Effectiveness

5.11 The aid effectiveness agenda has made significant progress in Zambia. In education a strong donor harmonisation process exists with joint ways of working between government and donors having been developed as part of the education SWAp and the sector pooled funds which support them. As part of this, there have also been significant efforts by all education partners to develop the two education sector plans in 2003-2007 and 2008-2010 and to provide more predictable and harmonized funding aligned with government systems.

5.12 FTI CF had the potential to undermine the aid effectiveness agenda, if the decision had been made to use the World Bank as the supervising entity as this would have led to an education sector pool that was less aligned with GRZ systems. Due to the strength of the

education partnership group and the processes that had already been developed by the group and within Zambia as a whole, it was possible to make the case that a different supervising entity should be chosen rather than the World Bank.

5.13 The education donors in Zambia had also studied and learnt from the Mozambique experience of CFs where the choice of supervising entity in the form of the World Bank had resulted in a backwards step in terms of alignment with government systems, due to the imposition of World Bank procurement rules. They decided that they did not want a similar situation to occur which might undermine the gains that they had made in harmonisation and alignment in the education sector. As a result, they invested considerable time and effort in ensuring the process went smoothly in Zambia by ensuring on-going dialogue between donors' in-country, donor headquarters, the MoE, the MFNP, the FTI Secretariat and the World Bank.

5.14 Key to the success of this process was also the aid effectiveness agenda which was strongly supported by the donors and the World Bank and was used as an argument for having a supervising entity that could channel FTI funds through the education pooled fund. In order to be in line with the JASZ process, it was not possible to include an additional donor in the sector as the supervising entity as the aim of the JASZ was to ease congestion in sectors. As the World Bank was not currently funding education, the Netherlands was a more obvious choice.

5.15 Added to this, the Zambian case was also helped by the EFA-FTI Modality Guidelines (September 2008) which made it easier to argue the case, as they acknowledge that there might be instances where *'the World Bank is not part of an existing well-functioning pooled funding arrangement'* and an alternative supervising agency might be an option. Also, the MoE had made it clear from the outset that they would not be interested in the FTI funds if they were channelled in the form of a World Bank project and they persuaded the GRZ to back them on this stance.

5.16 As a result, through choosing a supervising entity that can channel CFs through the education sector pool, FTI has supported the aid effectiveness agenda in Zambia by using the most aligned funding modality.

Cross-Cutting Issues

5.17 Zambia has already made good progress on cross-cutting issues. Interventions such as free basic education, the expansion of primary school coverage combined with bursaries and a pregnancy readmission policy has increased the enrolment of girls who now have parity with boys in terms of primary school entry. The number of orphans enrolled in basic education has increased three-fold since 2000 representing 20% of total enrolment in 2007, while special needs students have also experienced increases in enrolment reaching 5% of basic education enrolments.

5.18 An HIV/AIDS strategy was put in place in 1999 by the MoE which includes work place advocacy, ART (antiretroviral therapy) treatment and the curriculum. The policy was assessed by UNAIDS IATT (2007) as having made headway in developing a workplace policy, although the prevention part of the policy has been less successful as it was not focused or implemented effectively. As a result, in the NIF 2008-2010 a priority is to scale up the HIV/AIDS strategy and strengthen the prevention component, while the FTI Assessment by the MoE and the local donor group (2008a) recommends that an equity action plan is developed by the MoE to target solutions for both gender equity and HIV/AIDS.

6 Conclusions

6.1 The conclusions give the overall assessments for Zambia against each of the high level questions. It then provides a summary of overall conclusions for each workstream. This takes the form of a matrix which identifies the FTI inputs and assesses the relevance, effectiveness, efficiency and sustainability of FTI's contributions (see Box 1 below).

The High Level Evaluation Questions

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

6.2 When Zambia was first invited to join FTI in 2002, the aims of FTI were consistent with the needs and priorities of Zambia, but Zambia saw no value-added in joining given that they were already prioritising education and no additional funding was likely to be forthcoming from FTI. In the light of this, Zambia decided not to seek endorsement as the cost of going through the process outweighed the benefits, as funding was going to come from bilaterals in-country anyway, so the FTI represented an additional hoop to jump through which was perceived to be unnecessary.

6.3 By 2007 when Zambia decided to apply for FTI endorsement it had made significant progress in key educational indicators, which seems to vindicate this decision and suggest that FTI endorsement was not needed earlier. Now that Zambia has a financing gap that will not be filled by donors in-country, there is better alignment between the aims of FTI and the needs and priorities of Zambia. The JASZ process has led to donors leaving the sector and the amount of support to the education sector pooled fund diminishing. Although there has also been a corresponding increase in GRZ funding, a funding gap still remains.

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

6.4 As Zambia only received FTI endorsement in 2008 it is too soon to make a judgement on whether FTI is accomplishing what it was designed to do, accelerating progress on EFA. However, Zambia already has a good record in improving key basic education indicators as the primary PCR was 64% in 1999 and 91% in 2007. As a result, it is unlikely that FTI through CFs will accelerate progress on EFA, rather it is more likely to play a role in supporting progress already under way.

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?

6.5 FTI has assisted in mobilising international resources through provision of CFs and as these will be channelled through the Netherlands as supervising entity into the education sector pooled fund this has supported the alignment process and the Paris Declaration.

Additional Relevance, effectiveness, efficiency and sustainability

Relevance

6.6 FTI was not relevant to Zambia when it was initially invited to join FTI as Zambia was intending to leverage additional financing from donors in-country, so there was little reason for the MoE to apply for FTI endorsement given the additional work that this would involve at a time when they were already developing a new sector plan. When the education sector developed the NIF 2008-2010 there was now a financing gap which couldn't be filled in country and the opening of CF financing to additional FTI countries led to the FTI becoming more relevant for Zambia.

Effectiveness, Efficiency and Sustainability

6.7 As Zambia only received FTI endorsement in 2008 and has not yet received CFs it is not possible to comment on most aspects of effectiveness, efficiency or sustainability.

Analytical summary

6.8 Box 1 provides a more detailed summary of findings and conclusions, overall and for each stream of analysis, against the principal DAC evaluation criteria.

Box.1 Analytical Summary Matrix

SUMMARY – ZAMBIA

Context: *What was the situation at level zero? What was happening in country before FTI?*

- Education policy has been implemented since 2003 through two sector plans. The Education Strategic Plan from 2003-2007 and the Education National Implementation Framework 2008-2010. These were both credible costed plans. Policy interventions such as free basic education, the expansion of primary school coverage combined with bursaries and a pregnancy readmission policy have increased the enrolment of girls who now have parity with boys in terms of primary school entry. The number of orphans enrolled in basic education has increased three-fold since 2000 representing 20% of total enrolment in 2007, while special needs students have also experienced increases in enrolment reaching 5% of basic education enrolments.
- GRZ financing of the education sector has increased from 2% of GDP in 1999 to 4.1% of GDP in 2007 which represents 17% of total public expenditure (FTI Assessment, 2007). Direct donor funding has experienced a decrease as the JASZ process has resulted in 4 out of 8 of the education pooled donors moving to GBS. This means that there was not a funding gap identified in the 2003-2007 sector plan, as it could be filled in country, but by the development of the NIF 2008-2010 a funding gap for basic education had been identified.
- Zambia's statistical information base is good and provides both reliable and detailed information by level of education, gender & grade, as well as breakdowns on specific areas such as infrastructure and instruction materials, learning outcomes, vulnerable children, vocational and technical education. There are also regular school surveys and administrative data produced, as well as expenditure tracking studies (FTI Secretariat, 2008b).
- Capacity constraints were identified by the MoE as potential bottlenecks to implementing the NIF. The classroom construction programme is a key area where capacity constraints have impacted on the pace of construction which has been very slow. The FRA also highlighted capacity constraints in management, procurement, budgeting and finance.
- The aid effectiveness agenda has made significant progress in Zambia. In education a strong donor harmonisation process exists with joint ways of working between government and donors having been developed as part of the education SWAp and the sector pooled funds which support them. As part of this there has also been significant efforts by all education partners to develop a credible Education Sector Development Plan 2003-2007 and 2008-2010 and to provide more predictable and harmonized funding aligned with government systems.
- Zambia has already made good progress on cross-cutting issues. Interventions such as free basic education, the expansion of primary school coverage combined with bursaries and a pregnancy readmission policy has increased the enrolment of girls who now have parity with boys in terms of primary school entry. The number of orphans enrolled in basic education has increased three-fold since 2000 representing 20% of total enrolment in 2007, while special needs students have also experienced increases in enrolment reaching 5% of basic education enrolments.
- An HIV/AIDS strategy was put in place in 1999 by the MoE which includes work place advocacy, ART treatment and the curriculum. The policy was assessed by UNAIDS IATT as having made headway in developing a workplace policy, although the prevention part of the policy has been less successful as it was not focused or implemented effectively.

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?*

Non-FTI Inputs:

- Development of sector plan NIF 2008-2010.
- A package of measures are being introduced to mitigate fiduciary risks identified by the FRA; measures to strengthen the MoE's capacity will be introduced which cover financial reporting, procurement and audit.
- A move towards sector budget support is being implemented in the education sector pooled fund.

What did FT do:

- FTI catalytic funds of USD 60 million to be disbursed from 2009-2010.
- EPDF were used to assist in preparation for the CF grant application, for the public expenditure tracking survey and due diligence background reports on financial management and procurement. Funds were also used to attend a capacity development workshop in Dakar in 2007 and IIEP in 2007.

Relevance - *Were the objectives of FTI support*

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)*

SUMMARY – ZAMBIA		
<i>relevant? Was the design appropriate?</i>	Effectiveness – <i>To what extent did FTI contribute to improving education sector policies, planning, data, budgeting, level of finance, delivery, monitoring and evaluation and aid effectiveness?</i>	Efficiency - <i>How economically was FTI support translated into results?</i>
<ul style="list-style-type: none"> • The CF support is relevant given the funding gap identified in the NIF • Using the Netherlands as the supervising entity for CFs and channelling these funds through the education sector pooled fund has supported the aid effectiveness agenda and alignment of donor funding with GRZ systems. • The EPDF funds have also been relevant as they have been used to prepare for the CFs and various workshops. 	<ul style="list-style-type: none"> • The CFs should assist in closing the funding gap and have supported the aid effectiveness agenda. 	<ul style="list-style-type: none"> • Too early to judge as Zambia only received FTI endorsement in September 2008 and CF funds have not yet been disbursed.
Outcomes: What has been the effect on quantity, quality, access and sustainability of primary education?		
<ul style="list-style-type: none"> • N/A 		
Sustainability: <i>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?</i>		
<ul style="list-style-type: none"> • N/A 		

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 FTI?</i>		
<ul style="list-style-type: none"> Education policy has been implemented since 2003 through two sector plans. The Education Strategic Plan from 2003-2007 and the Education National Implementation Framework 2008-2010. The 2003 Education Strategic Plan focused on five main priorities which were: i) improved access, gender equity and quality in basic education; ii) improved quality and efficiency in high school and tertiary education; iii) development of relevant skills and enhanced learning achievement by all learners; iv) decentralisation of decision-making, procurement and financial management to districts and schools; and v) management and the mitigation of the impact of HIV/AIDS. The Education National Implementation Framework translates the 2006 Fifth National Development Plan (FNDP) 2006-2010 into medium-term targets, strategies and programmes. The main priorities outlined for education in the FNDP are: i) development, recruitment, deployment and retention of teachers; ii) construction of additional classrooms and new high schools; iii) procurement and equitable distribution of learning materials; and iv) review of existing and development of diversified and comprehensive criteria. Interventions such as free basic education, the expansion of primary school coverage combined with bursaries and a pregnancy readmission policy has increased the enrolment of girls who now have parity with boys in terms of primary school entry. The number of orphans enrolled in basic education has increased three-fold since 2000 representing 20% of total enrolment in 2007, while special needs students have also experienced increases in enrolment reaching 5% of basic education enrolments. An HIV/AIDS strategy was put in place in 1999 by the MoE which includes work place advocacy, ART treatment and the curriculum. The policy was assessed by UNAIDS IATT as having made headway in developing a workplace policy, although the prevention part of the policy has been less successful as it was not focused or implemented effectively. As a result, in the NIF 2008-2010 a priority is to scale up the HIV/AIDS strategy and strengthen the prevention component, while in the FTI Assessment recommends that an equity action plan is developed by the MoE to target solutions on both gender and HIV/AIDS. 		
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>Non -FTI inputs into country-level education policy and planning in the period since FTI came in:</p> <ul style="list-style-type: none"> Zambia has a cycle of joint reviews and planning exercises which were established prior to FTI and will continue, but FTI endorsement only occurred towards the end of 2008. <p>FTI specific inputs:</p> <ul style="list-style-type: none"> There were no specific inputs on policy and planning, although the 2008-2010 plan includes many of the policies and objectives of the FTI. FTI itself is only mentioned in the context of providing funds to finance the plan, while it is also noted that teacher pupil contact hours fall below the number recommended by FTI and that policies have been put in place to increase them. 		
Relevance - <i>Were the objectives of 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? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector policy, expenditure and service delivery)</i>	
	Effectiveness – <i>To what extent did FTI contribute to developing quality education plans encompassing UPC targets? To what extent did FTI contribute to implementation of sector policies?</i>	Efficiency - <i>How economically was FTI support to country level policy and planning translated into results?</i>
<ul style="list-style-type: none"> There was no specific support, but FTI policies were in line with those already being undertaken in Zambia. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Sustainability: <i>Are the changes that took place in policy and planning interventions likely to survive? How resilient are the benefits to risks?</i>		
STREAM 2: Finance		

STREAM 2: Finance		
Context: <i>What was the situation at level zero with respect to education finance? What was happening in country before FTI?</i>		
<ul style="list-style-type: none"> GRZ financing of the education sector has increased from 2% of GDP in 1999 to 4.1% of GDP in 2007 which represents 17% of total public expenditure (FTI Assessment, 2007). Direct donor funding has experienced a decrease as the JASZ process has resulted in four out of eight of the education pooled donors moving to GBS. This means that there was not a funding gap identified in the 2003-2007 sector plan, as it could be filled in country, but by the development of the NIF 2008-2010 a funding gap for basic education had been identified. The main funding for the education sector from donors comes through a pooled fund which has the advantage of avoiding some of the problems of the GRZ budgetary system. A FRA was undertaken by the MoE and donors which concluded that the sector pool had benefits that the GRZ budget system does not provide. These were: i) predictable funding for the 1st quarter of the fiscal year; and ii) more efficient funding for the lower levels by disbursing grants on a quarterly basis. Some fiduciary risks and flaws in the system were highlighted which related to requirements for dual planning and accounting systems which increase the administrative burden for GRZ. 		
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>Non -FTI inputs into country-level financial planning and resource mobilization in the education sector in the period since FTI came in:</p> <ul style="list-style-type: none"> A package of measures are being introduced to mitigate fiduciary risks identified by the FRA measures to strengthen the MoE's capacity will be introduced which cover financial reporting, procurement and audit. A move towards sector budget support is being implemented in the education sector pooled fund. <p>FTI specific inputs:</p> <ul style="list-style-type: none"> FTI catalytic funds of USD 60 million to be disbursed from 2009-2010. EPDF were used to assist in preparation for the CF grant application, for the public expenditure tracking survey, and for due diligence background reports on financial management and procurement. Funds were also used to attend a capacity development workshop in Dakar in 2007 and IIEP in 2007. 		
Relevance - <i>Were the objectives of FTI support to education finance 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, expenditure and service delivery)</i>	
	Effectiveness – <i>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?</i>	Efficiency - <i>How economically was FTI support to country level finance for education translated into results?</i>
<ul style="list-style-type: none"> The CF support is relevant given the funding gap identified in the NIF. The disbursement mechanism through the sector pooled fund was also appropriate as the most aligned funding channel. The EPDF funds have also been relevant as they have been used to prepare for the CFs and various workshops. 	<ul style="list-style-type: none"> The CFs should assist in closing the funding gap. 	<ul style="list-style-type: none"> Using the CF to augment an existing pool is seen as an efficient modality.
Sustainability: <i>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?</i>		
<ul style="list-style-type: none"> It is likely that the increase in funding from FTI CF will not be sustainable as although GRZ funds are increasing, direct donor funds have decreased. 		

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 in country before FTI? Was quality and use of data relevant to the context and to the monitoring needs of the education strategies?</i>		
<ul style="list-style-type: none"> Zambia's statistical information base is good and provides both reliable and detailed information by level of education, gender & grade, as well as breakdowns on specific areas such as infrastructure and instruction materials, learning outcomes, vulnerable children, vocational and technical education. There are also regular school surveys and administrative data produces, as well as expenditure tracking studies (FTI Secretariat 2008b). 		
Inputs: <i>What did FTI do? What problems did it identify and how did it address them?</i>		
FTI specific inputs: <ul style="list-style-type: none"> None 		
Relevance - <i>Were the objectives of FTI support relevant to data and M&E needs? 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, expenditure and service delivery)</i>	
	Effectiveness – <i>To what extent did FTI contribute to improved collection of data and better information services? To what extent is there better use of data to inform policy and funding?</i>	Efficiency - <i>How economically was support to country data and M&E translated into results?</i>
N/A	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Sustainability: <i>Are the changes that took place data and M&E management likely to survive? How resilient are the benefits to risks?</i>		
N/A		

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 constraints were identified by the MoE as potential bottlenecks to implementing the NIF. The classroom construction programme is a key area where capacity constraints have impacted on the pace of construction which has been very slow. The FRA also highlighted capacity constraints in management, procurement, budgeting and finance. 		
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>		
Non-FTI specific inputs to capacity assessment and capacity building in the period since FTI came in: <ul style="list-style-type: none"> The NIF 2008-2010 itself includes an analysis of capacity constraints and measures to strengthen capacity in management, procurement, budgeting and finance. Also in response to both the FTI Secretariat and donor groups pointing out that ambitious school construction targets included in the NIF imply a need to focus capacity building in this area in order for the programme to be successful, the MoE has developed a Infrastructure Operational Plan 2008 which outlines plans, budgets and a monitoring system for community construction programmes. 		
FTI specific inputs: <ul style="list-style-type: none"> Zambia has had assistance in capacity building through funding from EPDF for capacity development workshop in Dakar in 2007 prior to FTI endorsement. 		
Relevance - <i>Were the objectives of 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? (Immediate effects refer to processes, intermediate outcomes refer to changes in sector policy, expenditure and service delivery)</i>	
	Effectiveness – <i>To what extent did 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 FTI support to country level capacity building translated into results?</i>

STREAM 4: Capacity		
• N/A	• N/A	N/A
Sustainability: <i>Are the changes that took place in capacity likely to survive? How resilient are the benefits to risks?</i>		
N/A		

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 FTI? To what extent was aid for education efficiently & effectively provided?</i>		
<ul style="list-style-type: none"> The aid effectiveness agenda has made significant progress in Zambia. In education a strong donor harmonisation process exists with joint ways of working between government and donors having been developed as part of the education SWAp and the sector pooled funds which support them. As part of this there have also been significant efforts by all education partners to develop a credible Education Sector Development Plan 2003-2007 and 2008-2010 and to provide more predictable and harmonized funding aligned with government systems. 		
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>Non-FTI specific inputs to improving of aid effectiveness during the period since FTI came in:</p> <ul style="list-style-type: none"> A transition is currently occurring from a sector pooled fund to sector budget support in education. <p>FTI specific inputs to improving aid effectiveness:</p> <ul style="list-style-type: none"> Using the Netherlands as the supervising entity for CFs and channelling these funds through the education sector pooled fund has supported the aid effectiveness agenda and alignment of donor funding with GRZ systems. 		
Relevance - <i>Was FTI support to aid effectiveness 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, expenditure and service delivery)</i>	
	Effectiveness – <i>To what extent did FTI contribute to more international aid, and to aid that is better, coordinated and more coherent with domestic efforts in the sector?</i>	Efficiency - <i>How efficiently was aid delivered?</i>
<ul style="list-style-type: none"> The funding channel for CF was relevant as it was consistent with donor harmonization and alignment mechanisms within the sector and no extra procedures were required as a result of CFs. 	<ul style="list-style-type: none"> N/A as CF funds have not yet been disbursed. 	<ul style="list-style-type: none"> Using the CF to augment an existing pool is seen as an efficient modality.
Sustainability: <i>Are the changes that took place with respect to aid effectiveness likely to survive? How resilient are the benefits to risks?</i>		
• N/A		

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 FTI?</i>

STREAM 6: Cross-Cutting Issues (HIV/AIDS, gender, equity and exclusion)		
<ul style="list-style-type: none"> Zambia has already made good progress on cross-cutting issues. Interventions such as free basic education, the expansion of primary school coverage combined with bursaries and a pregnancy readmission policy has increased the enrolment of girls who now have parity with boys in terms of primary school entry. The number of orphans enrolled in basic education has increased three-fold since 2000 representing 20% of total enrolment in 2007, while special needs students have also experienced increases in enrolment reaching 5% of basic education enrolments. An HIV/AIDS strategy was put in place in 1999 by the MoE which includes work place advocacy, ART treatment and the curriculum. The policy was assessed by UNAIDS IATT as having made headway in developing a workplace policy, although the prevention part of the policy has been less successful as it was not focused or implemented effectively. 		
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>Non -FTI inputs aimed at ensuring that relevant cross-cutting issues are understood and mainstreamed into policy, implementation and monitoring:</p> <ul style="list-style-type: none"> In the NIF 2008-2010 a priority is to scale up the HIV/AIDS strategy and strengthen the prevention component, while in the FTI Assessment recommends that an equity action plan is developed by the MoE to target solutions on both gender and HIV/AIDS. <p>FTI specific inputs:</p> <ul style="list-style-type: none"> None. 		
Relevance - <i>Were the objectives of 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 FTI contribute to improved strategies to address cross cutting issues? To what extent did FTI contribute to implementation of these strategies?</i>	Efficiency - <i>How economically was FTI support to cross cutting issues translated into results?</i>
N/A	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
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>		
N/A		

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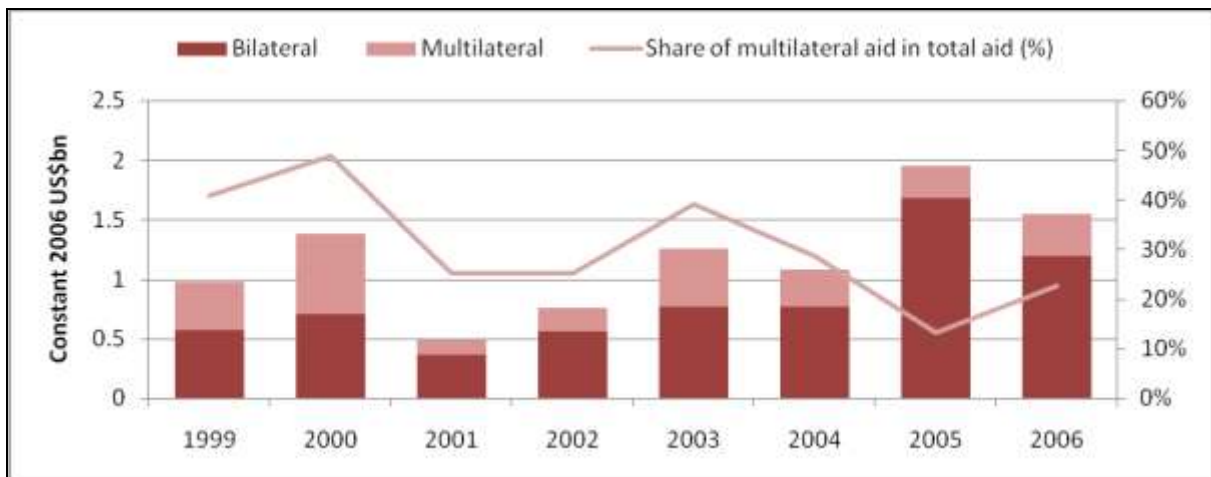
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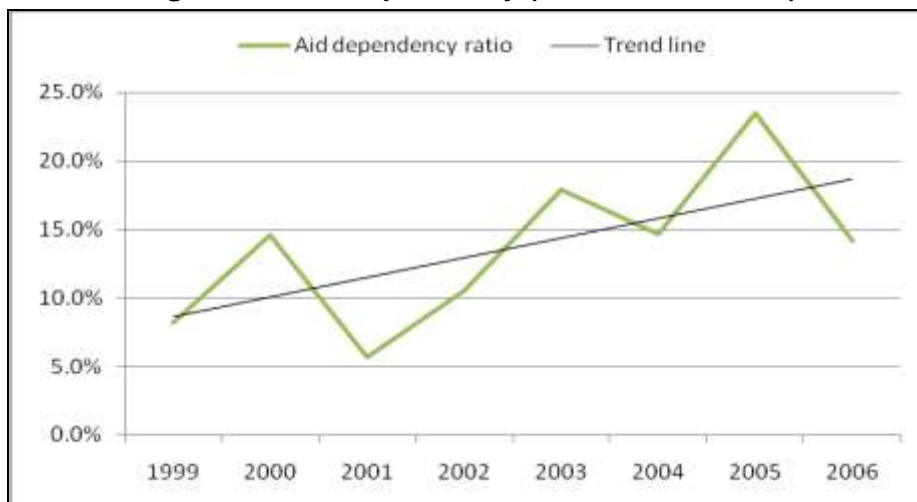
Annex A – Key Data

Figure A1: Total aid commitments (constant 2006 USD bn)



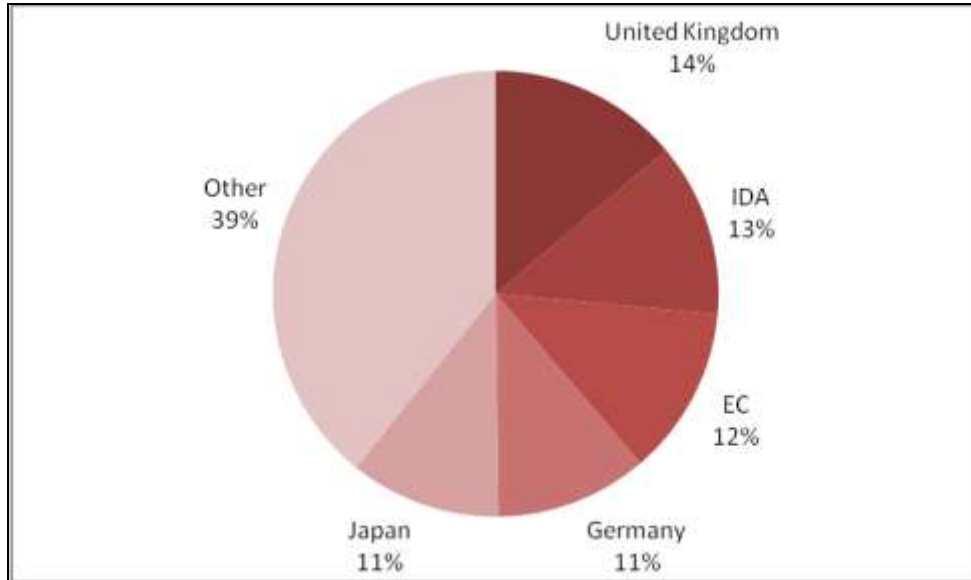
Source: Table A6

Figure A2: Aid dependency (commitments/GNI)



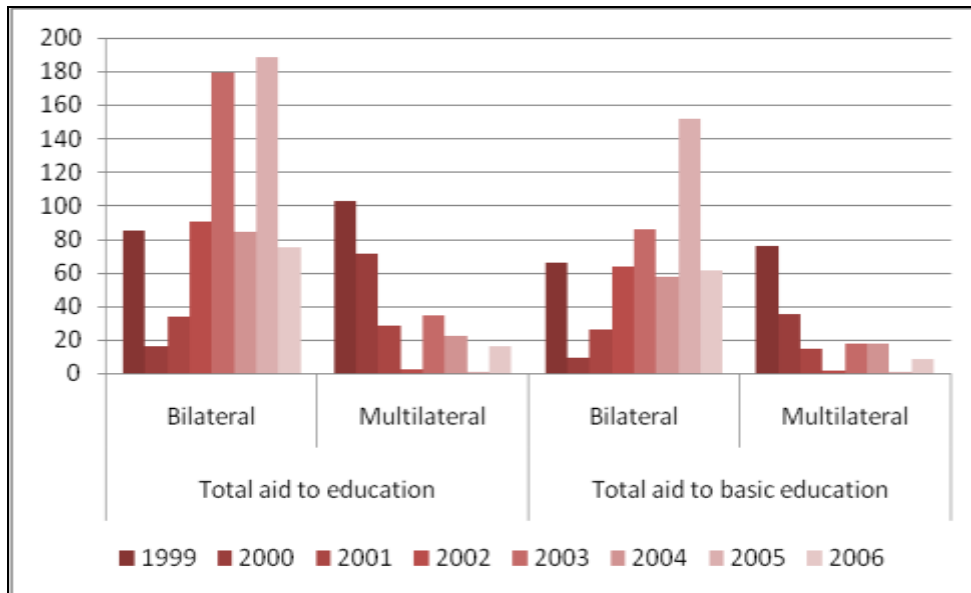
Source: Table A7

Figure A3: Share of total aid commitments by donor, 1999-2006

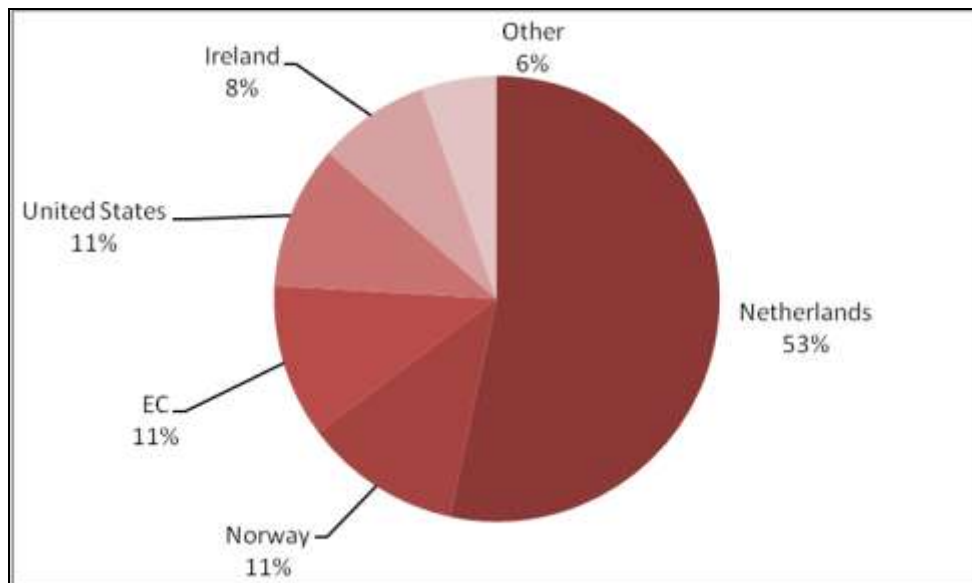


Source: Table A8

Figure A4: Total commitments to education and basic education (constant 2006 USD m)



Source: Table A9

Figure A5: Share of total commitments to basic education by donor, 2006

Source: Table A10

Table A1. Costing of Basic Education in the NIF (in USD m)

	2008	2009	2010	Total
Total costs	375	449	493	1317
Domestic Funding	329	380	431	1140
External Support	35	30	31	96
Financing gap	11	39	31	81

Source: FTI: Zambia Summary Document (Dec 2008)

Table A2. Donor Commitments and Disbursements to the Education Sector

Donor Partner	Project name / Support description	Currency	Disbursements		Commitments		
			2006	2007	2008	2009	2010
Denmark	Sector pool support	DKK (mln)	12.0	57.0	30.0	30.0	30.0
DFID*	Sector pool support	GBP (mln)	5.2	1.1	0.0	0.0	0.0
EC*	Sector pool support	EUR (mln)	1.7	2.3	1.0	0.0	0.0
EC	Support to EMIS	EUR (mln)	0.2	0.2	0.7	0.0	0.0
Finland*	Sector pool support	EUR (mln)	4.0	5.2	0.0	0.0	0.0
ILO	Several projects	USD (mln)	0.3	0.3	0.4	0.3	0.3
Irish Aid	Sector pool support	EUR (mln)	5.0	11.2	14.0	19.0	22.0
Japan	TA support	USD (mln)	0.3	0.2	0.3	0.4	0.4
Netherlands	Sector pool support	EUR (mln)	10.9	18.9	25.0	18.7	18.7
Norway*	Sector pool support	NOK (mln)	99.1	96.6	6.0	0.0	0.0
Unicef	Several projects	USD (mln)	3.2	3.2	4.1	3.8	3.8
USAID	Sector pool support	USD (mln)	1.0	1.0	1.0	1.0	1.0
USAID	Several projects	USD (mln)	21.5	15.3	16.5	16.5	16.5
WFP	School feeding project	USD (mln)	0.0	2.2	4.2	4.2	3.9
World Bank*	BESSIP	USD (mln)	7.0	0.0	0.0	20.0	20.0

Source: FTI Assessment (Sept 2008)

Table A3. Donor Commitments and Disbursements to Budget Support

Donor Partner	Budget support description	Currency	Disbursements			Commitments		
			2005	2006	2007	2008	2009	2010
AfDB	GBS	USD (millions)	9.0	8.8	0.0	60.0	30.0	30.0
DFID	GBS	USD (millions)	27.5	45.2	47.4	49.4	56.6	62.7
EC	GBS	USD (millions)	86.7	71.3	41.7	106.1	98.5	94.3
Finland	GBS	USD (millions)	0.0	0.0	6.8	7.3	10.6	10.6
Germany	GBS	USD (millions)	0.0	0.0	6.8	7.3	6.7	6.7
Irish Aid	GBS	USD (millions)	0.0	0.0	0.0	4.0	5.3	6.7
Netherlands	GBS	USD (millions)	0.0	7.8	10.8	13.6	13.5	13.5
Norway	GBS	USD (millions)	6.0	14.4	19.0	32.0	44.0	28.0
Sweden	GBS	USD (millions)	0.5	6.8	14.3	15.0	22.0	24.0
World Bank	GBS	USD (millions)	0.0	4.1	0.0	0.0	15.4	15.4

Source: FTI Assessment (Sept 2008)

Table A4. Education Indicators 2000-2006

	2000	2001	2002	2003	2004	2005	2006
BASIC EDUCATION							
COVERAGE GRADES 1-7							
Enrolment	1,633,292	1,810,864	1,908,205	2,052,595	2,265,145	2,567,353	2,549,481
Gross Intake Rate	96	105	105	103	103	136	136
Net Intake Rate	40	43	41	38	42	51	51
Gross Enrolment Rate	85	91	94	98	105	119	123
Net Enrolment Rate	71	77	78	81	85	96	97
Completion (%)	64	64	64	70	72	81	85
EQUITY GRADES 1-7							
% female enrolment	48	48	48	48	49	49	49
Gender Parity Index	0.92	0.93	0.92	0.93	0.94	0.96	0.97
COVERAGE GRADES 1-9							
Enrolment	1,806,754	1,976,432	2,128,038	2,286,615	2,519,141	2,852,370	2,847,906
Schools	5,324	5,777	5,902	5,773	6,728	7,647	7,635
% Community	17	23	23	19	20	34	34
% Private	3	3	5	7	8	10	8
Transition rate Gr 7-8	51	55	56	54	55	52	
Gross Enrolment Rate	75	80	84	88	93	106	109
Net Enrolment Rate	68	73	75	79	83	94	96
EQUITY GRADES 1-9							
% female (Gr 8-9)	46	45	47	47	46	47	46
Gender Parity Index	0.89	0.92	0.92	0.92	0.93	0.95	0.96
Orphans (total)	235,515	350,292	507,452	607,214	639,848		
% of enrolment	13	18	24	27	25		
QUALITY & EFFICIENCY Grades 1-9							
Repetition (%)	6	7	8	7	6	6	7
Teachers (1-9)	36,924	37,793	40,488	41,546	45,761	50,022	52,527
Pupil:Teacher ratio	49	52	53	55	55	57	54
Teacher Attrition rate %	3	4	5				
Gr 9 Exam Pass Rate	55						
HIGH SCHOOL (Gr 10-12)							
COVERAGE							
Transition rate	42	47	43	44	40	38	
Enrolment	102,839	107,815	135,978	144,037	158,238	182,586	193,726
GER	12	11	13	14	22	20	25
EQUITY							
% female enrolment	43	42	43	44	44	55	56
Gender Parity Index	0.78	0.76	0.77	0.81	0.78	0.83	0.78
Orphans (total)	12,967	18,494	29,836	38,262	44,960		
% of enrolment	13	17	22	27	28		
QUALITY & EFFICIENCY							
Repetition (%)	0.4	0.5	0.8	0.7	1.3	0.8	0.0
Teachers	6,329	7,541	9,635	7,837	7,837	8,341	13,537
Pupil:Teacher ratio	16	14	14	18	20	22	14

Table A5. MoE Share of the GRZ Budget 2002-2007

	2002	2003	2004	2005	2006	2007
Ministry of Education budget (as a % of GDP)	3.0	3.3	2.9	3.0	3.5	4.1

Source: Zambia Education Sector Public Expenditure Review Vol 2. 2006

Table A6. Bilateral and multilateral aid commitments 1999-2006 (constant 2006 US\$bn)

	1999	2000	2001	2002	2003	2004	2005	2006
Bilateral	0.575211	0.703548	.36255	0.563594	0.765459	0.768767	1.685408	1.190933
Multilateral	0.398107	0.67159	.23224	0.190882	0.49424	0.311166	0.259826	0.352442
Total	0.973318	1.375138	0.59479	0.754476	1.259699	1.079933	1.945234	1.543375
Share of multilateral aid in total aid (%)	40.90%	48.84%	15.37%	25.30%	39.23%	28.81%	13.36%	22.84%

Source: GMR 2009 external aid database. Notes: deflators for resource flows from DAC donors (2008 OECD report annex table 36).

Table A7. Aid dependency ratio (commitments/GDP constant 2006 US\$m)

	1999	2000	2001	2002	2003	2004	2005	2006
Bilateral	5%	7%	4%	8%	11%	10%	20%	11%
Multilateral	3%	7%	1%	3%	7%	4%	3%	3%
Total	8%	15%	6%	11%	18%	15%	24%	14%

Source: GMR 2009 external aid database; World Bank 2008 World Development Indicators. Notes: deflators for resource flows from DAC donors (2008 OECD report annex table 36); deflators for GDP from World Bank 2008 World Development Indicators.

Table A8. Total aid commitments by donor (constant US\$m)

Donor	1999	2000	2001	2002	2003	2004	2005	2006	Total aid commitments 1999-2006
AfDF	54.74292	42.63151	25.57747	0	33.64739	34.60825	4.954092	0	196.1616
Australia	0.472316	0.791663	2.14151	1.422297	0.147874	0.076445	0.271088	0.491597	5.81479
Austria	4.596824	0.011922	0	0.106014	2.594493	0.172344	0	8.356734	15.83833
Belgium	2.937411	11.90725	2.199104	4.276839	3.881039	3.669768	3.625332	4.302134	36.79888
Canada	4.536715	26.38186	14.92565	13.95013	11.49841	15.46969	49.16889	1.146656	137.078
Denmark	8.755507	2.179343	13.89213	100.7067	17.75441	37.18026	63.31138	16.54114	260.3209
EC	57.18702	240.9415	46.14867	65.42042	247.0307	115.7108	132.9692	252.3133	1157.722
Finland	17.63349	2.901768	7.956031	2.038642	9.386518	31.32115	11.74479	14.51011	97.4925
France	24.66155	16.35873	9.01451	5.931181	0.90837	107.5153	17.12571	87.75282	269.2682
Germany	126.2812	161.6563	25.59253	48.91442	247.2455	23.34429	110.7487	297.4239	1041.207
GFATM	0	0	0	0	124.1984	0	49.62646	0	173.8249
Greece	0	0	0	0.004228	0.002778	0.124151	0.112265	0.157952	0.401373
IDA	252.3036	382.8009	45.3268	118.2776	82.62898	155.7513	55.48771	93.33	1185.907
IFAD	33.87366	0	0	0	0	0	10.40999	0	44.28365
Ireland	0	12.36941	18.63838	28.29141	23.18414	25.92138	26.77545	30.9906	166.1708
Italy	0.865895	38.21664	1.167892	1.376665	32.80074	1.12383	0	0	75.55166
Japan	102.2938	26.02474	51.43376	70.98249	24.20608	33.11131	701.9751	24.94526	1034.973
Luxembourg	0	0	0	0.446682	0	0	0	0.006789	0.453471
Netherlands	19.43925	73.63245	91.09456	39.75987	43.76142	25.31879	42.06921	147.7163	482.7919
New Zealand	0	0	0	0.348797	0.214412	0.555774	0.480581	0.780212	2.379775
Norway	66.79331	30.4992	26.58361	34.60856	113.7879	52.52521	71.33218	51.55313	447.6831
Spain	0.229978	0.248939	0.1416	0	0	1.026178	0.212932	0.34605	2.205677
Sweden	52.11523	9.043467	7.178122	53.1231	25.52261	8.136981	39.14204	111.3755	305.6371
Switzerland	0.286782	1.900422	0.241996	0.731805	0.668535	0.531021	1.112302	0.524258	5.997121
UNAIDS	0	0	1.104501	0.365405	0.487736	0	0.802848	0	2.76049
UNFPA	0	0	1.221557	2.654409	1.848758	0	0	0	5.724724
UNICEF	0	5.216436	3.844846	4.16444	4.397526	5.095839	5.575355	6.798436	35.09288
United Kingdom	110.7287	234.4475	43.49548	75.03958	127.9368	291.4921	402.6001	19.80147	1305.542
United States	32.5825	54.97643	46.85318	81.53471	79.95719	110.151	143.6001	372.21	921.8651
Total	973.3177	1375.138	485.7739	754.4764	1259.699	1079.933	1945.234	1543.374	9416.946

Source: GMR 2009 external aid database. Notes: deflators for resource flows from DAC donors (2008 OECD report annex table 36).

Table A9. Total aid to education and basic education (constant 2006 US\$m)

	1999	2000	2001	2002	2003	2004	2005	2006
Total aid to education								
Bilateral	85.22179	16.3096	33.59511	90.38262	179.5408	84.03756	188.6595	74.91982
Multilateral	102.8982	71.15698	28.64087	2.021671	34.73595	22.16906	1.000227	15.97895
Total	188.12	87.46658	62.23598	92.40429	214.2768	106.2066	189.6597	90.89877
Aid to basic education								
Bilateral	65.79828	8.988307	26.41996	63.3843	85.88704	57.78293	151.3851	61.65579
Multilateral	75.52088	35.61766	14.47625	1.275475	17.72752	17.92746	1.000227	8.196846
Total	141.3192	44.60597	40.89621	64.65978	103.6146	75.71039	152.3853	69.85264
Share of multilateral aid in total aid to education (%)								
	54.70%	81.35%	46.02%	2.19%	16.21%	20.87%	0.53%	17.58%
Share of multilateral aid in aid to basic education (%)								
	53.44%	79.85%	35.40%	1.97%	17.11%	23.68%	0.66%	11.73%
Share of aid to basic education in total aid to education (%)								
	75.12%	51.00%	65.71%	69.97%	48.36%	71.29%	80.35%	76.85%

Source: GMR 2009 external aid database. Notes: deflators for resource flows from DAC donors (2008 OECD report annex table 36).

Table A10. Total commitments to basic education by donor, 2006(constant 2006 US\$m)

donor	1999	2000	2001	2002	2003	2004	2005	2006	Total commitments to basic education 1999-2006
AfDF	6.889471	0	0	0	0	0	0	0	6.889471
Belgium	0.542538	0.690404	0.136264	0.174743	0.109527	0.045975	0.012603	0	1.712054
Canada	0.002101	0	0	0.173704	0.252023	4.102559	0	0	4.530386
Denmark	0	0.439976	0.814085	0.334905	0	10.03009	0	0	11.61906
EC	0.718104	15.5232	0	0	17.00842	12.99829	0	7.782101	54.03012
Finland	2.762908	0.773057	2.282654	0	3.843447	6.372363	2.717838	1.255178	20.00745
France	0.083616	0.008179	0.029812	0.014653	0.021195	0.018337	0.087238	0.081486	0.344517
Germany	3.379155	0	0.163881	0.397779	0	0.312572	0.217843	0.71385	5.18508
Greece	0	0	0	0	0	0.020147	0.03755	0	0.057697
IDA	67.9133	20.01611	14.16462	0.746196	0	4.241592	0	0	107.0818
Ireland	0	2.72579	5.314011	10.91179	3.570427	5.084353	4.014512	5.700246	37.32113
Italy	0	0.006287	0	0	0	0	0	0	0.006287
Japan	2.967278	0.06789	0	0	1.250485	10.14555	6.084519	1.014138	21.52986
Netherlands	15.11523	0.138515	0.022103	12.52616	14.91614	12.9256	1.799758	37.2798	94.72331
New Zealand	0	0	0	0	0	0.34413	0.272719	0.164764	0.781613
Norway	33.02097	3.243112	6.997215	12.51316	42.11247	2.011592	5.755222	7.974813	113.6286
Spain	0	0	0	0	0	0	0	0.185518	0.185518
Sweden	0	0	0	0	0	0	1.647898	0	1.647898
Switzerland	0	0	0	0	0	0.046665	0	0	0.046665
UNICEF	0	0.078348	0.311622	0.529279	0.719103	0.687579	1.000227	0.414745	3.740903
United Kingdom	6.501727	0.05036	5.033749	20.35002	19.81132	0.255396	125.5284	0	177.531
United States	1.422765	0.844738	5.626189	5.987387	0	6.067597	3.209045	7.286	30.44372
Total	141.3192	44.60597	40.89621	64.65977	103.6146	75.71039	152.3853	69.85264	693.0441

Source: GMR 2009 external aid database. Notes: deflators for resource flows from DAC donors (2008 OECD report annex table 36).

Annex B – Timeline of FTI Events

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
1960s		<p>1964: Independence from Britain, with Kaunda as president under United National Independence Party (UNIP). The new government inherited very poor or inadequate infrastructure, including human capital from the colonial regime. The government followed a fairly liberal political and economic policy, primarily focused on providing infrastructure and services to the majority of the peopleⁱ</p> <p>The overall budget balance and balance of payments were both in surplus at independence and remained so for the next two years. Foreign reserves were also high, amounting to close to twelve months of import cover while public external debt was virtually non-existent. However, while being in balance, the structure of the economy was designed to service the copper mining sector and the white settler community. As a result, the non-mining economy was underdeveloped and human development for the majority African population remained dismally low.</p>	<p>1970: The primary Gross Enrolment Ratio (GER) reached 90%, and 100% in 1983, while public expenditure on education averaged 5% of GDP.</p>	

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
1970s		<p>Late 1960s-1970s – To develop and diversify the economy, the new Government took over fifty-one% ownership of the mines and nationalized a substantial part of the manufacturing sector, all public utilities and key elements of the transport and communications sector.</p> <p>Macroeconomic environment was destabilized by rising transport and petroleum costs and declining copper prices. This resulted in Zambia's budget and balance of payments surpluses shifting to massive deficits on both accounts. Expecting the terms-of-trade shock to be temporary, the Government chose to finance the imbalances through domestic and foreign borrowing, at variable interest rates. Contrary to expectations, during the 1970s and 1980s, Zambia's macroeconomic environment was increasingly destabilized by declining copper prices, rising world interest rates and regional conflicts among its neighbours.</p> <p>1972: Mulungushi Declaration of 1968. Officially declared the Nationalization of every aspect of the economy</p> <p>1972 - Zambia becomes a one-party state, with UNIP as the only legal party.</p> <p>By the early 1980s, however, it was clear that the 1970s nationalization reform had failed.</p>		

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
1990s	<p>March 1990 World Conference on Education for All, in Jomtien, Thailand adopted the World Declaration on Education for All, which stated that all have a right to education. The conference recognised the setbacks experienced in the 1980s by many South nations and made a commitment to meeting basic learning needs of every citizen.</p> <p>Education For All (EFA) Assessment 1999-2000, involving six regional conferences revealed that the EFA agenda had been neglected.</p>	<p>1991 - Multi-party constitution adopted. Movement for Multi-party Democracy (MMD) wins elections and its leader, Frederick Chiluba, becomes president.</p> <p>1996-2002: Gradual improvement of growth from decades of decline. Average growth rate of 3.2% over the last seven years despite a sharp fall in copper production in this period. But sustained and even growth has remained elusive, principally due to failed privatisation of parastatals, especially in the copper sector, the vulnerability of agricultural production to climatic changes and a 'stop-go' approach to aid flows from donors reflecting various disputes and concerns about growing corruption under the previous administration.</p> <p>1996 - Change to constitution effectively barring Kaunda from future elections. Chiluba re-elected.</p> <p>1997 - Attempted coup</p>	<p>1992: Education policy entitled <i>Focus on Learning</i> was approved by the Cabinet. Its policy goal was improving access, equity, efficiency and quality of education through rehabilitation of school infrastructure, construction of new schools, training of education managers, and procurement and supply of education materials to schools.</p> <p>1996: <i>Educating Our Future</i>. This policy focuses on equitable access to quality education at all levels. Actual implementation of the policy has, since 2003 been based on the education sector Strategic Plan, 2003 to 2007.</p> <p>1998: The Ministry developed the National Assessment Programme to specifically provide information on learning achievement levels, and how they were evolving over time, relative to changes in educational inputs and processes. National Assessment is a mechanism for verifying learning achievement targets.</p> <p>First Survey 1999; Second Survey 2001; Third Survey 2003 ;Fourth Survey 2006 (see below for results)</p> <p>1999: Basic Education Sub-Sector Investment Programme (BESSIP)</p>	

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2000	<p>United Nations Millennium Summit in 2000, 189 world leaders signed up to try and end poverty by 2015 when they agreed to meet the Millennium Development Goals.</p> <p>World Education Forum, 164 governments, adopted the Dakar Framework for Action in which they promised to commit the necessary resources and effort to create a comprehensive and inclusive education system for all.</p>	<p>2000: The privatisation of Zambia Consolidated Copper Mines</p> <p>2000 December: Zambia to qualify to the Highly Indebted Poor Countries (HIPC) Initiative.</p>		
2001	<p>G8 Meeting - Genoa, Italy. July 2001: G8 countries establish an EFA Task Force, to be led by Canada</p>	<p>2001 July - Zambia appeals for aid to feed some two million people after poor harvests caused by floods and drought.</p>		

FTI Mid-Term Evaluation – Zambia Desk Study

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2002	<p>G8 Washington, DC USA. April 2002: The Development Committee endorses the proposed EFA Action Plan and approves the Fast Track Initiative (FTI), amid overwhelming support from the international community.</p> <p>Education for All (EFA) Amsterdam, Netherlands. April 2002: Developing countries and their external partners agree at a Dutch-World Bank sponsored conference on broad principles for scaling up EFA efforts; the Netherlands commits 135 million Euro to set the process in motion.</p> <p>G8 Kananaskis, Canada. June 2002: agreement to significantly increase bilateral assistance for the achievement of EFA and to work with bilateral and multilateral agencies to ensure implementation of FTI.</p> <p>EFA Global Monitoring Report was established to monitor progress towards the six EFA goals.</p>	<p>2002 January - Levy Mwanawasa is sworn in as president amid opposition protests over alleged fraud in December's presidential elections.</p> <p>2002 October - Government says it will not accept genetically modified (GM) maize to help alleviate the severe food shortages facing three million people</p> <p>2002: First PRSP- National Transitional Development Strategy.</p>	<p>2002: President declares free basic education. All user fees have been abolished from Grades 1-7 and uniforms are not compulsory. Education Boards and PTAs may raise funds through various activities, but no child can be denied access to school on account of costs. The Ministry of Education has been implementing the policy of free basic education through the following mechanisms of financial support.</p> <ul style="list-style-type: none"> (i) School grants, (funds to cover the loss of income from school fees in order to cover the basic running costs) (ii) Free Basic Education Requisites, (funds to cover the provision of education materials for pupils such as exercise books, pencils, etc) (iii) Programme support (funds to cover textbooks, teaching and learning materials, teacher training, bursaries, HIV/AIDS, school health and nutrition, infrastructure maintenance, etc) 	<p>2002 June: <i>Invitation to participate in Education for All – Fast Track Initiative:</i> Zambia was selected among the first 18 countries to join the FTI Partnership</p> <p>2002 July: <i>RE: Invitation to participate in Education for All – Fast Track Initiative:</i> Letter from the Honourable Minister accepting Zambia's invitation to join FTI</p> <p>2002 August: External Appraisal mission visited Lusaka.</p> <p>2002 November: New head of secretariat informs Zambia of recent development in FTI following a meeting at World Bank Headquarters of the bilateral and multilateral contributing partners.ⁱⁱ</p>

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
<p>2003</p>	<p>Rome Declaration on the harmonisation of aid, Rome, Feb 2003. The development community committed to work towards aligning its assistance around country development priorities and to harmonize donor policies and priorities around country systems</p> <p>FTI Donors Meeting - Paris, March 2003: Donors agree on modus operandi for FTI that is country driven, secure funding for the seven countries and agree on an operating framework for FTI.</p> <p>The FTI Catalytic Fund (CF) was established. It aims to provide transitional grants over a maximum of 2-3 years to enable countries lacking resources at country level but with FTI endorsed education sector plans to scale up the implementation of their plans.</p> <p>FTI Partnership Meeting Oslo Meeting, November 2003: Ministers and senior officials from the first FTI countries, Civil Society and donors meeting together for the first time. Discussion of the definition, modalities, instruments, and governance of the FTI partnership. Agreement that FTI should be opened to all low-income countries.</p>		<p>2003: Ministry of Education Sector Plan (2003-2007). The plans priorities include:</p> <ul style="list-style-type: none"> (i) improved access, gender equity and quality in basic education (Grades 1-9); (ii) improved quality and efficiency in high school and tertiary education; (iii) development of relevant skills and enhanced learning achievement by all learners; (iv) effective decentralisation of decision-making, procurement and financial management to districts and schools; (v) management/ mitigation of the impact of HIV/AIDS. 	<p>2003 February: Letter from FTI Secretariat about the recent development in FTI and its implications for Zambia. Zambia is sent a copy of co – chairs report following the meeting in Brussels. A request is made for an update Zambia’s progress towards FTI ahead of Donor representative meeting in March 2003ⁱⁱⁱ.</p>

FTI Mid-Term Evaluation – Zambia Desk Study

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2004	<p>Education Programme Development Fund (EPDF) was established in November 2004 as a funding window under the FTI to support low income countries improve the quality and sustainability of their education sector planning and programme development.</p> <p>FTI Partnership Meeting, Nov 2004, Brasilia, Brazil, third meeting of the FTI partnership. There was agreement on the FTI Framework document and the need for more formal Assessment Guidelines.</p>			
2005	<p>March 2005, Paris Declaration, was endorsed by over one hundred Ministers, Heads of Agencies and other Senior Officials. Who committed their countries and organisations to continue to increase efforts in the harmonisation, alignment and management aid for results with a set of monitorable actions and indicators.</p> <p>UN World Summit New York, September 2005: delegates were accused of producing a 'watered-down' outcome document which merely reiterates existing pledges.</p>	<p>2005 February - Supreme Court rejects opposition challenge to President Mwanawasa's 2001 election victory, but says ballot had flaws.</p> <p>2005 April - World Bank approves USD 3.8 billion debt relief package which will write off more than 50% of Zambia's debt. Zambia's reaching the Completion Point under the Heavily Indebted Poor Countries (HIPC) Initiative, resulting in significant debt forgiveness/cancellation. Following the debt relief, Zambia's foreign debt came down to USD 4 billion in 2005 from USD 7.1 billion at end 2004.</p>		<p>2005 May: Letter from DFID and Sida to provide an update on recent developments in the Education for All-Fast Track Initiative. The letter provided a background to FTI and outlines the benefits of joining to Zambia</p>

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2006	<p>Committee on the Rights of the Child (41st session), Geneva, Switzerland.</p> <p>Educational Roundtable, held during World Bank/IMF Annual Meetings, September 2006, Singapore. The meeting focused on the progress that Finance Ministers from developing countries have made in preparing long term plans to achieve the education millennium development goals.</p> <p><i>FTI Catalytic Fund Strategy Committee meeting</i> that took place in <i>Cairo</i> on the 12th of November 2006. In this meeting the eligibility criteria regarding accessing the Fund were changed, allowing countries with large number of in-country donors, such as Mozambique, to qualify. **</p>	<p>2006 September - President Mwanawasa wins a second term.</p> <p>2006 December: Zambia Vision 2030 Zambia's first ever written long-term plan, expressing Zambians' aspirations by the year 2030. It articulates possible long-term alternative development policy scenarios at different points which would contribute to the attainment of the desirable social economic indicators by the year 2030.^{iv} With specific reference to basic education, the Vision 2020 has the following goals and targets:</p> <ul style="list-style-type: none"> (i) Put in place a comprehensive and diversified curricula that is responsive to the social and economic needs of the individual and the community by 2030; (ii) Increase the literacy rates to 80% by 2015 and work towards eliminating illiteracy by 2030 (iii) Increase Net Enrolment Rates to 96% by 2010 and to 99% by 2030 at basic school level (Grade 1-9); (iv) Improve pupil/teacher ratio to 40:1 at basic school by 2030; (v) Improve the pupil/text book ratio at basic school to 1:1 in all subjects by 2030; (vi) Reduce the average distance to basic schools to 5 km radius to 75% of the potential learners by 2030. 	<p>2006: National Assessment Programme-Fourth survey aimed to assess the learning achievement levels in ordinary schools and changes over time. The Survey result found the following results nationally v,</p> <p>Reading in English 34.49%</p> <p>Numeracy 38.45%</p> <p>Zambian Languages 37.79%</p> <p>The survey found upward trend in Numeracy performance between 1999 and 2003; from 34.3 to 38.5. While it has remained constant between 2003 and 2006 at 38.5</p>	

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
		<p>2006 December: Fifth National Development Plan (2006-2010). Equivalent to Zambia's PRSP^{vi}. With Regards to education, priority areas include</p> <ul style="list-style-type: none"> (i) Development, Recruitment, Deployment & Retention of Teachers; (ii) Procurement and equitable distribution of learning materials; (iii) Construction of additional classrooms and new high schools, upgrading middle – basic to upper basic schools, reconstruction of pole and mud schools and construction and rehabilitation of infrastructure at public Universities; (iv) Review of existing and development of a diversified and Comprehensive curricula that is responsive to Individual and societal needs. 		

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2007	<p>Committee on the Rights of the Child (45th Session).</p> <p>Keeping our Promises on Education, May 2007, Brussels, organised by the EC, the UK and the World Bank. The objective was to seek concrete proposals and commitments for action to deliver on the promise to give all the world's children a full primary education by 2015.</p> <p>In Oct 2007, the German Federal Ministry for Economic Cooperation and Development organised an international forum on "Capacity Development for Education for All: Putting Policy into Practice." Participants recommended more strategic use of the EPDF to support capacity development activities, and to harmonise and align donor support for technical assistance and capacity development in all low-income countries.</p> <p><i>Catalytic Fund's Strategy Committee meeting, Bonn, Germany, on May 23, 2007: CF funding for Mozambique approved</i></p> <p><i>Catalytic Fund's Strategy Committee meeting, Dakar, December 10 2007</i> (see annex D for details)</p>		<p>2007: Joint Annual Review for the education sector. The JAR for the Education Sector retained "Three Rs" as a theme; which stands for "Reflecting, Realigning and Rejuvenating the Provision of Quality Education in Zambia."</p> <p>2007 May: Joint Appraisal Mission of the National Implementation Framework (draft 0???) (<i>Note: NIF is way of operationalising the education objectives in FNDP</i>) Overall, NIF considered unsatisfactory. NIF seen as lacking the operationalisation of the broad strategies and objectives into activities, priorities, targets with clearly identified responsibilities and deliverables at all levels. It needed substantial revision if it is to become a credible and realistic implementation plan that can be considered for FTI endorsement and external funding.</p> <p>2007: Joint Assistance Strategy. For the education sector, a dialogue mechanisms between MoE, donors and the NGOs have been critically reviewed, leading to the assignment of two lead donors (Irish Aid and Netherlands) and to a revised Management & Coordination Guidelines aiming at improved dialogue in a context of reduced transaction costs.</p> <p>2007: An expenditure tracking study in education published in 2007 showed that only 14-34% of non-salary spending reaches the school level</p>	<p>2007 February: EFA FTI Secretariat Mission to Zambia. The main objectives of the mission were two fold: (i) to help define and agree on a concrete work programme and timeline for Zambia's endorsement by its local FTI donor partners; and (ii) to participate in the Joint Annual Review (JAR) of the country's progress and achievements in the Education Sector over the past few years.</p> <p>2007 December: <i>EPDF regional annex:</i> EPDF funded Capacity Development Workshop on "Country Leadership and Implementation for Results in the EFA-FTI Partnership" which was held in Cape Town, South Africa in July 2007. Zambia participated The workshop was designed to encourage cross country interaction and active learning.</p>

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
<p>2008</p>	<p>September 2008, Accra summit on aid effectiveness, donor countries have agreed to end the fragmentation of aid.</p> <p>Donors agreed to donate half of aid directly to governments of low-income countries, rather than to individual projects.</p> <p>Donors have also agreed to coordinate aid better.</p> <p><i>Catalytic Fund's Strategy Committee meeting, Tokyo, April 22, 2008</i></p>	<p>2008 August - President Levy Mwanawasa dies, 59,</p> <p>2008 November - Vice-President Rupiah Banda sworn in as president after a narrow election win</p>	<p>2008: National Implementation Framework (2008-2010 final draft) translates FNDP priorities into medium-term targets, strategies and programmes. The purpose of this National Implementation Framework (NIF) is two-fold. Firstly, it serves as a guide for the articulation of the broad developmental objectives of the FNDP into identified activities that would later be defined and re-defined in the Annual Work Plans and Budgets. Secondly, NIF intends to serve as an important instrument for monitoring implementation performance (targeting mainly outcomes and impact).</p> <p>2008: Fiduciary Risk Assessment (FRA) in education sector to explore ways to improve the sector pool and propose a more efficient channel for donor funding, including those from the FTI. ^{vii}</p>	<p>2008 June: Light Quality Support Review by the FTI Secretariat.</p> <p>2008 September: <i>Endorsement of Zambia to the Education for All fast track initiative:</i> Zambia's education sector plan is deemed as a credible framework for admission into FTI following an extensive appraisal process in April 2007. Following appraisal a funding gap of \$60 million was identified which unless filled will make it hard for Zambia to reach MDG2 of quality primary education. This letter requests a contribution of \$60m from the FTI CF</p> <p>2008 October: Letter from FTI welcoming Zambia into the FTI Partnership following the successful appraisal and endorsement of the country's National Implementation Framework by the local donor group.</p> <p>2008 November: Deadline to apply for CF</p> <p>December 2008: <i>EPDF regional Annex:</i> Zambia the preparation of the country's application for a CF grant has from EPDF support to finance the public expenditure tracking survey and the due diligence background reports on financial management and procurement</p> <p>Zambia also benefited from EPDF funded capacity development workshop namely pole de Dakar 2007 and IIEP 2007.</p>

Date	International Context	Zambia Context	Education Policy in Zambia	FTI in Zambia
2009				<p>2009 January: EFA – FTI Notification of grant from FTI CF to the Republic of Zambia: CF committee confirm that grant of USD 60m for Zambia has been approved for period 2009-2010. The decision was made at the catalytic fund meeting in Oslo, December 13-14 2008. The grant covers two years and will be disbursed in two to three tranches depending on Zambia’s circumstance and budget cycle</p>

ⁱ Zambia’s Gross National Income (GNI) per capita stood then at USD 200 (current USD). Zambia’s per capita GNI remained higher than those of Botswana, Egypt and Thailand, until the late 1970s or early 1980s.

ⁱⁱ Some of the questions raised included (i) how FTI Country Proposals will be assessed. Donors agreed that there should be a common basis for assessing FTI proposals, and requested that the Secretariat prepare an assessment framework. (ii) The meeting also agreed that the assessment process should be undertaken at the national level, among the donors to the education sector. It was felt that this would be the most effective way to ensure that design and implementation of fast-track proposals is fully harmonized with ongoing efforts. (iii) Further, it was agreed that, in each country, a particular donor will be asked to coordinate the assessment process, in consultation with the Secretariat. In the case of Zambia, DFID had volunteered to perform this function.

ⁱⁱⁱ Zambia is advised on some of the conclusions of following the Donor representative meeting such as

- (i) The need to clarify the processes under which the FTI will operate. Donor agencies requested that the FTI Secretariat develop a framework document that will codify the key principles and process of FTI.
- (ii) Another major conclusion was with regards to the process of assessing proposals was that donors have agreed that the review process should be conducted by local donors representatives, on the basis of a common assessment framework. Donors also requested that the Secretariat participate in the review process, providing written comments on the proposal and also participating in the final review meeting, whenever possible.
- (iii) The importance of a rigorous and thorough review process was stressed by Donors at the Brussels meeting.

^{iv} The Vision will be operationalised through the five year development plans starting with the Fifth National Development Plan (2006 -2010) and annual budgets. This marks a departure from past practice of preparing and implementing medium-term plans that were not anchored on a national vision. The Vision 2030 is founded on seven key basic principles. (i) sustainable development; (ii) upholding democratic principles; (iii) respect for human rights; (iv) fostering family values; (v) a positive attitude to work; (vi) peaceful coexistence; and (vii) upholding good traditional values.

^v Minimum levels of performance are 40% in reading, 40% in numeracy and 47% in Zambian languages. Desirable level of performance are 70%, 60% and 70% respectively

^{vi} Marks the reintroduction of development planning as a tool of the country’s development agenda. It presents the country’s macro-economic and social policies and sector plans that will be implemented during the next five years. These policies are expected to contribute to the advancement of the Millennium Development Goals (MDGs) by 2015 and the National Long-Term Vision 2030. The FNDP recognises the importance of education for the required socio-economic development and, therefore, provides for greater investment of resources in the Education Sector. By 2010 it is envisaged that 4.4% of GDP will be allocated to the Sector.

^{vii} The main recommendation of the FRA is to move the sector pool to “targeted budget support”, more widely known as sector budget support. In essence, this modality entails that donors continue to provide an earmarked financial contribution in support of MoE instead of full-fledged general budget support. However, rather than disbursing to an MoE managed account with specific accounting and reporting requirements, as in the current pool, donor funds would be mingled with GRZ funding to finance any activity in the mutually agreed MoE’s annual work plan and budget. This funding modality attempts to address both the identified weaknesses in the current pool and to reap the efficiency gains from closer alignment of donor support to national systems, as outlined in Zambia’s own Aid Policy and in line with the Paris Declaration.