

## **Endorsement Report of EFA Plan by Local Donors Madagascar**

### **1. Introduction**

Since presenting the *Strategic Plan for the Development and reform of the Education Sector* and the 'Education for All' Plan (EFA) in October 2003 in Paris to the meeting of the donors ("Amis de Madagascar"), the Government of Madagascar (GoM) has made substantial progress towards its objectives for universal primary education. To assess the impact of the resulting and significant increases in enrollment and the challenges this entails, and with a view to responding to the invitation from the EFA-FTI partnership, the Ministry of Education (MoE) presented a revised draft plan in February 2005.<sup>1</sup> This document was used as the basis for discussions between the MoE and donors in order to update the strategy and action plan for the next three years.

The updated Plan: *Education Pour Tous, situation en 2005 et actualisation des objectifs et stratégies* was thus finalised in April 2005. It reflects a clearer strategy, analyses recent developments and proposes realistic target revisions and reassessments of pedagogical approaches. The updated EFA plan relies on the overall sectoral strategic plan prepared in 2003; the MoE is currently in the process of revising strategies regarding other sub-sectors of education but has not submitted a revised sectoral plan.

As enrolments have surged in 2003-04 following the abolition of primary school fees and efforts to provide textbooks and materials to pupils, the effort now has to be on ensuring that children complete the primary cycle with adequate levels of learning.

The MoE plan estimates a financing gap for 2005 and an additional two years, to be covered by donors. The estimate of the financing gap for 2005 takes into account the current budget and other expected commitments by donors. The MoE is seeking incremental funding from the Catalytic Fund of the EFA-FTI partnership for 2005 to fill this gap in order to fund specific additional activities that are linked to ongoing activities.

Various aspects concerning the implementation mechanisms, the management structure and processes to accelerate progress towards universal primary completion need further elaboration. The concerns and suggestions of the donors regarding the implementation mechanisms have been discussed with the government and there is agreement that these questions will be addressed over the next few weeks. These concerns and suggestions are also included in this endorsement report.

All the donors, however, are of the opinion that the plan as it stands is ready for submission to the FTI partnership to secure incremental funding from donors to bridge the estimated financing gap, both for the current year and for the next two years. In order to ensure that funds are available to implement the proposed additional activities for 2005, the donors recommend that the FTI Partnership mobilize external funds to cover

---

<sup>1</sup> 'Education reform: an update on the situation and preparation for new orientations.' 18 February 2005

the financing gap for the current year through a grant from Catalytic Fund of the FTI and to ensure sustained support over the medium-term.

## **2. Process of Endorsement**

The government of Madagascar received an invitation from the Fast Track Initiative on December 20, 2004 to become an active member of the Initiative and to initiate discussions with the local donor community regarding its EFA plan and its financing needs. These discussions began in February 2005 and were structured around the new assessment guidelines prepared by the FTI secretariat (Dec 2004), which were also distributed to the Government, and a draft revised EFA plan submitted by the Ministry of Education.

After providing some initial reactions to the draft EFA plan, the local donor group organized itself into four working groups which worked over a period of 3 weeks to examine the plan in four stages as outlined in the assessment guidelines. A draft assessment, with detailed comments and suggestions, was prepared to provide feedback to the Government.

Following this feedback, and discussions with donors and the MoE during a mission to the World Bank in Washington in March 2005, the Government made further revisions and an improved plan was circulated to donors for review in April. A video conference was held between all donors in Madagascar, Washington and Paris on April 21<sup>st</sup>, during which it was agreed that the plan represented a clear improvement in terms of content (objectives, strategies and specific activities) as well as clarity of presentation. A meeting was held the next day with the MoE to present feedback and to discuss the next steps for finalizing the plan. Thereafter, the local donor community constituted a small writing team to draft the endorsement report; this draft report was circulated to all the donor representatives along with the final EFA plan received from the government in April 30<sup>th</sup> for final endorsement.

The process has been characterised by a constructive dialogue between the Government and donors in Madagascar. The MoE led discussions in an open and transparent manner. The challenges, weaknesses and limitations of the Ministry itself in managing the system, collecting information and disbursements were clearly acknowledged. Equally, the new and complex challenges of focusing on quality improvement were identified and discussed during the dialogue; these include, integrating the community teachers and developing a holistic policy for the teaching force; concrete measures for greater decentralization; upgrading the capacity for teacher training and bringing teacher support and in-service training closer to the school level; improving the quality of textbooks and pedagogic materials; and the policy on language of instruction.

Over the period of the assessment, all donors were present in discussions. Effective and more limited working groups were set up in order to breakdown the assessment process, capitalising on individual donor experience. This also stimulated discussions over the

coherence and complementarity of donor activities in the sector in Madagascar and the need to have a joint monitoring process which would also feed into current budgetary support programmes.

The local donor community greatly appreciates this process which can prepare the ground for more effective donor coordination and interaction with the government on primary education. The timetable of the endorsement process is outlined in Annex 1 and a list of documents and studies used in the process is provided in Annex 2.

### **3. 2003 Plan (sector plan and EFA plan) and assessment of implementation progress report**

The current plan outlines progress made since 2003, notably in the area of increasing enrollment through the removal of school fees, distribution of kits to all pupils and subsidising salaries of community recruited teachers. This has resulted in a 97% net enrollment rate being recorded for 2003/4. Whilst this figure is taken with caution (due to unreliability of data concerning age and attendance and lack of an updated census on the population), the general increase is largely confirmed by various studies.

The corresponding limitations in achieving targets related to capacity and quality are outlined. Objectives for reducing repetition have not been met (currently still c. 30% against a target of 8% in 2005-06 in the 2003 plan), and the plan revises the target to a more realistic goal of 8% by 2008. The completion rate remains low, construction targets have not been entirely met and recruitment of teachers has been fulfilled through the recruitment of Community teachers through parent associations – the *FRAM*. (8,300 *FRAM* teachers in 2003 rose to a staggering 17,620 in 2004 out of a total of 47,319 teachers in public schools.)

Section 1.4 of the plan outlines reasons for these limitations, identifying institutional challenges such as human resource management, communication and information systems. Weaknesses in budget preparation, execution and monitoring exist and weaknesses in pedagogy include insufficient competencies in the teaching body and insufficient training in relation to needs.

Concerning the budget execution, the plan notes that between 2001 and 2004, there has been an increase in expenditure in education from 2.3 % of GDP to 3.3 % of GDP and from 12.8 % to 17.2 % of total State expenditure. Budget execution is identified as at 85% in 2004 compared to 57% in 2002 and 68% in 2003. These changes reflect the strong commitment of the GoM to primary education.

### **4. Assessment of Revised EFA Plan, April 2005**

#### **4.1 Overall assessment:**

The plan *Education Pour Tous, situation en 2005 et actualisation des objectifs et stratégies* aims to face the challenge created by increased enrollment, to improve quality in primary education, with emphasis on the condition of community teachers, and to increase efficiency in managing the educational reform.

The Plan proposed is coherent and reasonable: the identified interventions for the next 12 months are necessary and technically viable. The donors consider capacity building to be essential and are committed to supporting this through improving capacities for fund management, coordination and monitoring of activities and results and human resource management. The government is committed to ensuring that at least the current share of government spending (about 23 percent) is devoted to education and about 50 percent to primary education. The donors are committed to monitoring these allocations and to assist in securing these budgetary allocations for the education sector, so that any incremental funding does not lead to substitution of government funding.

#### **4.2 The response to increased enrollment:**

There is a multiyear plan to build up classrooms, a policy on community teachers to attain a better teacher-to-pupil ratio and the engagement to provide basic conditions for learning for nearly 1 million additional children included since 2002. Programmed activities and resources appear realistic. There are some recommendations presented by donors and assumed by the MoE. On building classrooms, donors recommended to set technical standards and costs on school construction considering geographical specificities. Donors suggested to speed the study that is being prepared by the MoE using technical assistance funds from the WB and which will include the experiences of FID, JICA, AFD and ILO and other internal and external experiences. The school construction programme is being supported by AFD, EU, WB, JICA, Norway and BAD.

#### **4.3 The option for increasing the proportion of community teachers and improve their working conditions:**

The increase of pupils brings a need for teachers, (47300 in 2004-5, 53,600 in 2005-6). Recruitment of an additional 7,500 community teachers is foreseen for the next school year. This massive recruitment depends on contractual teachers and requires several accompanying measures. Donors considered pertinent MoE's demand for additional funding to increase community teachers' incentives. Technical assistance from the French cooperation is being integrated to prepare guidelines and additional technical assistance will be supported by the Norwegian cooperation.

#### **4.4 Regarding quality improvement in primary education:**

The purpose is an effective reduction in repetition rates and significant increase in completion rate in primary education –with adjusted and more realistic goals. The strategy is to generalize a child centered approach to build up basic competencies for life by training teachers, distributing relevant materials, ensuring support through radio programmes, implementing proper follow-up and increasing knowledge on quality assurance. The MoE's demand for additional support for pedagogical material for children and teachers on life skills is a relevant way to improve learning conditions; the WB and Norwegian cooperation are also supporting this intervention. The

complementarities of proposed interventions and the advance in defining proposals and mechanisms for implementation represent two strong points of the plan. In the implementation phase, further detailing is required of plans for in-service teacher training, to face insufficiency of trainers and to ensure the scale up of the Competency-based Approach and methodological improvements to face large groups of students and multi grade classrooms. This detailing will be technically supported by UNICEF, Norwegian cooperation and French cooperation. Again, in the implementation phase, further elaboration will be required on the National System for Initial and Continuous Training, in order to determine responsibilities and capacities required for regional and sub regional centers and links between them and the pedagogical teams attached to the school districts, which demand technical assistance that will be provided by the Norwegian and French cooperation. On supporting community teachers, donors appreciate the option for developing distance education and recommended active coordination from the National Institute for Initial Pedagogical Training to oversee and support the establishment of distance education strategies; an advisory committee is being implemented and is integrated by key national officers, French Cooperation, USAID and UNICEF. On defining policies on teaching languages, there is a strong recommendation to continue the evaluation of teachers' aptitude in official Malagasy and French languages, which will be supported by French cooperation and Norway. Donors also appreciated allocations for measuring learning results and recommended technical assistance for evaluating the effectiveness of different pedagogical interventions; WB, French Cooperation and UNICEF offered cooperation.

#### **4.5 On MoE's provisions to improve managerial capacities:**

The MoE has planned the improvement of the information system, with EU support. MoE has also planned also the creation of a unit to develop partnerships and to speed procedures for budget implementation and tracking of transfers, activities and results; advances made toward creating a special account for the funds expected to be received through the Fast Track Initiative, specifically from the Catalytic Fund, were presented by the Ministry and are appreciated by donors.

#### **4.6 On HIV/AIDS and other relevant concerns:**

The plan informs on a first exercise to systematize interventions from different partners for preventing HIV/AIDS within the education sector and recognize the need for a more consistent strategy. It is planned to improve synergies through coordination, to increase commitments through communication campaigns and to include specific modules on HIV/AIDS prevention and appropriated behavior with persons living with HIV/AIDS within all teacher trainings. On environmental education, the Government has developed a strong partnership –which includes civil society, UN agencies, donors and environmental organizations- there are coordinations in vue of developing specific competencies on environmental protection in schools near the protected and/or vulnerable zones.

## **5. Resource Requirements and External Financing Needs**

### **5.1 Overall conclusion:**

The projection of expenditure requirements and the financing gap for primary education seem reasonable. They reflect continued priority being given to primary education within the overall education sector, respect of fiscal sustainability especially with regard to teachers' salaries and a high priority given to improving quality which is the policy focus in the coming period. For 2005, the financial gap has been estimated after taking into account current budgetary resources and funds being negotiated with local donors. For 2006 and 2007, the total financing gap (based on domestic resource availability for education) has been given in the plan, since the MoE has not been able to estimate the resources for education which will come from budgetary support programs.

### **5.2 Financial Simulation Model:**

The MoE has used a financing simulation model, similar to that used for estimating resource requirements using the FTI Indicative Framework. The model was used to provide the initial estimates of resource requirements provided in the 2003 sector strategy and EFA plan, using alternative scenarios. Since then, the MoE has continued to update the model and evaluate alternative scenarios, while adhering to the basic parameters of the Indicative Framework. The simulations chosen for the 2005 plan retain the long term strategic objectives the 2003 plan, but they also incorporate recent changes in primary education to arrive at a more realistic assessment of financing needs over the medium term. These changes include the large and unanticipated increases in primary enrolment that occurred in 2004-05 and are expected to continue in 2005-06; the difficulties encountered in reducing the repetition rate and hence a more realistic rate of reduction in the repetition rate ; and significant increases in expenditure on improving quality. The 2005 EFA plan presents 3 scenarios which focus on different levels of spending on quality improvement; other key policy parameters are held constant.

### **5.3 Key objectives and assumptions of the three scenarios**

Enrolment and coverage indicators:

The scenarios project a reduction in primary pupils from 2006, due to the reduction in repetition and multiple cohorts and only a gradual improvement in retention. This reduces the requirement for additional teachers and classrooms in the short term. When new data on enrolment becomes available, it will be necessary to assess whether enrolment is likely to continue to rise in 2006 as well. At other levels of education, the projections indicate a doubling of students at the EF2 level (lower secondary) and at the higher secondary level by 2015, which seem reasonable. Again, in subsequent simulations, a more rapid increase at the EF2 level can be considered and evaluated in terms of cost and financing implications. At the higher education level, the total number of students rises to 55,000, while the ratio of student per 100,000 population is kept constant. The implicit proposal is to restrain the growth of higher education, especially in public higher education.

Cost parameters at post primary levels:

At other levels of education, the assumptions regarding teachers' salary are reasonable. However, the pupil-teacher ratio at the EF2 level is projected to remain high (even higher

than at the primary level) – this will need to be revised in subsequent simulations to get a more realistic projection of financial requirements at this level. The amounts allocated to non-salary expenditures at these levels may also be low and need to be assessed carefully in relation to the strategies that will eventually be proposed for these levels.

#### Primary Teachers' salary:

The three scenarios assume an increase by 2008 in the remuneration of FRAM (community) teachers, to 3.0 times per capita GDP from the current level of 0.6, while maintaining those of the civil servant teachers at current levels. This is appropriate in order to ensure greater quality of new recruits of FRAM teachers. Overall, the ratio of teachers' salary to GDP per capita used in the model is about 3.5, which is that used in the Indicative Framework.

#### Construction cost of primary classrooms:

The model projections use an average unit cost of \$ 9000 for new classrooms (excluding sanitation and water facilities), which is the average obtained from current projects, both domestic and external, but is high relative to international levels.

### **5.6 Selection of Scenario 1 – increased spending on quality improvement**

Scenario 1 proposes raising expenditures on primary teacher training to 10 % of salary expenditures and a tripling of pedagogical expenditures per pupil. This scenario has been selected by the MoE for estimating the financing gap and is accepted by the donors. The higher training expenditures seem reasonable – according to preliminary calculations, they would finance about 15 days of training per year for all primary teachers. The increased pedagogical expenditures will help to finance additional textbooks, innovations in pedagogy, teaching aids, caisses scolaires, learning assessments etc. Scenario 2 proposes maintaining the status quo on teacher training (5 % of salary expenditures) while doubling the pedagogical expenditures per pupil. Scenario 3 maintains the status quo with respect to these two parameters.

### **5.7 Financing Gap**

#### Annual financing Gap over the medium term :

The estimation of the gap for primary education is based on the current fiscal effort of about 11-12 % of GDP with 23 % of domestic resources being allocated to education (compared to 14 % and 20 %, respectively in the indicative framework), with 42 % of these being allocated to primary education. The plan estimates the gap (based on availability of domestic resources alone) at \$ 81 m and \$ 86 for 2006 and 2007, respectively. The MoE finds it difficult at this time to realistically assess the resources for education that will come from budgetary support programs and proposes to undertake this exercise later during the year. This is an acceptable proposition. Based on a rough calculation undertaken by the local donor community, using estimates of what might be available from budgetary support programs and what is currently committed, the incremental funding required would be about \$ 35 million, in 2006 and 2007.

### Additional Financing Requirements for 2005:

For the current year, MoE has estimated additional financing requirements, taking into account the existing budget (which includes budgetary support and donor supported programs), as well as projects which are under negotiation with local donors. The estimated resource gap for 2005 amounts to \$ 15.7 million. However, as the plan states, it will be difficult to absorb this full amount during the remainder of this budget year; hence, it proposes that this amount be spent over the next 12 months. As the MoE expects additional donor financing of 5 million euros in January 2006 for 2005, it has requested additional financing of \$ 10 million for 2005. The donors consider this reasonable, representing about 10 percent of the current budget for primary education, which can be realistically spent if efforts are made to create appropriate implementation mechanisms, ensure rapid disbursement through a special account, roll out activities for recruitment and training of teachers and address bottlenecks, as proposed in the plan.

### Activities to be financed by incremental funding for next 12 months:

The 2005 EFA plan has provided an indicative list of activities, with associated costs, which are broadly consistent with the effort to improve quality. This list should be considered indicative and will need to be revised as the priorities and implementation mechanisms are operationalised.

## **6. Monitoring process**

The monitoring process will encompass the actual expenditure of the 2005 budget in order to try and ensure that the funds mobilized by the FTI Partnership truly represent additional funds and do not substitute for existing resources.

Data provided for the FTI framework indicators is provided in annex 5 of the plan. This will continue to be monitored following the intensive period of verification of sources and reliability which was undertaken by the MoE in light of the FTI process.

The plan proposes furthermore: to design and follow a tool to observe knowledge acquisition by pupils to allow periodical monitoring of the quality of education; to measure the costs for households to educate per child and per year; to monitor knowledge of main methods of preventing HIV/AIDS; and to record the number of inspection and support visits per school per year.

A process of bi-annual reporting is proposed to be synchronized with donor budgetary support programmes and at time convenient for the MoE. This seeks to reduce the reporting load on government and ensure more effective coordination of agencies.

Ideally, if grant finance is made immediately available from the Catalytic Fund, biannual monitoring of the education sector plan will take place 6 months after disbursement of the first tranche (thus post the start of the school year) and feed into the monitoring of the

budget support programs of various donors. A coordination meeting in September with few reporting requirements could be organized so as to flag any problems and report on progress. A formal joint review could take place in December 2005, for which the MoE would prepare a progress report covering EF1, and would ideally include also field visits with the MoE and selected donor representatives to collect data in order to assess achievements towards the goals. The December review could recommend release of the second tranche of the grant from the Catalytic Fund, or if there have been implementation delays, the release of the second tranche could be postponed to a later date.

It is recommended that the first comprehensive monitoring review of the sector be programmed for March 2006 so as to allow sufficient time for the Government to receive additional funding and to implement activities. This would be followed up by the second monitoring in September 2006, and a cycle of reviews in September and March could be continued.

The local donor community feels that the joint work initiated as a result of this assessment and endorsement process represents a significant advance in donor coordination. The joint monitoring process suggested above presents an opportunity to significantly reduce multiple reviews and reporting requirements for the government with respect to different donor projects and budgetary support programs. Effective processes for harmonization can be developed through a process of “learning by doing” over the next year or so.

## **7. Critical Knowledge Gaps**

**7.1 Measuring educational quality** is a complex issue that implies identifying baselines and achievable standards. It is more difficult in national contexts with strong diversity. MoE and donors learned from the results of the PASEC and Cornell studies on education in Madagascar. The MoE is committed to establish standards on quality at school and classroom levels, both for learning conditions, process and results. There is a recognized need for technical assistance to establish the baseline and to determine realistic indicators as well as for defining mechanisms for quality assurance. Some donors commented on the need to facilitate visits to countries which implemented Child Friendly Schools as a reference for educational quality.

**7.2 How to monitor effectiveness of interventions** is an issue closely related with 7.1. Effectiveness of interventions is primarily appreciated by regarding their impact on repetition and completion rates. Donors appreciated that MoE prioritized a Competency Based Approach for Teaching and Learning in the revised EFA Plan and considered that in this context the effectiveness of interventions should be evaluated by their impact on learning outputs. A database for monitoring learning outputs from the introduction of the Competency Based Approach is being implemented with UNICEF support. However, there is a need to develop additional criteria and tools to compare results from the different components of EFA Plan. Donors also recommended to empower a critical mass of MoE officers to follow up the effectiveness of interventions at different levels.

## **8. Implementation Capacity**

### **8.1 Management structure and the processes**

The MoE wishes to create an implementation structure within the Ministry. This structure would be composed of both existing institutional and external human resources. Its mission would be to guarantee optimal use of additional resources and would achieve results through developing public private partnerships, amongst other initiatives. A technical assistant would be assigned to each person responsible for the implementation of the EFA plan. These TAs would come from the ex-CRESED team. This initiative is in line with the request to donors in the first revised EPT plan (February 2005) to opt for TA for the implementation of the plan rather than on analysis of the sector. The donors find this to be a relevant initiative and encourage the Ministry to put this in place rapidly.

It is recommended that the government develop a more detailed operational plan outlining the authority, functions and activities of this structure, its links with the existing structures at central, regional and lower levels, the flow of funds and other related matters. The Ministry is currently engaged in assessing alternative models and will present a plan for discussion over the next few weeks.

### **8.2 Management of school construction**

In 2003 and 2004 the objective for school construction were not achieved. In 2005, the MoE foresees the construction of 2000 classrooms for primary level. In order to achieve this, and in line with donor recommendations, the MoE foresees a multiannual construction plan and will increase execution capacity by i) reinforcing the procurement unit, ii) diversifying the execution agents and modalities, iii) better communication to national companies to encourage their investments and iv) reinforcing the decentralised structures (communes/regions). Donors support the MoE on its option to decentralise construction activities. The MoE shall negotiate responsibilities and define competences of the Ministry and decentralised structures, (from 2006 the regions will elaborate their own budgets including education). The MoE is committed to reinforce the role of communes as implementers of school constructions through feeding into communal and regional funds.

### **8.3 Management of FRAM teachers, developing criteria for recruitment, ensuring standards, payment**

Donors recommended the immediate establishment of minimum profiles, procedures and mechanisms to ensure decentralized, timely and appropriate recruitment and payment for 7,500 additional community teachers. In the medium term there is also a need to develop a holistic approach that must include contractual conditions, training and professionalization, follow-up, incentives to good practices, and a specific statute for non civil servant teachers, following open and transparent management procedures

### **8.4 Teacher training**

The MoE will increase the budget for professional teacher training. From 2005, several objectives: 1) training 2, 000 teachers per year, ii) train 1000 secondary teachers per year providing for a future increase for EF2 level, iii) ensure continuous training for all teachers including APC, multigrade classes, and large groups, and iv) supervise immediate training for 7500 community teachers for the new school year 2005-6. The strategies for the implementation, and supported by donors, are:

- Reinforcing the institutional aspect, (revision of the INFP mission and whole training structure, increasing number of pedagogical advisers, a less theoretical training, contractualising the chefs ZAPs and school directors.
- Reinforcing the national coordination, implementation of a national committee to identify training needs, ensure coherence of offer and demand for training and evaluate the impact of training.
- Creation of training areas of a size realistic to the decentralised levels, and reinforcing the articulation CRINFP-ZAP (quality assurance: resources centre for didactic materials in pilot schools).
- Development of training materials (manuals, guides, innovative materials)

The donors recommend i) elaborating a multiannual plan for trainers and teachers ii) optimal use of CRINFP (initial training, continual training of trainers, census of possible partnerships to accelerate continual training) iii) implement distance training for language competence in line with the new linguistic policy chosen.

### **8.5 Textbooks and pedagogical materials**

Distribution of kits and textbooks to pupils will continue. Initial monitoring has identified gaps notably in poorest schools. However, the number of textbooks distributed should soon allow national coverage. The teachers will also be equipped with pedagogical guides (APC, groups, multigrade etc). Donors considered necessary to accelerate the implementation of the calendar for procurement; the bidding for basic expendable materials for children and teachers will be supported by UNICEF's procurement service.

### **8.6 Public expenditure management**

Budget preparation requires better coordination within the MoE and with decentralised structures, specially regions. It is necessary to guarantee that the education sector's current share of total spending is maintained for the current and coming years. Donors suggested putting in place negotiations with the Ministry of Finance to secure the budget. For preparation, the MoE supported by donors, foresee i) the improvement of the information system to work with reliable data, ii) recruitment of contractual management assistants to reinforce large scale actions. They will ensure respect of management procedures, quality organisation and allow time for those responsible in the MoE to concentrate on content.

### **8.7 Procurement/cash flow plan**

Concerning the plan for disbursements, donors insisted on the importance of communicating this to all MoE representatives (central and decentralised) and other actors (such as parents, NGOs etc). It is vital that all take on and accept the plan so as to

ensure implementation and financing plan are followed. These plans must be updated on a regular basis and discussed with the Ministry of Finance to ensure timely execution of planned activities.

**8.8 Donor response to strengthening capacity:** As a result of the work undertaken for this assessment and earlier work in donor coordination in education, donors recognize that there is still fragmentation in their capacity building activities, and that there is greater need to ensure complementarity in their efforts and responsiveness to the priority needs. As the capacity building requirements are outlined in greater detail and prioritized by the government, it is hoped that the donor response will be better coordinated and tailored to the government's plans and requirements.

### **9. Consultation Process**

After the validation of the EFA Plan and sector Plan in October 2003 by “*Les Amis de Madagascar*”, the GoM submitted to the Congress the new Law on Basic Education, which was approved by July 2004 and provide a framework to reinforce links between education and development. The MoE assumed a limited consultation of EFA plan within the sector and with its partners. This process includes several meetings for consulting with provincial and district directors, and the launching of a consultative group at technical level to identify and to prioritize basic competencies. It includes also meetings with donors and selected national and international NGOs. Consultation with other social and economic sector was weak

Donors recommended diffusion and validation of the new EFA Plan within the public sector, civil society and communities, because it implies increased responsibilities for all the stakeholders.

### **10. Recommendations**

The financing gap of the Ministry of Education in Madagascar of 2005 of \$ 10 million is realistic and it is recommended that this be funded by the FTI Partnership, through the Catalytic Fund, to ensure that funds are available for quality improvement measures.

The local donor community strongly recommends that 2/3 of the total grant is disbursed in the first tranche of the grant, in order to enable the Ministry to prepare for the next school year which begins in September (specifically, to puts its proposed new implementation mechanism on the ground and launch the new activities). We recommend that this be done as soon as possible, especially as expenditure needs are highest at this stage, between June and September. An execution plan with budget tracking measures should be established. Release of the last 1/3 of the grant will be subject to the joint review process planned for December to assess progress.

Donor activities should progress as quickly as possible to support the MoE reform process, e.g. the World Bank's proposed study on managing school construction, the European Union's support to reinforce the information systems and capacity of the Ministry and decentralized bodies in collecting and analyzing data. Donors should also integrate their capacity building activities and projects into the MoE's overall EFA plan.

The timetable for the joint review process, and proposed dates should be confirmed by the MoE as acceptable within their cycle. Negotiations should continue in order to bring this in line with the budget support programmes monitoring missions, and PRS review. For the review, it is suggested that the Government prepare a progress report on the indicators which be discussed with the partners and visits to schools be incorporated to check quality indicators and cash flow questions.

In the short term, it is recommended the Government also continue work on establishing strategies to deal with HIV, gender, the environment. The HRM and decentralisation plans should be developed further, and mechanisms to execute the key activities planned, (recruitment/training/construction), should be firmly established. The management structure proposed as responsible for activities should be further clarified and put into operation.

The estimated total financing gap for the years 2006-2007 is realistic based on current data and policy parameters. At this stage, this financing gap does not take into account resources from budgetary support programs and on-going donor projects, for which reliable estimates are not available. Based on some rough estimates of these resources, there will still be an annual gap of \$ 35 million which would need to be filled by external resources. A better estimate will be provided later this year and the size of the gap will be reviewed on an annual basis as part of the joint review process.

Given the recent advances in enrolments and the need to increase retention and raise the quality of education, it is necessary to assure predictability and continuity in the level of funding, both domestic and external. The government is committed to assuring that sufficient resources from both domestic revenues and budgetary support programs are devoted to education and to primary education in particular. Some of the donors currently working in Madagascar also plan to provide additional support to the education sector. The local donor community recommends that the FTI Partnership mobilize additional funds to bridge the remaining financing gap over the medium term, or continue to provide partial support through the Catalytic Fund for 2006 and 2007, so that the innovations proposed in the revised EFA plan are sustained.

## ANNEXE 1

### **Schedule of meetings of donor group**

31 January 2005 at UNICEF: presentation of the donor matrix and presentation of FTI

12 - 22 February 2005 Mission of the World Bank to discuss the new FTI assessment guidelines and Catalytic Fund.

15 February 2005 at World Bank: donor meeting to discuss FTI and elaborate work plan

18 February 2005 Colbert Hotel: meeting of MoE and donors to present the draft revised Education for All plan

February to March 2005– several meetings of the subgroups of donors to establish a draft analysis report.

4 March 2005: Vahy Inn Meeting of MoE and donors to present work in progress in updating the plan

11 March 2005: Donor meeting to combine work on the approval report.

14-24 March 2005: mission of the MoE to Washington/World Bank during which further work to develop the plan and discuss financial simulations was undertaken.

8 April 2005: the MoE presented the updated plan for analysis

21 April 2005: World Bank: Meeting of donors in video conference: final discussion on the updated plan

22 April 2005: Colbert Hotel Meeting of donors and MoE to feedback comments, and establish a timetable for approval.

## ANNEXE 2

### Catalogue of Main Documents for the Technical Assessment

Document	Date of draft/ Base Year Data	Author/ sponsor	Format	Issues Covered
<b>Education Sector Plan</b>				
Strategic directions for whole sector	October 2003; 2001	MENRS	Electronic file	
Progress report on implementation of strategic plan/revised plan	April 7, 2005	MENRS	Electronic file	
3-year EFA implementation action plan	October 2003	MENRS	Electronic file	
Progress report and revised 3-year implementation plan	April 7, 2005	MENRS	Electronic file	
<b>Education Cost and Finance Simulation Model</b>	March 11, 2005	MENRS	Electronic file	
<b>Sector overview studies</b>				
Country Status Report	2002; base year data 1999	WB	Electronic file	
<b>Education Indicators</b>				
MENRS Statistical Database	2000-2004	MENRS	Electronic file	Enrolment, repetition rates, out-of-school children
Enquête Permanente Ménage	2001, 2002	INSTAT	Hard copy	Enrolment rates
Student school progression	2004	Cornell University	Electronic file	Enrolment rates
Tableau de bord Social; Secteur Education	2002	INSTAT	Hard copy	
Carte Scolaire	2004	MENRS	Electronic file	
DHS	2003/2004	UNICEF	In progress	Enrolment rates
<b>Quality and Pedagogical Studies</b>				
Achievement levels in Math, French at primary level	2004 – already	Cornell	Electronic file	comparison with PASEC of

### Catalogue of Main Documents for the Technical Assessment

Document	Date of draft/ Base Year Data	Author/ sponsor	Format	Issues Covered
	available	University		1999; 2000 households covered ; in school, out-of-school, never enrolled children tested
PASEC - primary	March 2004	MENRS CRESED	In progress	Pre-test achievement test results
MLA – 8 <sup>th</sup> grade of secondary level	Feb 2004	MENRS CRESED	In progress	2000 students
Evaluation of APC	March 2004	UNICEF	In progress	3000 students
Study on teacher training (before APC began)	Available	UNICEF		
Etude diagnostique des Lycées et Collèges		CRESED	In progress	Quality indicators
Teaching-Learning Time (Tana)	available	MADERE	Electronic file	
<b>Management and Institutional Capacity Building</b>				
Rapport d'activité du Projet MADERE	2003	MADERE	Electronic file	
Synthèse des plan triennaux de CISCO	2004	MENRS	Electronic file	Needs are presented for each commune ; to help in organising rentree scolaire
Carte Scolaire (synthèse)	2004	MENRS	Electronic file	
Analyse du recensement scolaire	2004	MENRS	Electronic file	Diagnostic of collection of statistics
Etude diagnostique des Lycées et Collèges		MENRS	In progress	Help with development of strategy ; DIRSEB management
Institutional study of MENRS	March 15	AED	In progress	Functional reorganization of Ministry
HR rationalization plan – also PRSC 2 trigger	March 31	Core Advice	In progress	Audit of HR, current status, issues, review of legal texts and suggestions for (a) redeployment and (b) plan for hr management

### Catalogue of Main Documents for the Technical Assessment

Document	Date of draft/ Base Year Data	Author/ sponsor	Format	Issues Covered
				and training,
Etude sur le LMD – Higher Education	March 31	MENRS	Electronic file	Management of universities (financial and personnel); gestion pedagogique;
Evaluations des Chefs Ciscos	March 31	MENRS	Electronic file	To judge performance of CISCO chiefs selected in Sept 2003 – recommendations for changing process/training
Evaluation report of CRESED	April	Consulting firm	In progress	
AGEPA	February 2005	MENRS	Electronic file	
Audit Report EPT	March 2004		In progress	Construction implementation
Rapport dur FID			Electronic file	Construction
Rapport sur le recrutement des enseignants		MENRS		
<b>Public Expenditures and Financial Management</b>				
Public Expenditure Review	2005	World Bank	Electronic file	
CFAA	2003-2004	WB	Electronic file	
CPIA	2003-2004	WB	Electronic file	
Education Expenditures review		MENRS consultants		
Manual for budget program		MENRS consultants		
Discussion with MOF and MENRS on budget execution and budget preparation problems		World Bank		
Study on Procurement Capacity	End April	World Bank – PHRD		

### Catalogue of Main Documents for the Technical Assessment

Document	Date of draft/ Base Year Data	Author/ sponsor	Format	Issues Covered
Study on Financial Management	End April	World Bank – PHRD		
JSA -HIPC	2004	WB		
Budget Tracking for EU	2003	INSTAT		
Budget Tracking	2003/2004	World Bank		
MENRS cash flow plan and procurement plan		MENRS	In progress	For 2005 year and by quarter
Unit costs of classrooms	2004-2005	Japan/ILO/AFD/FID/CRESED	Electronic file Hard copy	
Costs of textbooks	2003-2004	UNICEF/CRESED	Electronic files	
Cost of training	2004	CRESED/MENRS		
<b>General Documents/Reports</b>				
Aide-memoire of Mission conjointe	Oct 2004			

**ANNEXE 3 : Estimates of disbursement of externally aided projects in education**

Externally financed projects	Commitment (USD millions)	Disbursement (USD millions)			
		2004	2005	2006	2007
CRESED/IDA 07/99 – 03/05	65	9.7	9		
UNICEF		1.20	1,27	1.46	1.59
AFD	11.2	0.13	9.56	1.51	
PAM Cantine Scolaire	10.47	0.53	1.89	1.99	2.09
JICA		7.5	7.5		
Norvège	33.43	1.6	8.09	8.09	8.09
BAD		nd	0.421		
Coopération française		2.26	2.34	0.73	
BADEA	11.25	nd	3.240	1.927	
OPEP		nd	4.307	2.374	
USAID	3.01		1.0	1.0	1.0
<b>Aide budgétaire directe</b>					
PRSC/IDA	Engagement Annuel	120	70	70	70
Union Européenne	118	28	29	31	26