

ASSESSMENT OF AID EFFECTIVENESS IN ETHIOPIA: A CASE STUDY ON THE GENERAL
EDUCATION QUALITY IMPROVEMENT PROGRAMME AND THE COLLABORATION AMONG
DFID, UNICEF AND THE WORLD BANK

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Declaration

Student number: 42058643

I declare that **Assessment of Aid Effectiveness in Ethiopia: A Case Study on the General Education Quality Improvement Programme and the Collaboration among DFID, UNICEF and the World Bank** is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

Ms Solome Zemene Kassa

30 April 2013
[Date for revised submission]

Abstract

This research focuses on assessing the extent to which the Principles of Aid Effectiveness were followed and translated into action by taking the General Education Quality Improvement Programme (GEQIP) in Ethiopia as an example. Outcomes of the secondary reviews conducted on the selected government institutions and development partners documents demonstrate that these Principles are taken as overarching strategies to guide the undertakings on GEQIP.

The study attests that a number of factors influence the realization of aid effectiveness in Ethiopia. These include, at the recipient level, existence of strong national development plans while demanding improvement on absorptive capacity. At the level of development partners, compliance with pledges made on the provision of resources and better coordination is needed. A common country framework to guide the aid effectiveness process including mutual accountability is important. The study most importantly identifies that beyond sector specific reviews, emphasis should also be given to assess the contribution of the Principles of Aid Effectiveness for efficient delivery of support to the GEQIP.

Key Terms:

Paris Declaration; Principles of Aid Effectiveness; Millennium Development Goals; Poverty Reduction Strategy; Education; General Education Quality Improvement Programme (GEQIP); Development Partners; External Assistance; National Capacity; Ownership; Alignment; Harmonization; Managing for Results; Mutual Accountability;

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Acronyms

ADB:	African Development Bank
ADLI:	Agriculture Development Led Industrialization
ARM:	Annual Review Meeting
CCA:	Common Country Assessment
CPD:	Country Programme Document
CPAP:	Country Programme Action Plan
CSA:	Central Statistics Authority
CSO:	Civil Society Organization
DAG:	Donor Assistance Group
DFID:	Department for International Development
EDAG:	Education Donor Assistance Group
ESDP:	Education Sector Development Plan
ETWG:	Education Technical Working Group
EU:	European Union
FTICF:	Fast Track Initiative Catalytic Fund
GoE:	Government of Ethiopia
GEQIP:	General Education Quality Improvement Programme
GTP:	Growth and Transformation Plan
GTZ:	German Technical Cooperation
IDA:	International Development Association
IMF:	International Monetary Fund
JICA:	Japan International Cooperation Agency
MAP:	Management and Administration Programme
MD:	Millennium Declaration
MDGs:	Millennium Development Goals
MoE:	Ministry of Education
MoFED:	Ministry of Finance and Economic Development
NLA:	National Learning Assessment
NGOs:	Non-Governmental Organizations
OECD:	Organization for Economic Cooperation and Development
PAD:	Project Appraisal Document – World Bank
PASDEP:	Plan for Accelerated and Sustainable Development to End Poverty

PBS: Protection of Basic Services
PRSP: Poverty Reduction Strategy Paper
SDPRP: Sustainable Development and Poverty Reduction Programme
SIDA: Swedish International Development Cooperation Agency
SIP: School Improvement Programme
UN: United Nations
UNCT: United Nations Country Team
UNDAF: United Nations Development Assistance Framework
UNICEF: United Nations Children Fund
USAID: United States Agency for International Development

Chapter I: Introduction

1. Introduction

1.1. The Need for Aid Effectiveness

The past experiences in the delivery of Overseas Development Assistance to developing countries has led to the recognition that better results can be achieved if aid is delivered in line with the development priorities of developing countries and coordinated among development partners. This realization resulted in the 'Aid Effectiveness Agenda,' which focused on developing common approaches to goals, frameworks and principles on how aid is approached and delivered both by developed and developing countries. These approaches have influenced not only the global policy level decision making process but also at a country level, sector specific interventions.

A study commissioned by the Organization for Economic Cooperation and Development (OECD) in 2008 states that the 1990's marked a paradigm shift in development thinking and the mechanisms used to deliver aid (OECD 2008c). In stating the importance of this paradigm, the report underscores that "... aid spending and policies in the past were focused more on macro-economic stability by lowering debt, reducing inflation and balancing a county's balance of payments, which involved cutting back on public expenditure" (OECD 2008c:2). This for example included reducing State services and subsidies the majority of the people in developing countries depend on due to their poor economic situation to support themselves. This also "led to opening up economies to international trade and investment resulting into privatization of state enterprises, reduction in basic free services such as healthcare and primary education; and the dismantling of

centralized State planning systems. As a consequence of such cutbacks in the scope of State activity, aid became more decentralized, involving many more separate projects and associated with scrutiny and control procedures” (OECD 2008c:2). The report continues that the “economic based progress and the individual project approach that came as a result of the economic focus on development was regarded ineffective and counterproductive. Especially the efforts to reduce debt, bring rapid economic growth and eliminate poverty mainly in sub-Saharan African countries did not materialize as planned resulting in more inequalities and poverty. Rather, aid spending was noted to result into high transaction costs and administrative burdens due to large number of projects and multitude of donors with their reporting schedule and accounting requirements” (OECD 2008c:3). This resulted in a series of initiatives in the 1990’s to reverse the focus of development, from economic based progress to human development and poverty reduction. In this regard, the United Nations supported a series of initiatives to accomplish human development through human rights, women’s empowerment, children’s rights, global education, the environment and social development. This initiative gave the basis for the development of the Millennium Declaration and the eight Millennium Development Goals (MDGs), which were endorsed in 2000 by developed and developing countries as priorities to address issues of human development and poverty by 2015 (OECD 2008c). The MDGs are further discussed in Chapter 2.

The OECD report continues that Poverty Reduction Strategy Papers (PRSPs) are another key initiative developed in 1999 to reverse the negative impacts of the economic development focus, as noted above in the past decades (OECD 2008c). The PRSP is a comprehensive development framework initiated by the World Bank and International Monetary Fund (IMF), later adopted by various donors and developing countries. PRSPs

are focused on financing pro-poor policies with the view to strengthening governance, building institutional capacity and commitments of participation of the majority poor in national development processes. Aspects of participation were noted to bring out national priorities and reduce on donor conditionality, while setting priorities in national development plans (OECD 2008c). In addition, the IMF states that, “the PRSP is initiated with the objective of establishing a proper link between national public actions, donor support and development outcomes to meet the United Nations MDGs to halve poverty from 1990-2015” (<http://www.imf.org/external/np/exr/facts/prsp.htm>).

The PRSP is guided by the five core principles of supporting a country driven poverty reduction strategy developed with the broader participation of civil society. A results oriented approach that focuses on improved outcomes that benefit the poor and that recognizes the multidimensional nature of poverty are expressed in the core principles of the PRSP. A partnership oriented approach through a consultative approach among government, civil society and donors is taken as the main avenue for poverty reduction. The PRSP principles also include the need for a more long term development plan and poverty reduction vision as opposed to a short-lived project approach (www.IMF.org). Further to these principles, PRSPs take the MDGs as key pillars to guide development of national owned plans, which were agreed to be used as the basis to provide support to recipient countries (Marrow 2001).

1.2. A New ‘Aid Architecture’

Regular reviews on the implementation progress of the MDGs and the PRSPs, identified the need for policy changes on how aid is delivered and coordinated, which resulted in a

new 'aid architecture'(OECD 2008c). The Rome Declaration in 2003 mapped out the initial stages for the development of this new aid environment called the Principles of Aid Effectiveness. Consultations held in Rome in 2003 among representatives of developed and developing countries as well as multilateral and bilateral institutions identified the slow progress towards the achievement of the MDGs. This then led to the identification of policy changes, proposing an improved approach to the delivery of development assistance and agreeing on the development of a more concrete aid architecture by 2005 (Ibid). Some of the key areas highlighted in the Rome declaration, which led to the establishment of the Principles of Aid Effectiveness agenda, known as the Paris Declaration 2005 included the need for:

- Improvements on the alignment of development assistance with national priorities and those of global initiatives;
- Reducing uncoordinated donor visits, reporting requirements, and conditions;
- building on country experiences and analytical works to strengthen national leadership; and
- Regular monitoring of indicators towards progress on MDGs as well as their delivery mechanism (OECD 2003).

In addition, some of the main reasons for the policy changes in the delivery of development assistance included the heavy administrative burdens and high transaction costs imposed on developing countries due to the fragmented approach followed by donors. Countries receiving development assistance from multiple donor countries were challenged with uncoordinated schedules of reporting and accounting requirements. Funds were spent inefficiently due to donor priorities that were tied to their own country requirements rather than addressing the needs of the priorities of developing countries (OECD 2008a). Despite commitments made by donors, requirements on the disbursement of funds and

implementations led to the unpredictability of funding. The parallel systems put in place to manage projects, especially the special staffing arrangements by donors were reported to undermine government systems effectiveness in planning, budgeting and implementation of national plans. This is also noted to have led to less accountability among developing country governments and donors to achieve results due to individual donor conditionality, having an adverse impact on the proper coordination of efforts towards national priorities and structures, which is not in line with national priorities (OECD 2008a).

The impetus for making overseas aid more effective was the Paris Declaration in 2005, which developed the key Principles of Aid Effectiveness:

- Ownership and leadership of development priorities by developing countries;
- Alignment of aid and its delivery mechanism with national priorities and systems;
- Harmonization and simplification of procedures as well as information sharing;
- Managing for results, focusing on performance outcomes rather than increase on aid;
- Mutual accountability – advocate for joint review procedures (OECD 2005).

These Principles are further discussed in Chapter 2.

The PRSP and the Paris Declaration share similar values in ensuring progress towards reaching the targets as set under the MDGs. The PRSP process, as agreed under the new guidelines on aid delivery mechanisms, serves as a comprehensive development framework, which encompass the MDGs as pillars to identify national priorities, alongside the Principles of Aid Effectiveness as a strategy to deliver aid (OECD 2008c). This demonstrates the harmonizing aspects among the MDGs, PRSP and Principles of Aid Effectiveness. This focus on development follows a common approach in terms of realizing

human development and poverty reduction guided by common goals, frameworks and principles to enhance efficiency of development assistance. For example, the government of Ethiopia (GoE) has so far developed three rounds of poverty reduction strategies that took the MDGs as a pillar to set its national development priorities. It uses the Principles of Aid Effectiveness as an overarching strategy to guide its poverty reduction plans (MoFED 2005).

1.3. Reviews of the Principles of Aid Effectiveness

Following the development of the Paris Declaration in 2005, a High Level Forum (HLF) was established to regularly monitor the progress towards the application of the Principles of Aid Effectiveness. Country specific surveys are conducted against these Principles, which feed into the various HLF forums. So far, three HLF reviews have been conducted in Accra and Ghana in 2008 and in Bussan in 2011, which are referred as the 2nd, 3rd and 4th High Level Forum on Aid Effectiveness. The findings from these regular reviews on the application of the Principles of Aid Effectiveness among donors and recipient countries showed that signatory countries needed to continue to strengthen their commitments to these Principles, if the common goals of human development and poverty reduction are to be realized (OECD:2008b). Specifically, the findings from the review in Accra showed that the pace at which progress was seen to be moving was found to be too slow and called for improvements in the following specific areas:

1. *“Country ownership:* Developing country governments to take stronger leadership of their own development policies, and to engage with their parliaments and citizens in shaping policies. Donors to support these countries by respecting countries’

- priorities, investing in their human resources and institutions, making greater use of their systems to deliver aid, and increasing the predictability of aid flows” (OECD 2008b:15-16).
2. *“Building more effective and inclusive partnerships:* In recent years, more development actors – middle income countries, global funds, the private sector, civil society organizations – have been increasing their contributions and bringing valuable experience to the table. This also creates management and co-ordination challenges, where all development actors should work towards more inclusive partnerships so that all efforts have greater impact on reducing poverty” (OECD 2008b:15-16).
 3. *“Achieving development results – and openly accounting for them – must be at the heart of all undertakings.* More than ever, citizens and taxpayers of all countries expect to see the tangible results of development efforts. This demands all parties to demonstrate that their actions translate into positive impacts on people’s lives, be accountable to each other and to their respective parliaments and governing bodies for these outcomes” (OECD 2008b:15-16).

Further to the consensus reached by governments of developing and developed countries on the principles as laid out in the Paris Declaration, due emphasis was given that in addition to aid there are other factors to be considered if the MDGs are to be achieved. These include “democracy, economic growth, social programmes and care for the environment” (OECD 2008b:1).

The review process conducted in Bussan, South Korea in 2011 also showed that there remained more to be done in aligning aid effectiveness with the implementation of the

commitments agreed on in Paris. The Bussan agreement states that “development partners need to be united by a new partnership that is broader and more inclusive than ever before, founded on shared principles, common goals and differential commitments for effective international development. It also states that this partnership will continue to be guided by the principles of ownership of national development priorities that are results focused. Inclusive partnership, encouraging a south-south cooperation and transparency on public disclosure of information are also the guiding principles agreed upon” (OECD 2011:3). The partnership agenda is focused towards and beyond achieving the MDGs by 2015 (OECD 2011).

Despite the continued identification of the need for improved commitments, the Principles of Aid Effectiveness continue to be the guiding principles for the poverty reduction and human development agenda globally, despite the MDGs being only two years away from their target period of 2015. The statement from Bussan also confirms that these principles are to be carried forward post 2015 to serve as a strategy for aid effectiveness (OECD 2011).

In light of the above, this research investigates and assesses to what extent the Principles of Aid Effectiveness have been followed by donors, their contribution to national development priorities and the aid environment within which they are implemented. Focusing on Ethiopia as one of the developing countries receiving development assistance from a large group of development partners, the country has currently developed its third phase of PRSP. Given the wider range of priorities for the PRSP of the Government of Ethiopia (GoE), this research focuses on the Education sector in Ethiopia and in particular the government’s quality component as prioritized through the General Education Quality

Improvement Programme (GEQIP) strategy, of the second poverty reduction strategy for Ethiopia, PASDEP. Narrowing this focus supports the aim of enabling an in-depth assessment of how the Principles of Aid Effectiveness were followed by donors, and ensure a more efficient and specific analysis that would result into a more concrete outcome for this study.

1.4. Research Problem

The Principles of Aid Effectiveness came into the picture to enhance efficient and coordinated delivery of aid. In addition, the Principles are expected to reduce administrative burdens and transaction costs. However, since their inception, regular reviews of these Principles at various High Level Forums have showed the need for improved commitment by developed and developing countries. Despite this observation on lack of commitment, the Principles continue to serve as an overarching strategy in coordinating the delivery of aid.

Ethiopia is one of the signatory countries to these Principles. It is one of the developing countries receiving aid from a multitude of donors in support of the multifaceted development challenges of the country. Donors that provide support to Ethiopia are diverse in their policy, programme and operational approaches. Support provided to Ethiopia comes in the form of technical, financial and in-kind support. Also, the Government of Ethiopia (GoE) has its own preferred aid modalities as stipulated in their second PRSP, PASDEP, and outlined in some of the internal, unpublished sources of information received from the Ministry of Finance and Economic Development (MoFED). The GoE preferred aid modalities are discussed in Chapter 2. There are also several coordination arrangements

put in place both by donors and government in support of the national priority of Ethiopia. As noted already, the objective of the Principles of Aid Effectiveness is to ensure a coordinated support to developing countries, which is clearly aligned with national priorities and systems. However, the situation in Ethiopia shows us that there are multiple forms of support and coordination arrangements in place including government preferred modalities to deliver aid. Such multiple aid delivery mechanisms create a challenge to adhere to these Principles that demand coordination and alignment with one national system to enhance delivery of aid.

Despite the continued concerns raised on the limited compliance the Principles of Aid Effectiveness, these principles remain an overarching strategy to guide the support provided to the national development plans of Ethiopia. This demands us to take a further look in to the extent to which the Principles of the Aid Effectiveness were followed by development partners, while providing support to the national development plans of Ethiopia. As noted above development partners have different policies and have multiple arrangements put in place to facilitate the delivery of aid in support of the multifaceted development challenges of the country. In view of this, a specific look is made into the General Education Quality Improvement Programme (GEQIP) of Ethiopia by targeting selected multilateral and bilateral development partners who provide support to the programme. GEQIP is the quality improvement programme for the education sector in Ethiopia. It is supported by over fifteen development partners. There are pooled and non-pooled fund arrangements put in place that come with various fund channeling mechanism implementation and reporting requirements. There are also various coordination arrangements such as the GEQIP Core Committee and the Education Technical Working Group to coordinate the support provided by education development parents. The Ministry

of Education has a co-leadership role in these coordination arrangements. DFID, UNICEF and the World Bank are some of the multilateral and bilateral education development partners providing support to GEQIP. Despite the multiple arrangements, the Principles of Aid Effectiveness are noted to be a strategy to deliver support to the GEQIP. While the objective of these Principles to reduce multiple arrangements and align support with national priorities and systems.

1.5. Research Objective

The GEQIP is one of the priority areas of the second poverty reduction strategies for Ethiopia, Plan for Accelerated and sustainable development to end poverty (PASDEP) covering the period 2006-2011. The GEQIP is aligned with the MDG 2 on universal access to primary education and focuses on quality in education in Ethiopia. The strategy was designed with the view to the Government of Ethiopia's (GoE) plan to build its human resources capacity that is identified as capable of lifting the country out of poverty. The quality improvement interventions focus from primary up to the tertiary school levels of the country, which is a central focus of the education sector policies/strategies for Ethiopia (MoFED 2005).

The GEQIP programme is supported by various donors, referred hereafter as 'development partners' for the purpose of this research. The research concentrates on an analysis of 3 development partners as signatories to the Principles of Aid Effectiveness, selected because of their diversity in policies, priorities, strategies and operational approaches. The United Kingdom Department for International Development (DFID), United Nations Children Fund (UNICEF) and the World Bank who are amongst the many development partners

providing development assistance to GEQIP. These 3 organizations are multilateral and bilateral institutions working towards supporting a common goal, i.e. achievement of the results of the GEQIP. These institutions work in partnership with the Ministry of Education (MoE) who are the lead ministry on GEQIP and the Ministry of Finance and Economic Development (MoFED) who are responsible for designing the country's poverty reduction strategy and aid/development assistance policies.

In summary, the objective of this research is focused on assessing the extent to which the Principles of Aid Effectiveness have been followed by DFID, UNICEF and the World Bank while providing development assistance to the Government of Ethiopia's (GoE) Education sector GEQIP programme. In order to respond to the objective of the research the following key questions were used, especially given the diverse nature of the three development partners and the preferred aid modalities by the GoE:

1. As signatories to the Principles of Aid Effectiveness, have DFID, UNICEF and the World Bank, followed the Principles of Aid Effectiveness in how they deliver aid to GEQIP, and if so how?
2. Has the Government of Ethiopia provided the necessary enabling environment for the three development partners to follow these Principles?
3. What is the specific contribution of the Principles of Aid Effectiveness in the delivery of support to the GEQIP?

1.6. Research Methodology

In considering the nature of the data required for this research, it was concluded that the most appropriate research method was a desk based study through the collection of existing data sources. This method was established after initial discussions with Key Informants.

Key Informant Interviews - during the initial stages of the research design, an informal discussion was conducted with Key Informants to establish a clear understanding on the direction that my research approach should follow. The Key Informants included representatives from the target institutions of this study - DFID, UNICEF and the World Bank. Since GEQIP is the focus of the study, education experts and head of team leaders for GEQIP were also consulted from these institutions. Experts from MoE and MoFED were consulted within the GoE, as lead institutions on GEQIP and policy makers on the aid environment in Ethiopia, respectively. MoE department heads (planning and GEQIP) and education experts, as well as MoFED team leaders for multilateral and bilateral institutions responsible for the design of aid policy were also consulted within government. As a coordinating body for development partners providing aid to the education sector, discussions were held with the co-chairs of the Donor Assistance Group (DAG) for the Education Technical Working Group in Ethiopia. The discussions focused on the steps taken by each organization in following the Principles of Aid Effectiveness, challenges experienced in relation to this and areas identified for improvement. As observed during the discussions and recommended by the Key Informants, secondary resources were agreed as the most appropriate sources of information for this research. The recommended sources of information were the GoE's policy on aid; the second PRSP strategy; PASDEP;

Education Sector Development Plans (ESDP); progress reports on poverty reduction plans; the ESDP and the MDGs. An informal discussion was held with 12 Key Informants selected from the target institutions, the DAG and the government institutions (MoE and MoFED).

Secondary sources - from the development partners side, country programme support documents for Ethiopia;, global policies and strategic plans, including progress reports (activity and financial) were recommended by DFID, UNICEF and the World Bank. In line with the recommendations of the Key Informants and based on my own observations, the following materials provided the main sources of data for the research (this is further discussed in section 1.6.2 below):

- Global and country level surveys on the Paris Declaration,
- The Ethiopia Donor Assistance Group undertakings in general and those specific to the education sector,
- Studies on Ethiopia's aid modalities by other development partners that are not the focus of this research,
- Civil society reports on the poverty reduction strategies of Ethiopia

Multiple written materials and reports are available on the Principles of Aid Effectiveness both at the global and country level. The secondary sources serve as reliable and consistent sources of information that are clearly documented, publicly available and subject to peer review and criticism, rather than individual subjective perceptions, which would also need to be evidenced with proper documentation. It shall be noted that while expert opinions are important, such information needs to be further validated with the various policy, programme and progress reports to ensure their reliability.

The time period for the data ranges from 1999 – 2012. This period marks the initiatives towards the shift in the development focus, leading up to the Paris Declaration on Aid Effectiveness in 2005, and the regular reviews conducted afterwards. The timeframe for the research focuses on the second PRSP, Plan for Accelerated and Sustainable Development to End Poverty (PASDEP) of Ethiopia that covers the period 2006-2011, and the Education Sector Development Plan, which falls within the PASDEP period. This was done with the focus to assessing the poverty reduction strategy from its inception up to its finalization and review level. This gives the opportunity to assess a full cycle of a PRSP, more specifically the GEQIP.

1.6.1. Target Institutions for the Research

DFID, UNICEF and the World Bank are multilateral and bilateral institutions with diverse policies and programming approaches in their delivery of development assistance to developing countries. These three institutions are focused in achieving the objectives of GEQIP as their common goal in supporting the delivery of quality education in Ethiopia. All three have agreed to follow the Principles of Aid Effectiveness in their support to GEQIP. It is the focus of this research to assess in what ways these institutions has followed the 5 key Principles of Aid Effectiveness in directing their support to the Education Sector through GEQIP. DFID, UNICEF and the World Bank are selected for the research given their diverse policies and approaches as multilateral and bilateral institutions. DFID is a bilateral institution. UNICEF and the World Bank are multilateral institutions. The contribution of these institutions to the GEQIP is discussed in Chapter 2. The research analyses how the target institutions coordinated their efforts, while collaborating with the relevant government institutions such as MoE and MoFED. This is also important to see

how development partners with different policies, implementation arrangements and reporting requirements coordinate themselves while providing their support to GEQIP. This is especially important to see how the target institutions with diverse approaches try to coordinate their support in line with the Principles of Aid Effectiveness. As noted already, the MoE is the lead institution for the GEQIP programme, while MoFED facilitates policy provisions on aid management and development assistance modality for the GoE.

1.6.2. Resources consulted

The data sources analyzed for this research include:

Government Resources: Government published data documents, such as poverty reduction strategies and sector development plans; aid policy documents (unpublished sources); progress and evaluation reports on PASDEP, GEQIP and those specific to the target institutions; studies on aid modalities and aid effectiveness in Ethiopia; financial documents on budget allocation and utilization for GEQIP; internal documents such as minutes and concept notes, as well as online materials from OECD and others to verify data gathered from the target institutions. These documents refer to the education sector and the aid modalities used by the GoE and development partners in Ethiopia.

Target Institutions (Development Partners) Resources: The documents were taken from DFID, UNICEF, the World Bank, MoE and MoFED offices in Ethiopia as well as websites of these institutions. These documents were specifically selected to respond to the key questions of this research assessing the extent to which the Principles of Aid Effectiveness were followed in support of the GEQIP as well as the aid enabling

environment the target institutions were operating in while delivering their development assistance.

Other Resources: Outside of the target institutions and the government Ministry offices, data was also gathered from development partners such as Irish Aid, civil society organizations such as Poverty Action Network Ethiopia (PANE), a civil society consortium in Ethiopia, the Donor Assistance Group in Ethiopia and the OECD. These documents are used to verify the data gathered using the secondary sources from the target institutions.

Resources consulted were gathered directly from the Ethiopia offices of DFID, UNICEF, the World Bank, MoE and MoFED. In addition, websites of these institutions were used to gather all the necessary resources as advised by Key Informants consulted from the different organizations at the start of the research process.

1.6.3.Data Analysis

The standard definitions and content of each of the Principles of Aid Effectiveness as provided by the OECD are used as a framework in measuring and analyzing the data gathered from the secondary sources. The findings of the research are analyzed according to the three research questions (assessment areas). The first area is focused on assessing the extent to which the Principles of Aid Effectiveness were followed by the target institutions against the five Principles, in delivering support to GEQIP. The second assessment area was focused on the enabling environment provided by the Government of Ethiopia (GoE), in supporting the target institutions to follow these Principles. The third area was focused on assessing the contribution of the Principles on the efficient delivery of

support to GEQIP by the target institutions. Analysis and interpretation of this information was used to draw the main recommendations and conclusions of the research.

The GoE second Poverty Reduction Strategy paper, PASDEP, was reviewed with the view to identifying the national priorities of Ethiopia in addressing its poverty situation, the national and external sources used to finance these priorities, and the principles used to guide development assistance. The education sector development plans for the GoE were reviewed in conjunction with the PASDEP to assess the operationalization of national priorities. Unpublished materials such as internal concept notes and minutes from MoFED were used to assess the country's direction and preferred aid modalities. The unpublished materials were provided by the UN team leader in MoFED. This is used to analyse the compliance and the enabling environment for development partners to deliver development assistance guided by the Principles of Aid Effectiveness.

Policy and programme documents from DFID, UNICEF and the World Bank were reviewed to assess their policies and undertakings in support of the GEQIP programme. Here, efforts were made to assess to what extent the second and third Principles of 'Alignment to national priorities and Harmonization to national systems' were met. This information was used to determine the level of coordination and participation applied while setting the priorities for GEQIP including implementation and review processes. Various programme documents, activity and financial reports as well as evaluation reports from the target institutions are also reviewed. This is done with the objective of assessing the contribution of the Principles of Aid Effectiveness to achieve the GEQIP results as well as the mutual accountability mechanisms put in place while planning, reviewing and taking corrective actions in an effort to achieve the target results.

The Paris Declaration surveys and outcomes of High Level Forums (HLF), Aid Modalities in Ethiopia published by Irish Aid, the civil society consortium – Poverty Action Network (PANE), the aid effectiveness studies on the Health sector of Ethiopia, MDGs progress reports, the DAG progress reports and other similar reports are used outside of the target institutions. The data from these sources are gathered to further validate and strengthen the findings from the target institutions. The data sources were used to verify the findings from the perspective of other stakeholders and if the outcomes are commonly shared by the same. The data gathered from each target institution and categorized under each Principle of Aid Effectiveness were further reviewed against data gathered from the non-target institutions. For example, MoFED states in the PASDEP that it followed a participatory approach while setting national priorities. In order to verify this information a document from PANE was used to determine the level of involvement of civil society organizations in the identification of national development priorities. Furthermore, the DAG and Irish Aid reports were used to verify the findings from the target institutions on the pros and cons of the aid environment in Ethiopia as well as the application of the Principles of Aid Effectiveness. The Paris Declaration survey reports and the MDGs progress reports were also instrumental in this regard.

The research questions, the specific focus on target institutions as well as one sectorial programme – the GEQIP, including methods used to gather and analyze data were instrumental in responding to the research objective. Beyond assessing the compliance aspect the research approach was successful in identifying the steps to be taken if the Principles of Aid Effectiveness are to be adhered to and to enhance their contribution to the efficient delivery of development assistance.

1.7. Limitations of the Research

The Government of Ethiopia (GoE) has put in place various sectorial priorities in order to respond to the multifaceted challenges of the country. Support provided to these priorities is guided by the Principles of Aid Effectiveness. Given the many sectors and donors involved in GoE poverty reduction strategies, for the purposes of the research, focus is limited to the education sector, specifically to the General Education Quality Improvement Programme (GEQIP) under the second PRSP. By nature, the dissertation is limited in scope and does not therefore claim to be representative of the broader findings of the effectiveness of donors and recipients following the guidelines of Paris generally throughout all social sectors. In addition, given the high number of development partners in Ethiopia, the research further narrows the focus to 3 partners, namely DFID, UNICEF and the World Bank. Again, these findings from these 3 organizations are specific to them and their role in supporting the GoE in its development strategies. The research focuses on assessing the extent to which the Principles of Aid Effectiveness were followed in the delivery of aid to GEQIP. It does not assess the progress towards achieving the results of the GEQIP priorities and targets, and if quality was achieved in the education sector in Ethiopia. Time limitations impacted on the capacity of the researcher to broaden this scope.

1.8. Definition of Key Terminologies

Aid Effectiveness and the Paris Declaration: “The Paris Declaration (PD) is seen by the international development community as a major tool for improving aid effectiveness among development partners and partner countries. It sets out principles for improvement

in the efficiency with which aid is delivered, received, and managed. According to the Declaration, this improvement requires strengthening development partners' harmonization and alignment with the policies of partner countries, with the aim of enhancing partner country ownership, reducing aid delivery transaction costs, avoiding overlapping and contradictory interventions, and increasing the accountability of both sets of partners to their sources of finance”(OECD 2007:1).

Principles of the Aid Effectiveness Agenda: for the purpose of this research and to draw the relevant meanings, the principles of Paris Declaration are replaced with the term principles of aid effectiveness agenda.

Development: A process used to bring human wellbeing by fulfilling their socio-economic and political rights through support provided by national governments and Development Partners (donors).

Development Partners: For the purpose of my research, I have used the term development partners, which refers to donors providing assistance to Ethiopia, for example DFID, UNICEF and the World Bank.

Medium-Term Fiscal Framework (MTFF): “A framework that defines the overall medium term (typically 3-5 years) fiscal aggregates including revenue, expenditure and deficit /surplus that a country has available in the medium term consistent with a macro-economic framework” (OECD website glossary undated).

Medium-Term Expenditure Framework (MTEF): “A framework that combines coherently a medium term (typically 3-5 years) fiscal framework, medium term sector strategies for key sectors of the economy and medium term indicative expenditure plans/ceilings for each sector” (ibid.).

Programme-Based Approach (PBA)/Multi-Donor Programmes: “Programme-based approaches (PBA) are a way of engaging in development co-operation based on the principles of co-ordinated support for a locally owned programme of development, such as a national development strategy, a sector programme, a thematic programme or a programme of a specific organization.

Programme based approaches share the following features:

- (i) Leadership by the host country or organization;
- (ii) A single comprehensive programme and budget framework;
- (iii) A formalized process for donor co-ordination and harmonization of donor procedures for reporting, budgeting, financial management and procurement;
- (iv) Efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation” (OECD website glossary undated).

Sector Wide Approach Programme (SWAP): “... the sector-wide approach is defined as a process in which funding for the sector, whether internal or from donors, supports a single policy and expenditure programme, under government leadership, and adopting common approaches across the sector. It is generally accompanied by efforts to strengthen government procedures for disbursement and accountability. A sector-wide approach should ideally involve broad stakeholder consultation in the design and implementation of a

coherent sector programme at micro, meso and macro levels, and strong coordination among donors and between donors and government...” (SWAp Support Group 2004:7)

1.9. Layout of the Research Report

This research report is composed of five chapters. Chapter I begins by introducing the need for the introduction of the Aid Effectiveness Agenda and the paradigm shift in the development priorities and aid delivery mechanisms globally. The MDGs and PRSP approaches are discussed as outcomes of the paradigm shift in the 1990s. Inception of the Principles of Aid Effectiveness and outcomes of the regular High Level Forum reviews are also introduced in this chapter. Ethiopia and the GEQIP are outlined as the main subject areas of the study. This chapter also covers the research problem, research objective, research methodologies and limitations of the research. Definitions of key terminologies used for this research are also provided here.

Chapter II discusses the appropriate literature in presenting the argument. It starts by providing details in the history, religious, political and development context of Ethiopia. This chapter continues describing the frameworks used to set the development priorities of the GoE, and the strategies used to deliver its priorities. In view of these, background information is provided on the Principles of Aid Effectiveness along with measures taken to contextualize the agenda in Ethiopia. An overview of the poverty reduction strategies of the GoE are provided in this chapter. As the main focus area for this research, an in depth look is made into the education sector through the GEQIP strategy. As target institutions, DFID, UNICEF and the World Bank are discussed including the support they provide to the

GEQIP is also discussed in depth in this chapter. This section also looks at some of the criticisms of the Principles of the Aid Effectiveness agenda.

Chapter III presents This chapter provides the main findings of the research by focusing on the enabling environment provided by the GoE and the steps taken by the target institutions to follow the Principles of Aid Effectiveness in the delivery of aid to the GEQIP. It also shows if the steps taken by GoE and the target institutions have contributed for efficient delivery of support to GEQIP.

Chapter IV is the final section of this research, which provides the conclusions on the research, including a summary of the key objectives of the research, the process undertaken in responding to the key research questions, summary of the findings and potential ways forward.

Chapter II: Literature Review

2. Introduction

This chapter presents the various literature reviewed in support of the argument on the need to assess the extent to which DFID, UNICEF, and the World Bank followed the Principles of Aid Effectiveness, while providing their support to the General Education Quality Improvement Programme (GEQIP) in Ethiopia. The chapter begins by providing a brief background on the historical, political and development environment of Ethiopia. It continues with an overview of the Government of Ethiopia's (GoE's) efforts to align its poverty reduction strategies with global priorities such as the Millennium Development Goals (MDGs) and the Principles of Aid Effectiveness as an overarching strategy in delivering its development priorities. The Principles of Aid Effectiveness and relevant reviews are discussed along with the Government of Ethiopia's (GoE's) efforts in translating these Principles into action. The argument is further supported with literatures reviewed on the current debates around the application of Principles of Aid Effectiveness. The education sector in Ethiopia is contextualized - the school system, sector development plans and its challenges. As the main focus of the study, the General Education Quality Improvement Programme (GEQIP) is discussed in detail in this chapter. As target institutions in the analysis, the support provided by DFID, UNICEF and the World Bank's to the development priorities of Ethiopia, more specifically the GEQIP are discussed. The GEQIP operationalization and the performance of the target institutions are also discussed, with the view to providing the analytical basis for the findings of this research.

2.1. Ethiopia: Country Context

2.1.1. Historical, Religious and Political Background

“A Federal State, Ethiopia is situated in the Continent of Africa’s North East. There are nine Regional States and two City Administrations. Ethiopia is regarded as the oldest independent country in Africa and one of the oldest countries in the world with an ancient civilization. It is considered to be among the origins of humankind with the discovery of some of the oldest human remains dating nearly five million years”(http://www.ethioembassy.org.uk/about_us/history.htm). Ethiopia is a country with different religious denominations: “Christianity was introduced into Ethiopia by missionaries from Egypt and Syria in the fourth century; Islam in the seventh century; and Roman Catholicism in the 1500s. Today, the largest religious group is the Ethiopian Orthodox Church representing 45% of the population followed by Sunni Muslims, with 35%, and those with traditional beliefs representing 11% of the population. The remaining 9% comprise Catholic and Ethiopian evangelism (Mekane Yesus)”(http://www.ethioembassy.org.uk/about_us/religion.htm).

Politically, until 1974, Ethiopia was ruled by an imperial regime, which was succeeded by a socialist totalitarian military government - the Derg - who presided over decades of famine and civil war until it was overthrown in 1991 by a coalition of rural resistance movements, the Ethiopian People's Revolutionary Democratic Front (EPRDF), which adopted the constitution of the Federal Democratic Republic of Ethiopia in December 1994 (Irish Aid 2005).

2.1.2. Development Context

According to the 2011 UNDP Human Development Report, Ethiopia's poverty ranking places it at 174 out of 187 countries, positioning the country among in the low human development category (UNDP 2011). Based on the Population and Household Census of 2007, Ethiopia has a population of 82 million people, of which 49% are female and 51% male (CSA 2010). Around 31 million people live below the poverty line of less than US\$1 dollar a day (MoFED 2005). Its economy is mainly based on agriculture, which contributes to 45% of the Growth Domestic Product (GDP) and 80% of the employment of the country. The country is faced with multifaceted problems that are challenging its socio-economic growth, human development and wellbeing, including a rising population growth rate, which poses a challenge in addressing the employment needs of the country, and is incomparable to the job market opportunities available (MoFED 2005). The rain fed agriculture and degradation of natural resources has led to food insecurity that is further aggravated by high population growth, which is not matching with available natural resources. Provisions of access to basic social services (education, clean drinking water, health services) are noted to be areas that require improvement especially in the emerging and hard to reach areas of the country (MoFED 2005). The participation of women in the development process was noted to be challenged due to several factors. These include cultural norms and beliefs that deprive women of their rights to decision-making both at the household level and in formal government structures; limited participation in the sociocultural and socioeconomic activities of their communities; forced early marriage; female genital mutilation and other forms of harmful traditional practices. The cumulative effects of these oppressions are reported to lead to poorer health; limited or lack of services, especially during child birth, leading to high maternal mortality rates. Furthermore

the household chores assigned to women are extended to farming processes, which is also an income generation means for the household (MoFED 2005).

Despite these challenges, the Government of Ethiopia (GoE) and its development partners state that there are signs of economic improvements in the country. These are reportedly attributed to political stability after 20 years of civil unrest; maintenance of macroeconomic discipline; establishment of 'good' policies which, according to the second poverty reduction strategy – Plan for Accelerated and Sustainable Development to End Poverty (PASDEP) - , refer to increased investment in development and pro-poor sectors, such as health, education, etc., (MoFED 2005). The GoE's efforts in setting pro poor policies is guided by the globally agreed goals and targets to reduce poverty, in particular the Millennium Development Goals (MDGs). These are further tailored to the country's specific needs and serve as a framework to establish the financing requirements of the country as well as resource mobilization strategies to support their PRSPs such as PASDEP. Furthermore, 'domestic revenue mobilization' complemented with external resource flows improved: agricultural supplies (supplemented with favorable weather conditions); increased revenues generated from an improved tax collection system; increased revenue from improved exports of coffee, oil seeds, horticultural products, textiles and garments, leather and leather products and gold. All of these are noted to be areas that are supporting the country's economic advancement (MoFED 2010).

2.2. Setting the Priorities for Poverty Reduction

In an effort to reduce poverty and to achieve human development, both developed and developing countries committed to put in place a more effective and efficient approach to

development. To this effect, global priorities were developed to direct and address the various human rights and development needs of the poorest developing countries. The Millennium Development Goals (MDGs) can be taken as one of the main global initiatives. In 2000, 190 nations and leaders adopted the eight MDGs as a framework for responding to global poverty and improving the socio-economic situation of poor countries by 2015 (UNECA 2010). The Goals are:

1. "Eradicate extreme poverty and hunger by 2015
2. Achieve universal primary education by 2015
3. Promote gender equality and empower women
4. Reduce Child Mortality
5. Improve maternal health
6. Combat HIV/AIDs, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development" (MoFED 2004:vi).

The various analytical works on basic social services carried out by UNICEF show that while interesting progress has been made in achieving these goals, more needs to be done in terms of tailoring them to specific needs and capacity level of each developing country. The current global development situation also shows that beyond the conventional thinking of providing support to developing countries, the post development agenda should factor in the emerging social, economic and political situation in the developed world (OECD 2011). Emphasis is given that the post MDG agenda should take the wider focus areas of the Millennium Declaration such as peace, security, human rights, and poverty reduction as a building block to enhance the relevance of global efforts to address human development

and poverty reduction (UNICEF 2012b). Reviews undertaken at the Paris Declaration High Level Forum in 2005, led to the identification of the need to 'do business differently' and to engage in a more effective and efficient approach in order to ensure achievement of the MDGs by the target period of 2015 (OECD 2005).

The Government of Ethiopia (GoE) takes the MDGs as its building block in setting the development priorities of the country. In view of this, the necessary analytical work and costing of the MDGs was undertaken with the leadership of the Ministry of Finance and Economic Development (MoFED) to contextualize these goals within the development priorities of the country (MoFED 2005).

The GoE considers the MDGs as interdependent poverty goals, giving equal weight and urgency to their achievements by ensuring their consistency with the national development policies. The achievement of one goal, they state, is dependent on another in addressing the various development challenges of the country. For example in order for children to fully attend school and for repetition rates to be reduced, they need to be provided with clean water and sanitation facilities and food. These areas address MDG 1, 2 and 7. Furthermore, the GoE recognizes that in order to achieve the Goals, they must address other implementing factors that can hindrance their achievement. including "poor programme implementation capacity, institutional bottlenecks, an inefficient civil service, and structural rigidities within the economy, further aggravated by a macroeconomic environment vulnerable to vagaries of nature and external shocks" (MoFED 2004:38).

Severe fiscal strains and major shocks such as war and drought are noted to undermine the progress towards registering meaningful reductions in the incidences of poverty in the

country. Furthermore, with the approaching target period of 2015 to achieve the MDGs, various development institutions and scholars are alerting the need to start reviewing the existing agenda and modifying the goals to meet the situation post MDGs (UNICEF 2012b).

The 2004 MDG Prospects and Challenges report for Ethiopia underscores that “adopting the MDGs to the local context is important because the global MDGs are too general to fit in the specific development context of its country” (MoFED 2004:2). With this in mind, MoFED conducted an exercise focusing on the following areas to implement the MDGs in the local context, the outcome of which fed into the PASDEP:

- “Examine MDGs indicators based on available national data;
- Ensure the consistency of the MDGs with that of the national policy context and time line;
- Examine the governance structure, which will be instrumental for design and implementation of policies and strategies; and
- Determine the feasibility of the MDG targets in light of observed trends and required finance” (MoFED 2004:8).

The Government of Ethiopia (GoE) allocates its national budget based on what it takes to reach the MDGs, with clear alignment of the sectorial priorities in its poverty reduction strategies. The PASDEP policy document states that the Macroeconomic Fiscal Framework (MEFF) was used as a mechanism to set the budget requirements and allocations for the various sector development priorities of the country. MEFF also determined the fundraising and resource mobilization requirements of the Government (MoFED 2005; OECD 2008). “The GoE put a variety of strategies in place to identify

financing needs and budget allocations. The first modality started with articulating objectives and identification of targets to reduce poverty in the country and look for resources to finance priority programmes from National Treasury and on gaps from external assistance. The second modality was to process budget allocations with a thorough assessment of available resources and to allocate them to sectors. Budget allocations were noted to be indicative figures requiring the government to engage in resource mobilization. Availability of domestic and external resources to finance sectorial priorities were noted to be a challenge” (MoFED 2005:200-201). “External grants increased only modestly from 4.6 billion Birr in 2004/05 to 8.6 billion Birr by the end of the PASDEP period. Domestic revenue showed an increase to about 38.2 billion Birr in 2009/10 from 15.6 billion Birr in 2004/05 and 22.5 billion Birr in 2005/06 representing an annual growth rate of about 3% higher than that of nominal GDP during the same period. The total external assistance (loan and grants) in the PASDEP period reached at 38.5 billion ETB, which is approximately 12% of the total PASDEP resource requirement. Total funding requirement for the education MDGs was ETB53.7 million during the PASDEP period. The GoE stated that improvements were needed on the predictability of resources provided to Ethiopia as pledges made were not accompanied with provision of the necessary resources” (MoFED 2005:202).

As discussed above, the GoE frames its priorities around globally agreed goals for poverty reduction. However, these goals need to be tailored to the country context and take into consideration the development and humanitarian situations. This will determine the design of realistic policies, strategies, activities and budgets, which are important in meeting the MDGs. The Paris Declaration on the Principles of Aid Effectiveness and the periodic reviews came as a result in this regard, which are discussed in the next section.

2.3. Mechanisms for the Efficient Delivery of Poverty Reduction Priorities

The experience over many decades of official Overseas Development Assistance (ODA) led to the realization that an improved aid management system needed to be put in place. This action was noted to be a requirement especially if the global commitments to reduce poverty by half and all the human rights deprivations as outlined in the MDGs were to be addressed (OECD 2008a).

Aid Effectiveness formally came into the picture at a meeting of Ministers of developed and developing countries in Rome, Italy in 2002 (OECD 2008a). In 2005, the Principles of Aid Effectiveness also referred as Paris Declaration were formally agreed in Paris, France. This was focused on the development of partnerships between donors and recipient countries - with the latter taking the lead on their own development process, and holding each other accountable for achieving concrete development results (OECD 2008a). In 2008 the first High Level Forum (HLF) review of the Principles of Aid Effectiveness showed that while developing countries and donors were making progress towards achieving the commitments agreed, the pace of change was too slow to reach the MDGs target by 2015. This resulted into the Accra Agenda for Action in 2008, where governments of developing and donor countries renewed their commitments to the Paris Declaration Principles of Aid Effectiveness. The commitments were expected to result in the improvements in the efficiency of the delivery of development aid, in order to achieve the MDGs. This created a powerful momentum to change the way in which developing countries and donors work together on the ground. According to the Accra High Level Forum review process, the main progresses registered included, improved public funds management at the level of

developing countries and increased coordination at the country level from donors (OECD 2008b:17-iii). In addition, timely and results focused aid delivery; national ownership of development plans; and improved partnerships among all stakeholders (private sector, civil society sector and global funds) with clear mutual accountability were part of the Accra Plan of Action. These observations are also made at the latest Paris Declaration High Level Forum review in 2011 in Bussan, South Korea (OECD 2008a, OECD 2011).

Ethiopia is a signatory to the Paris Declaration, and uses the Principles of Aid Effectiveness as an overarching strategy in implementing the priorities for its second Poverty Reduction Strategy Paper - Plan for Accelerated and Sustainable Development to End Poverty (PASDEP). An analysis of the Paris Declaration as it relates to the PASDEP, more specifically as it relates to the strategy for quality in the education sector (GEQIP), is further discussed in the subsequent sections of this chapter.

2.4. Principles of Aid Effectiveness - the Case of Ethiopia

A survey conducted on the Principles of Aid Effectiveness in Ethiopia, in 2008 by the OECD revealed that “external assistance accounted for 14.7% of the country’s Gross National Income in 2006” (OECD 2008b: 17-i). It also shows that “the second Poverty Reduction Strategy Paper (PRSP), PASDEP complies with these Principles, which serve the country as a medium-term strategy to consolidate all its development priorities under one framework that is built around the MDGs. The Government of Ethiopia (GoE) takes the lead on aid coordination in the country through the Government – Donors High Level Forum (HLF), which is co-chaired with representatives from both entities” (OECD 2008b: 17-ii). In addition to the aforementioned points, the OECD survey found the GoE’s efforts to improve the public finance management and procurement systems as a positive step. Furthermore,

the survey acknowledged the consultative approach and dialogue between the GoE and donors in addressing issues of difference such as civil society participation, donor conditionalities to implement humanitarian interventions, etc., as a positive move in implementing the Paris Declaration (OECD 2008b).

The OECD survey identified several gaps needing to be addressed both by the GoE and the relevant donors. These, for example, include from the GoE side: the lack of human resources capacity; delays in the utilization of funds reporting; and lengthy procurement procedures employed, which are taken as an indication of the low absorptive capacity of the GoE and affecting the efficient delivery of aid. On the donor side, areas required for improvement include: the establishment of parallel implementation units to implement their support; less utilization of national systems and poor alignment of their support to national development programmes and plans (OECD 2008b).

Similar to the findings from the OECD survey noted above, various institutions and development scholars share similar views in terms of the proposed areas for improvement. These views are discussed below.

2.5. Reactions to the Application of the Principles of Aid Effectiveness in Ethiopia

Despite commitments and emphasis made on the importance of implementing the Principles of Aid Effectiveness, both by developing and developed countries, there are

criticisms that development partners have failed to fulfill their promises under the Declaration. Due to contradicting development priority areas of focus, coordination among developing countries and donors was found to be poor (Gestsson 2007). Lack of information and documentation among donors, NGOs, private sector and government was found to have led to the inefficient use of aid funds and less transparency in information sharing (Gestsson 2007). The need for flexibility on channeling of resources is also reportedly an issue (Gestsson 2007). Recommendations beyond the use of government systems, such as the private sector and non-government organizations were suggestions for alternative mechanisms to channel aid funds into the country. This is noted to enhance the utility of funds for improved delivery of aid due to the relatively flexible systems such entities have compared to government. Regular monitoring of funds and their spending is also noted as an area for improvement instead of injecting more aid into developing countries (Gestsson 2007).

On sector specific priorities, despite the commitments and pledges made at various High Level Forums on Aid Effectiveness, not enough aid is provided to the education sector in Ethiopia. Fund provisions are also criticized as being influenced by donor interests rather than national needs (Lister 2007). Furthermore, while the education priority for the country is set collectively by donor and recipient countries, the financing aspect is left for each donor country's own decision. This has affected the commitments by the international community to 'fast track' the achievement of results for the education sector as funds were not flowing in as planned or in line with the priorities set. Alignment with national systems and the pooled funding systems as stipulated in the Principles of Aid Effectiveness were proposed as a solution in this regard (Lister 2007). Consistent flows of the necessary amount of funding and the establishment of proper national financing systems were noted

as crucial factors that would contribute to the achievement of the MDGs on education as outlined in the ESDP and PASDEP. Observations are made on the lack of consistent flow of funds for the education sector in Ethiopia from development partners side (Lister 2007).

On partnerships and the role of Civil Society Organizations (CSO), the experience in the education sector in Burkina Faso, Kenya, Mali and Tanzania reveal that the Principles of Aid Effectiveness are limiting the involvement of CSOs in national development processes. Support provided to the education sector development plan are channeled directly through government institutions, limiting the role of civil society in service delivery, capacity building, policy formulation, and facilitating civil society participation. Similar to government institutions, CSOs also need to be assisted with the technical and financial support to strengthen and further enhance their involvement in the education sector (Mundy et al 2008). The importance of participation from civil society and their contributions for effective aid delivery is further acknowledged at the 2011 fourth High Level Aid Forum (HLF) of development partners in Bussan, South Korea (OECD 2011).

An assessment of aid effectiveness by Alemu (2009) in the health sector in Ethiopia states that development partners pay less attention in aligning their support to the health Sector Wide Approach leading to a fragmented approach and less predictability of resources (Alemu 2009). The assessment further notes that donors continued to use their individual organizational systems. This resulted in overburdening the planning and implementation processes of the health sector government institutions with high administrative and transaction costs. The UN agencies were noted to have problems in harmonizing their systems with that of the government, due to lack of commitments at the headquarters level of each UN and other bilateral agencies, preventing country offices from engaging in the

harmonization process proactively (Alemu 2009). Current consultative and coordination forums were mostly found to be dominated by government and donors with higher financial contributions, resulting in limiting private and NGO partners from taking an active role in the health sector (Alemu 2009).

In November 2011 the United Nations Information Unit (IRIN) published a study by a public campaign group 'Publish What You Fund', which highlighted the concerns over the application of the aid effectiveness agenda globally. The study was carried out as an input to the fourth High Level Aid Forum on transparency held in Bussan, South Korea in 2011. According to this study "the majority of international donors need to provide clear information on their aid policies; budget allocations, procurements, aid spending and sharing of audit results. The results on assessment of promises made for aid effectiveness are very disappointing, lack of transparency leads to waste, overlap and inefficiency. It impedes efforts to improve governance and reduce corruption, and makes it hard to measure results" (IRIN 2011). The study further notes that at a time when overseas aid budgets are under pressure, transparency and accountability matter more than ever. A proposal was made that it would be beneficial for recipient nations to know their aid allocation, procurement policies, strategy for delivery of aid and the proposed budget over the next three years, i.e., the target period for the MDGs in 2015. This was noted to be important for recipient countries to make their plans ahead of time and to perform better towards the achievement of the MDGs. However, disclosure and publishing of such information, donor evaluations and the terms and conditions of funding was noted to create discomforts for the donors (IRIN 2011).

We can see from the above discussion that national human resources and institutional capacity, involvement of all stakeholders, especially Civil Society Organizations and the

development situation of a country are important elements necessary for the implementation of the Principles of Aid Effectiveness. Furthermore, donor commitments, especially in aligning their support to national priorities and ensuring the predictability of resources pledges is crucial for effective aid delivery. The discussion so far also shows us that both donor and recipient countries need to recognize their shortcomings along with the need to enhance their commitments to the Principles.

In this chapter, the Principles of Aid Effectiveness and its criticisms have been discussed. It is important to explore the aid environment in Ethiopia and how these Principles are being operationalized within sectorial programmes. The next two sections discuss the aid management arrangements and preferred external assistance modalities by the GoE.

2.6. Aid Management in Ethiopia

The Ministry of Finance and Economic Development in Ethiopia (MoFED) states that “the government utilizes external support for supplementing the gaps in financing the national development plans and is used to supplement their foreign exchange earnings and transfers. Technology and knowledge transfers are also included in the benefits of external assistance” (MoFED 2006:2). “Annually, on average, 169 projects and programmes are implemented with multilateral financing totaling over USD7 billion. Some 144 programmes and projects are implemented in the country with a funding of USD2 billion per annum coming from bilateral institutions (MoFED 2006:12). The GoE has various aid modalities and multi-donor programmes put in place to manage the various external assistance received”. To list some of them are Direct Budget Support (DBS), General Budget Support (GBS), Sector Budget Support, Protection of Basic Services (PBS), Pooled Funding, Multi

Donor Trust Fund, Multi Donor Programmes, Technical Assistance, in kind support, Programme Support, Project Support, and Food Aid (MoFED 2006). MoFED categorizes the flow of funds coming from the various forms of external assistance in three channels:

“Channel I: donors channel funds to MoFED treasury for earmarked and un-earmarked activities, who then allocate and disburse funds to the various regional and sectoral bureaus of the country - some of the programmes are Protection of Basic Services(PBS), Productive Safety Net Program(P SNP), Public Sector Capacity Building Program (PSCAP), Water Supply, Sanitation and Health (WaSH), General Education Quality Improvement Project (GEQIP), and Urban Local Government Development Project (ULGDP);

Channel II: a programme approach whereby donors channel funds to sector specific bureaus without the involvement of MoFED; and

Channel III: Projects approach whereby donors channel funds to implementers directly such as Non-Governmental Organizations (NGOs)” (Irish Aid 2005: 9-10).

The Ministry of Finance and Economic Development (MoFED) established an Aid Management Platform (AMP) in collaboration with the Donor Assistance Group (DAG) with the objective of assisting the GoE and its development partners in the management of resources allocated to development activities (MoFED 2006). The AMP promotes information sharing on aid activities ranging from the conceptualization of development activities through to implementation, including facilitation of collaboration among development partners. This is expected to lead to more transparent and efficient allocation of resources and reporting on the utilization of funds (DAG 2010b). The AMP also supports

MoFED in reaching its targets in the various PRSPs, especially as they relate to the Millennium Development Goals (MDGs) (MoFED 2006:2). The AMP allows MoFED to integrate external assistance within its various sector development plans facilitating, management, monitoring and coordination of aid (MoFED 2006). The DAG annual report for 2010 states that support to this initiative was interrupted, considering donor complaints to get information on external resources from the AMP. However, the DAG, in its 2010 annual report states that efforts are underway to reinstate the AMP, considering efforts made by MoFED to improve the system and development partners due to the need for more coordinated information on external resources (DAG 2010b).

If we take PASDEP as an example, the GoE has put in place various mechanisms to channel external assistance. There are various forms of technical support, coordination and funding arrangements put in place by development partners in Ethiopia in support of the GoE poverty reduction strategy. In particular, if we look in to the education sector quality improvement programme - GEQIP, development assistance to this plan comes in different forms of multi-aid instruments, which are either in line with the GoE modalities or their development partners. The technical priorities and overall support arrangement by all concerned development partners, i.e. Line Ministry offices, donor institutions and Civil Society Organizations are designed and implemented within the framework of the PASDEP. However, the PASDEP also underscores that not all financing and spending is necessarily reflected in government budgets and the MEFF, showing contributions also made outside of the PASDEP framework (off government budget). Contributions coming in this form are transferred to different implementation partners, which usually are not accounted for by MoFED as the central financing unit for the government (MoFED 2005). These include “direct bilateral financing (global fund programmes and bilaterally funded

projects), commodity aid (supply of drugs and condoms), NGO financing (food security and non-formal education) and local government project (infrastructure support) that do not come out the government/MEFF budget” (MoFED 2005: 203).

2.7. Preferred Development Assistance Modalities of the Government of Ethiopia

The Government of Ethiopia (GoE) underscores the importance of giving priority to its own policies while making an effort to accommodate donor conditionalities. In terms of external support, “primary preference is given to outright grants, i.e. budget or balances of payments not earmarked for any sector or project that can be used with maximum flexibility and could be disbursed faster. Concessional loans are taken as a secondary choice given the 45% component of a grant element. Full loans are usually found challenging due to shorter grace periods, high interest rates and service charges” (MoFED 2003: 9). The Government of Ethiopia (GoE) gives particular attention to increasing finance for pro poor policies. These are focused on agriculture and rural development (food security), education, health, rural development and water sanitation, roads, rural electrification, among other programmes. The poverty reduction strategies of Ethiopia are financed through central government treasury and external resources. External sources include, donor grants and loans, as well as ‘off budget’ items financed by external donors (e.g. Global Fund for HIV and AIDS and Tuberculosis); direct financing of projects by bilateral donors; spending by the local governments and municipalities; programmes funded by NGOs (e.g. food security, non-formal education, health and rural development) (MoFED 2005; Irish Aid 2005).

MoFED gives less preference to the following forms of aid assistance – “i) Project specific aid considering their cumbersome nature to manage and slowness to disburse, instead the government advises that such forms of assistance should be integrated into government sector programmes; ii) External technical assistance which focus on institutional and structural capacity building contrary to existing practices focusing more on investment on human resources development; and iii) Aid 'in-kind' which is usually noted as unacceptable by MoFED as it is difficult to determine quality and undermines local production” (MoFED 2003: 15-16). While donors channel funds through various avenues such as MoFED, line ‘Ministries parastatals’, local governments and Civil Society Organizations (CSOs), the government proposes that in order to monitor the effectiveness of external aid assistance all funds should be channeled through a centralized government financial institution i.e., MoFED. In bringing donor compliance with government priority, the GoE gives emphasis to ownership through strengthening its capacity to formulate policies, programmes, and projects in order to adjust and control policies with varying circumstances. The government’s absorptive and funds management capacity are also factors to ensure proper management and utilization of external assistance for the intended purpose (Irish Aid 2005). MoFED states that in order to ensure donor compliance, GoE needs to negotiate for donor support around its sectorial priorities. Donor support is expected to be planned around sector programmes. Furthermore Sector Wide Approaches (SWAp) and budget support instead of earmarking of funds was noted to facilitate effective aid delivery (MoFED 2005; Irish Aid 2005). MoFED also proposes for the flexibility of donor support to fit into changes in national priorities such as external shocks and to finance any funding gaps. In this regard, MoFED states the GoE is expected to make accurate forecasting of funding gaps; establish early warning systems and timely information on humanitarian needs; and negotiate with donors to release funds within a short period of time. Predictability of funds is

also an aspect mentioned as a priority, which the GoE is expected to work on through securing multiannual funds, and by ensuring that actions are taken on donor pledges. Further, monitoring change in donor country governments and donor response to funding needs was noted as mechanism to ensure aid is delivered through GoE's preferred modalities (MoFED 2005).

In line with the discussion above, it can be seen that the Government of Ethiopia (GoE), believes in centralizing the aid resource channeling mechanisms within the government system. It gives priority to un-earmarked funding for sustainable results, and alerts the need for predictability of funds and alignment with national priorities. It can also be seen that various consultative and fund raising mechanisms are put in place to ensure more resources are mobilized. Addressing national capacity gaps is an aspect the GoE takes into consideration.

2.8. National Development Priorities of Ethiopia

Ethiopia has developed three poverty reduction strategies since 2002 with the participation of civil society, development partners, and government (OECD 2008:17-ii). The following section highlights the main areas of focus of the various cycles of the poverty reduction strategies for Ethiopia. Below, the first poverty reduction strategy – SDRPR is outlined and then the third and current strategy, the GTP. Since the focus of this research is during the PASDEP time period, this is discussed lastly in more depth:

Poverty Reduction Strategy I - Sustainable Development and Poverty Reduction Programme (SDPRP 2002 - 2005) took the Agriculture Development Led Industrialization

(ADLI) as its main framework with due emphasis on the various sectoral issues such as education, health and others to supplement the country's growth and plans for achieving the elimination of poverty (MoFED 2005).

Poverty Reduction Strategy III - The Growth and Transformation Plan (GTP 2011 - 2015): The current strategy has seven strategic pillars, namely "(i) sustaining rapid and equitable economic growth; (ii) maintaining agriculture as a major source of economic growth; (iii) creating conditions for industry to play key role in the economy; (iv) enhancing the expansion and quality of infrastructure development; (v) enhancing the expansion and quality of social development; (vi) building capacity and deepening good governance; and (vii) promoting gender and youth empowerment and equity" (MoFED 2010: 22). The GTP emphasizes that social development plays a key role in enhancing people's living standards, eradicating poverty, economic growth and stable governance. The GTP along with the first two rounds of PRSPs (SDPRP and PASDEP) focus on improving the quality of education at all levels as one of the strategic directions for the education sector. The goals of the Education Sector Development Program (ESDP IV 2011-2015) are clearly aligned with the GTP priorities, thus focusing on "producing democratic, efficient and effective, knowledgeable, inspired and creative citizens who contribute to the realization of Ethiopia's plan of being a middle income economy and addressing poverty as well as human wellbeing" (British Council-MoE 2010:13). The development initiatives undertaken through the General Education Quality Improvement Programme (GEQIP) are seen as the main avenues to achieving the results for the fifth strategic pillar of the Growth and Transformation Plan (GTP), i.e. enhancing expansion and quality of social development (MOFED 2010).

Poverty Reduction Strategy II - the Plan for Accelerated and Sustainable Development to End Poverty (PASDEP 2006 – 2010) focused more on addressing the outcomes of the SDPRP through diversified pro-poor growth by linking aid management, government development programmes and achievement of the MDGs in a single unified framework (MoFED 2005).

The following are the eight focus areas of the PASDEP:

- I. “Building all-inclusive implementation capacity;
- II. A massive push to accelerate growth;
- III. Creating the balance between economic development and population growth;
- IV. Unleashing the potentials of Ethiopia's women;
- V. Strengthening the infrastructure backbone of the country;
- VI. Strengthening human resource development;
- VII. Managing risk and volatility; and,
- VIII. Creating employment opportunities” (MoFED 2005: 46).

Process in Developing the PASDEP: The PASDEP states that a participatory approach was used to develop this strategy. The process started with a nationwide consultation at the federal, regional and Woreda (districts) levels. It was further taken up with Civil Society Organizations (CSOs) and development partners (donor) for review, which resulted in the identification of the national priority areas of the five year poverty reduction plan. Following this the draft PASDEP was presented to the high level government official representatives in parliament for review and key decisions on priorities set. Afterwards, it was once again

reviewed by CSOs and donors for final revision facilitating the launch of the PASDEP in 2005 (MoFED 2005).

However, the “Donor Assistance Group (DAG) expressed its concerns on the ‘Charities and Societies Proclamation (CSO Law)’ that came into effect in Ethiopia in February 2010. The DAG members stated that the Proclamation restricts CSOs from taking part in the interventions related to advocacy, governance and human rights issues. CSOs are also expected to mobilize the majority of their own resources internally while being allowed to take up minimum amount of support coming from external assistance for the country in general (DAG 2010b:1).

Sector Priorities for the PASDEP – Education Sector: During this period “Ethiopia’s GDP showed an average a growth rate of 11%. Agriculture, Industry and Services registered an average annual growth rate of 8.4%, 10% and 14.6% respectively over the 3 year period” (MOFED 2010:4). The agriculture extension service was claimed to have been strengthened by more trained personnel. In a similar manner health extension workers were trained providing service at a household level. More expansions were made on access to school accompanied with quality services. Progress was registered in the teacher to student ratio as well as closing gender disparities and increasing girls’ enrollment in schools. Improvements were made in telecommunications services and road infrastructure including income from the export sector and domestic sources such as tax collection (MoFED 2010).

The GoE underscores that the education sector plays a pivotal role in addressing the priority areas of the PASDEP that are focused on strengthening human resources

development (point VI) and creation of employment (point VIII) through improving access and quality of education (MoFED 2005). In terms of access, the GoE gave attention to “factors that limit children and female participation in schools, expansion of secondary and tertiary education as well as the Technical and Vocational Education Training (TVET) system with linkages to the country’s Micro and Small Enterprises (MSE) system to enhance self-employment” (MoFED 2005:53). The quality aspect of education was focused on improving teacher capacity, text book and curriculum improvements, management capacity at all levels of the education system, provision of adequate resources to meet non-recurrent expenditure, etc., (MoFED 2005).

Financing Plans for PASDEP: “The PASDEP financing requirement based on costing done for the MDGs needs assessment was 332.3 billion ETB out of which the government noted to have an indicative revenue figure of 205.5 billion ETB available by the end of the PASDEP period in 2010/11. The remaining gap was expected to be filled by external assistance, private sector and NGO partners” (MoFED 2005: 205).

Risk and Opportunities to set National Priorities: The GoE states that the following results have been achieved through implementation of its poverty reduction plans: “increased access to basic social services; properly streamlined bureaucratic and regulatory processes; significant private sector growth and improved infrastructure and communication systems” (MoFED2005: 215). In order for to sustain these positive achievements, the GoE proposes few improvement areas. These include “improved approach to managing external shocks, addressing capacity constrain, enhancing the focus on quality of basic services, and strengthening public-private partnerships. Unpredictability

of external assistance and generation of domestic resources are also noted areas for further improvement” (MoFED 2010:19-20).

In line with the discussion above, the GoE has developed its poverty reduction strategy in alignment with the MDGs, the Principles of Aid Effectiveness and also by ensuring the participation of all stakeholders. The poverty reduction priorities are further translated into sector specific operational plans, which is in line with the Principles of Aid Effectiveness. This is also in line with the guidance provided by the World Bank and IMF on the development of PRSPs. However, here we can also see that the role of Civil Society Organizations (CSOs) is an aspect that requires attention. While it is noted that they participated in the PRSP development; they are limited from engaging in particular areas as stipulated in the Charities and Societies Proclamation (civil society law) of the GoE. They are also expected to mobilize their own resources. In a developing environment such as Ethiopia, such policies might limit flexibility to use home grown capacity and prevent civil society growth as key stakeholders for the development process in the country.

As one of the national priorities of Ethiopia and the focus of this research the education sector and more specifically the quality improvement programme - GEQIP, along with the various implementation arrangements and challenges are discussed in the next section.

2.9. The Education Sector

The education sector is one of the priority areas of the PASDEP. The following section discusses how this sector became a global priority as a human rights agenda more broadly, identifying the need for free and universal access to Education for All and a priority for its

inclusion in the Millennium Development Goals (MDGs). Also included are the steps taken by the Government of Ethiopia (GoE) to adopt education as one of its national priorities for development.

2.9.1. Brief Overview of the Global Approach to Education

“Since 1948, education was enshrined as a basic human right within the Universal Declaration for Human Rights, whereby provision of free and compulsory primary education for all was agreed to be taken as a main avenue to tackle poverty globally” (OECD 2004:61). Nearly five decades after, in 1990, further reaffirmation was made to have education as included in the basic human rights agenda, at the World Conference on Education for All (EFA) held in Jomtien, Thailand. Outcomes of similar consultations have led to the global consensus to have access to Universal Primary Education (UPE) enshrined as one of MDGs (OECD 2004). The Dakar Education for All consultation held in April 2000, identified the need for more effort to ensure the participation of all children of primary school age in free schooling by 2015 and to eliminate gender disparities at all school levels (OECD 2004).

In September 2000, the MDGs were adopted by 190 nations and leaders at the UN Millennium Summit. These global priorities include a focus on poverty reduction, and addressing problems on illiteracy, hunger, and discrimination against women, unsafe drinking water and a degraded environment. The MDGs consist of 8 goals, 18 targets and 48 indicators. Two of the goals are directly related to education. These are Goal 2 ‘Access to Universal Primary Education’ and Goal 3 ‘Promotion of Gender Equality and Empowerment of Women (OECD 2004). According to the MDGs Progress Report for 2011,

“a slow progress of 7% was registered in all developing countries in the global Net Enrolment Ratio (NER) between the periods 1999 and 2009 bringing the NER to 89%. The prospect of reaching the education MDGs by 2015 is noted to be slow” (UNECA 2011:17). NER is one of the indicators for Goal 2, access to Universal Primary Education (UPE). “Globally, the rate for out of school children account for 67 million children, out of which 16 million are girls...sub-Saharan Africa and South Asia together account for the largest part of these un-enrolled girls, and need to do much more effort if the targets for Goal 2 are to be met” (UNECA 2011:17).

With this in mind, the Fast Track Initiative Catalytic Funding (FTICF) was established by the World Bank as a financing mechanism to address the funding shortages faced by developing countries to reach UPE. The FTICF is sponsored by key donors that are committed to provide resources based on agreed criteria. Developing countries with national poverty reduction strategies that have clear priorities on education and an Education Sector Development Plan are covered by the FTICF funding (OECD 2004).

At the same time donors are required to strengthen their political leadership, coordinate their support around a Sector Wide Approach and meet their commitments to provide funds for developing countries in order to attain the Education for All (EFA) goals. Development assistance should be delivered in a manner that encourages national ownership and ensures sustainability when donor assistance stops. Ownership of development plans was noted as key solution to ensure sustainability of such sector wide programme approaches. Recipient government's capacity is an aspect mentioned, in this regard, in terms of implementation, monitoring and having transparent expenditure of development assistance

Ethiopia subscribed to the FTICF initiative and became eligible for funding in 2004 (OECD 2004).

2.9.2. Education in Ethiopia

In 2001 (1994 Ethiopian Calendar), the Government of Ethiopia (GoE) developed its twenty year plan for the education sector, the Education and Training Policy (2001-2020). This policy document states that “in line with the poverty reduction strategy of the country, the Ministry of Education develops a four to five years Education Sector Development Programme (ESDP), outlining key priorities and implementation plans/strategies to reach the education sector goals of the country. The Ministry has finalized its fourth cycle of the ESDP and states that the target set for ESDP I (launched in 1997), of raising primary enrolment from 3.7 million to 7 million was surpassed with enrolment reaching 8.1 million in 2000/01 and 13.5 million in 2005/06, when ESDP III was launched” (British Council - MoE 2010:7). Over this period, the gross enrolment rate (GER) increased from 61.6 to 91.3 percent and net enrolment from 52.2 to 77.5 percent. The disparity in enrolment rates between male and female students gross enrolment ratio narrowed from 0.75:1 to 0.93:1. Repetition rates dropped significantly from 15.7 percent and 18.6 percent for boys and girls respectively. MoE further reports that first cycle secondary enrolment trends show significant increases while there has been a remarkable expansion of both the TVET and higher education sub-sectors (MoE 2005).

2.9.3. The School system in Ethiopia

In Ethiopia, primary education lasts 8 years and is split into grades 1-4 (primary first cycle) and grades 5-8 (primary second cycle). Secondary education is also divided into two cycles, each with its own specific goals. Grades 9-10 (secondary first cycle) provide general secondary education and, upon completion, students are streamed either into grades 11-12 (secondary second cycle) as preparation for university, or into Technical and Vocational Education and Training (TVET), based on their performance in the secondary education completion certificate examination. General education comprises grades 1 to 12 (MoE 2001).

The third Education Sector Development Plan (ESDP) for 2006-2011, states that the government places particular emphasis on education with the firm belief that the long-term development of the country rests upon the expansion and provision of quality education. The Government's desire to improve the provision of quality education resulted in the formulation of the Education and Training Policy (ETP), which encompasses the entire education and training sector priorities (MoE 2005). "The main thrust of ESDP III is to improve 'quality, relevance, equity, efficiency and to expand access' with special emphasis on primary education in rural and underserved areas. Promotion of education for girls in an attempt to achieve universal primary education by 2015 is also the core priority of ESDP III" (British Council - MoE 2010:6). This was an outcome of the government's plan to implement rural development policies and strategies and to ensure sustainable development for the rural population, which constitutes 85% of the country's total population. Creating access to primary education for all school-age children is a priority for the GoE (MoE 2010). Furthermore, "a TVET programme focusing on various skills

development programmes such as agriculture are seen as key in producing educated farmers and other workers who utilize new agricultural technologies and produce for market is indispensable for the realization of the rural transformation strategy. In addition to this, well trained and qualified manpower equipped with modern managerial, technical, research and leadership capabilities play an indispensable role for the speedy development of competitive industries in the country. The education policy is designed in such a way that it helps the realization of various development plans, i.e., rural and agricultural development, urban and industrial development, women's empowerment and land ownership, and the building of a democratic society" (MoFED 2010:25-26).

The priorities for the third Education Sector Development Plan for PASDEP focused on, "i) Quality and internal efficiency: ensuring student completion and achievement; ii) Equity in access: reaching the marginalized and unreached; iii) Adult Education (with specific attention to 'Functional' adult literacy; iv) Strengthening the focus on sciences and Technical Vocational Education Training (TVET); and v) Improving management capacities" (British Council - MoE 2010:6). The PASDEP laid the governance structure for the design; implementation and monitoring of the education sector (British Council-MoE 2010).

2.9.4. Management of the Education System in Ethiopia

Provision of education services is the responsibility of federal, regional and Woreda (district) governments. "The Federal government plays the dominant role in the provision of post-secondary (tertiary) education, while also setting standards and providing overall

policy guidance and monitoring and evaluation for the entire sector. This is also focused on primary and secondary education. Regional governments are responsible for the oversight of the training of primary school teachers, for providing primary textbooks and for adapting the primary syllabus to local conditions. Woredas (districts) are responsible for paying and recruiting primary and secondary teachers, and for supervision and training of primary and secondary teachers” (MoE 2001:29).

2.9.5. Challenges to the Education System in Ethiopia

Despite the progresses made in access to schools and student enrollment rates, Ethiopia’s education sector faces the following key challenges:

1. *Access to education opportunities* continues to be an obstacle, especially for girls and other most vulnerable children, poor students and those from pastoral areas (e.g. Somali and Afar). Inequities in access to quality education are widespread, as better resourced schools are generally located in urban areas. Sociocultural barriers to participation (especially for girls) and financial constraints are also challenges in this regard. To address financial gaps, community households required to contribute to non-salary recurrent education expenditures (MoE 2006).
2. *Quality:* Achievements in access to school in Ethiopia have not been accompanied by adequate improvements in quality. In some areas, “quality has deteriorated due to rapid expansion of access to schools and increasing school enrollment rates. The 2007 National Learning Assessment (NLA) conducted among grades 4 and 8 showed that student educational attainment was below the required levels. Achievement in grade 4 showed a reduction by 7% of the 1999/2000 baseline learning assessment (47.9 percent to 40.9 percent) and in grade 8 also deteriorated

- by 2.8% (42.6 percent to 39.8 percent)” (UNICEF 2012:55). Key factors in these reductions included: poor school organization and management; need for improved teacher training on new techniques; inadequate school supplies, availability of curricular and instructional materials, and poor language skills of instructors (MoFED 2006). “Completion rates for both grades 5 and 8 (used as a proxy indicator for quality) improved over a 3-year period (from 57 percent to 65 percent in grade 5 and from 34 percent to 43 percent in grade 8). This signifies the need to replicate on the factors that helped maintain student completion rates and work more on quality improvement” (UNICEF 2012:55).
3. “The *rapid expansion of the education system* left a considerable financing gap between available funds and the anticipated cost of investments needed to improve and maintain quality. The need for quality improvement of the education sector began to be formally addressed during the third Education Sector Development Plan. A high proportion of the education recurrent budget for primary and secondary education is allocated to teacher salaries (over 90 percent). In fact, the non-salary education budget at the Woreda level decreased from 2005 to 2006. This had the effect of constraining the availability and predictability of resources for other inputs critical to support effective teaching and learning (e.g. training, textbooks and other materials, assessment, monitoring and evaluation systems, etc) to enhance learning outcomes” (UNICEF 2012:61).
 4. The *capacity* to plan, manage and monitor the education sector interventions is limited. In Ethiopia, the management and financing of primary and secondary education is the responsibility of regions and Woredas (districts) based on the

national policy and standards that are developed and approved by the Ministry of Education (MoE). However, some regional and Woreda (districts) governments are reported to have a weak capacity to gather and report on Key Performance Indicators on time in order to manage and monitor effectively the implementation of education reform policies. This is said to affect the government's plan to improve quality, enhance access and secure the necessary financial support for education due to lack of information on progresses made and gaps to focus support (MoE 2006; DFID 2009).

5. The key issues related to policy making, management and monitoring capacity in the education sector include: (i) weak institutional capacity for the delivery of general education, hampering implementation of a consistent and effective education policy; (ii) inadequate strategic planning and management capacity to support tasks such as policy development and medium to long term planning; and (iii) limited monitoring and evaluation systems making the reform process difficult to operationalize. Compounding these capacity gaps is the constant turnover of key staff in the sector at different levels of the system (due to lack of incentives, proper working environment and development opportunities) as well as insufficient numbers of qualified staff (MoE 2005; DFID 2011; UNICEF 2006; World Bank 2008).

2.9.6. Focus and Objective of the GEQIP

Over the various cycles of the ESDP, the primary and secondary education enrollment rate showed significant increases with a reduction in repetition rates and expansion of TVET and higher education. For example, the review of PASDEP implementation shows that “in the primary sector (Grades 1-8) there was an increase in primary schools from 16,513 to 25,217 during the PASDEP period” (MoFED 2011:16). As a consequence, the number of classrooms also increased from 161,795 to 247,698. The gross enrolment rate for grades 1-8 increased from 79.8% to 94.2% and the primary net enrolment rate increased from 68.5% to 87.9%. The disparity in enrolment rates between male and female students gross enrolment ratio narrowed from 0.75:1 to 0.93:1 (DAG-MoE 2012).

Despite these gains, and while Ethiopia is reportedly on track in reaching the targets set out in MDG 2 on universal access to primary education, in terms of quality, social factors such as food insecurity, socio-economic factors and the weak capacity to manage the rapid school expansion programme are identified as areas that compromise the education sector (DFID 2011c; MoE 2005; UNICEF 2012a).

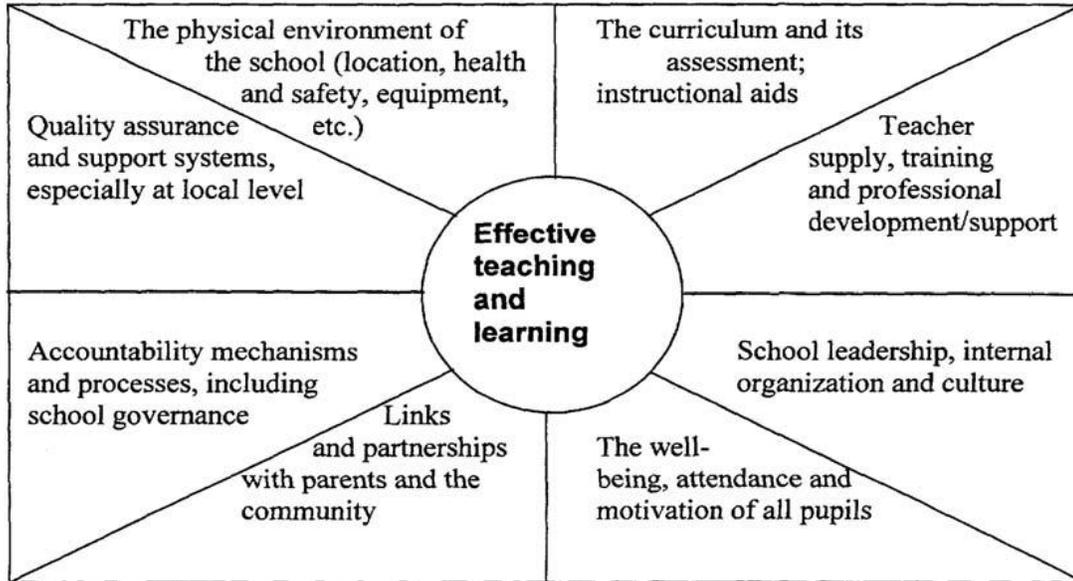
The 2012 Situation Analysis report of UNICEF Ethiopia, ‘Investing in Boy and Girls in Ethiopia’ further attests that the 2007 country wide learning assessment conducted in Ethiopia shows that overall performance of students between 2000 and 2007 has decreased as a result of a poor quality education (UNICEF 2012a). The composite score conducted under the three national assessments shows a decrease from 41.1% in 2000 to 39.7% in 2004 with a continued decrease of 35.6% in 2007 in different subjects offered. A regional disparity was also observed, the urban areas relatively showing a better learning

outcome (UNICEF 2012a). Outcomes of such assessments led to the inception of the GEQIP, which remained to be a priority area for the PASDEP and that of the Growth and Transformation Plan (GTP), which is being further taken up by the ESDP III and ESDP IV ensuring the implementation of interventions on quality (UNICEF 2012a).

In response to the gaps identified in quality of the education sector, the GoE designed various quality improvement interventions for the general education system as one of the core components of the education sector in its poverty reduction strategy - PASDEP. These interventions were enshrined in the ESDP III covering the period 2006-2010, which served as an overarching strategy to package and implement the General Education Quality Improvement Programme (GEQIP) as one of the main priority areas. This nationally led programme served as the basis to secure external assistance and for development partners to align their support for the education sector in Ethiopia (World Bank 2008). The GEQIP is focused on improving “i) curriculum, textbook assessment and inspection, ii) teacher development programme including English language quality, iii) management and administration programme with Education Management Information System sub component and iv) school improvement programme, and v) Programme coordination, monitoring and evaluation” (World Bank 2008:7). GEQIP follows an holistic approach to improve quality of general education by adapting the school effectiveness model developed by the World Bank as outlined in Figure 1 below. The eight domains of school effectiveness that contribute to high quality teaching and learning are: “(i) curriculum; (ii) teacher quality and professional development; (iii) school leadership and management; (iv) general well-being of students; (v) linkage between schools and communities and stakeholders: (vi) school governance and accountability; (vii) quality assurance; and (viii) physical infrastructure” (Word Bank 2008:62). This model is found to be suitable for the GoE’s

current political and fiscal decentralization structure as well as the sector reform on quality improvement because of its cross cutting nature (Word Bank 2008:62).

Figure 1: Domains of school effectiveness



Source World Bank PAD – GEQIP 2008 (World Bank 2008:63)

GEQIP is cross cutting in nature due to its focus on quality improvement. It is clearly tied in with each component of the education sector due to its focus to improve quality of curriculum, text books, school environment, and address capacity as well as management issues at all levels i.e. education offices and schools (World Bank 2008). In view of this “the programme demands for synergy, harmonization and flexibility to design programmes with allocation of resources to Ministry of Education (MoE) and its various implementing units at the national and regional levels. Here the Management and Administration Programme (MAP) component of GEQIP can be cited as an example for its cross cutting nature” (World Bank 2008:8). “The MAP supports the MoE’s initiatives to strengthen the planning, management, and monitoring capacities in all its education implementing offices. It is also

focused in improving the Education Management Information System (EMIS) capacity of Ministry of Education, Regional Education Bureaus, Woreda (district) Education Offices to implement system-wide primary and secondary education programmes effectively and efficiently” (World Bank 2008:11). The component on coordination and monitoring and evaluation is another cross cutting area for the GEQIP. It provides the necessary support for effective handling of management, coordination, implementation, monitoring and evaluation and information and communication strategy at all levels in the education system in the country (World Bank 2008).

The first phase of the GEQIP covered the period 2008 – 2011, the next phase of the programme is currently being developed.

It can be seen from the above discussion that review of the various strategy documents from MoFED, MoE, UNDP Human Development Report, UNECA MDG Reports, UNICEF, DFID, World Bank and various publications show that the Ethiopia has registered a tremendous growth on school expansion and enrollment rates. However, the GoE is faced with major funding gap to address its priorities on quality improvement. Furthermore, the technical capacity in setting priorities and budgeting is a gap, which is evidenced through the focus on access rather than quality improvement of the education sector. These alert the need for external assistance to close the gap on resources both technically and financially in support of the General Education Quality Improvement Programme (GEQIP).

2.10. Development Partners in the Education Sector for Ethiopia

Currently, “the education sector in Ethiopia is supported by 15 development partners whose support is tied with sector specific initiatives in the education sector. These partners are coordinated under the Education Technical Working Group guided by the Principles of Aid Effectiveness, and the leadership of MoE” (DAG 2010b:7). Key donor partners are playing a catalytic role in support of the broader aid effectiveness agenda in Ethiopia by promoting mechanisms of mutual accountability, emphasizing government-owned processes and promoting alignment of development assistance to country needs (DAG 2010). The General Education Quality Improvement Programme (GEQIP) is financed through pooled and non-pooled funding arrangements “a group of development partners through pooled funding arrangements with the contribution of Department for International Development DFID, the Netherlands, Italian Development Cooperation, Finland and Swedish International Cooperation Agency. In addition institutions such as U.S. Agency for International Development and UNICEF provide support to the GEQIP through their own programmes clearly aligned with the government plans and without joining the pooled funding arrangements with coordination role led by the Ministry of Education” (British Council - MoE 2010:3).

This research focuses on the development assistance provided to the GoE’s education sector through GEQIP, by 3 development partners namely, DFID, UNICEF and the World Bank. The organizational priorities of the 3 institutions and their support to Ethiopia more specifically to GEQIP are discussed below.

2.11. Overview of Target Institutions Supporting GEQIP

2.11.1. The Department for International Development - DFID

DFID is a government department for the UK's official development assistance programme and provides bilateral support to Ethiopia to the various development priorities of the country (DFID 2010b). DFID was rated the second best international donor in relation to aid transparency based on the transparent approaches followed in publishing the UK's government spending, so that taxpayers can see exactly how and where their aid money is being spent (IRIN 2011). DFID's support is focused on a technical advisory service and resource mobilization. DFID's 2010 Education Strategy states that "investing in education means ensuring health, bringing social stability, improving income productivity, reducing HIV and AIDS, promoting girls education and healthier children" (DFID 2010b:2). It also emphasizes the contribution of education to tackle climate change. While investing its funds in education, DFID alerts that major considerations should be given to national priorities, partnerships and geographic convergence (locations covered by similar assistance coming from different development partners), role of other development partners and most importantly the new aid architecture(DFID 2011d). In line with its organizational mandate, it is focused on providing support to the GoE education sector in the following key areas - poor learning outcomes; fill the gap on shortage of resources at school level, teacher training, and capacity building needs on planning and management as well as to improve equity on access to quality education. DFID has contributed £45 million for the GEQIP programme between 2009 and 2011 and. provides development assistance to Ethiopia based on the availability of a nationally owned development plan that comprises a pro poor

policy. The organization has reported that the GoE has demonstrated results in the satisfactory application of the assistance provided to the country by DFID. The decentralized education system, the GoE's experience in delivering basic social services and availability of transparent financial management systems are also some of the factors that made the GoE eligible for assistance from DFID for the period 2011-2015 (DFID 2010b). Based on the recently concluded bilateral aid review, the GoE fulfills DFID's requirement in having a pro-poor growth strategy, qualifying Ethiopia for a continued support from in the areas of maternal mortality, education, water and sanitation (DFID 2011d).

2.11.2. United Nations Children's Fund (UNICEF)

Based on its Medium Term Strategic Plan (MTSP) for 2006-2013, UNICEF's main corporate priority in Ethiopia is focused on making a difference for children by supporting implementation of the Millennium Development Goals, and to ensure an effective contribution to poverty reduction through advocacy and partnerships that generate sustained investments in children's survival, development and protection. UNICEF as part of its corporate priority works towards bringing coherence among the UN agencies to maximize the benefits derived from limited resources to enhance its impact. It also works with bilateral donors and the Development Assistance Committee (DAC) on the harmonization, alignment and aid effectiveness (UNICEF 2005).

UNICEF and the GoE sign a cooperation agreement every five years, in support of Ethiopia's national development priorities as outlined in the PASDEP and with complete consideration of the application of Principles of the Aid Effectiveness. UNICEF in line with

its mandate provides support to children and women in the areas of health, education, water hygiene and sanitation, protection and participation. The country situation analysis used to design the programme support is built on outcomes of the review of the poverty reduction strategy for each country, the Ethiopia MDG report and the UN common country assessment (UNICEF 2006).

UNICEF allocated US\$ 470 million as part of its five year programme of support to Ethiopia for the period 2007-2011, of which US\$53 million was allocated for its education programme. As part of its mandate, UNICEF focuses its support to the education sector to address the rights of children and women. In recognition of the aid effectiveness agenda UNICEF states the following in its Medium Term Strategic Plan (MTSP) as a building block to its mandates. "UNICEF has a continued desire to see United Nations agencies achieve greater collaboration, coherence and effectiveness to maximize the impact of their relatively limited resources, and measures taken by bilateral donors to achieve similar goals. A revitalized United Nations development system, working in close harmony and with effective country-level leadership, will reinforce the work of UNICEF for children, allow for more effective support to the Millennium Declaration and the child-focused Development Goals, and be able to take fuller advantage of increasing Overseas Development Assistance resources and new financial modalities" (UNICEF 2006: 15). The UN agencies are trying to deliver their support as one, under the umbrella of the UN Development Assistance Framework (UNDAF). The UNDAF takes national development priorities and the MDGs as its building block, and also by ensuring compliance with each UN agency specific mandate. "The UNICEF support is also part of the UNDAF. The GoE and the UN Country Team in Ethiopia have so far developed three UNDAFs, which are all aligned with

each individual poverty reduction strategies so far developed by the government of Ethiopia. The UNDAF is a joint development assistance framework whereby different UN agencies working in a specific country join their efforts to support a development priority of a country” (UNICEF 2006: 20). The framework comprises strategies, results areas targeting a national priority area, outputs that are specific to each agency contributing towards this broader results areas, activities and resources as well as coordination mechanisms among the various UN agencies working towards a common results area. The UNDAF is undertaken with the leadership of national governments. While the UN agencies coordinate themselves around specific sectoral areas, they also take part on donor assistance groups composed of multilateral and bilateral institutions outside of the UN (UNDG 2008). The UNDAF in Ethiopia is developed with the leadership of MoFED and in partnership with the various sectoral ministries such as MoE. Various thematic working groups are established to bring together all the UN agencies whose mandate requires them to work in specific sectoral areas. For example for UNDAF, a basic social service is one of the thematic areas that have the education sector as a sub group. This group comprises UNICEF, UNESCO, World Food Programme and International Labour Organization who are focused to respond to the PASDEP education sector comprehensively, depending on their mandate by producing the relevant programme document (UNICEF 2006, UNCT Ethiopia 2011). Such groups have also a responsibility to align their work with government plans and undertake the necessary consultation with donors and civil society organizations by organizing various strategic meetings. The UNDAF is further integrated into UN agencies individual country programmes and work plans ensuring the implementation of the agreed plans. The joint UNDAF document and agencies specific programmes are co-signed with each specific sector specific Ministry, MoFED and the corresponding Regional Ministry Offices (UNCT Ethiopia 2011).

2.11.3. The World Bank

The World Bank and the International Monetary Fund (IMF) introduced the Poverty Reduction Strategy Programme (PRSP) approach in the late 1990s globally. The objective of this approach was to “ensure that all forms of development assistance is aligned with country led development priorities for bringing long term social development. This strategy was expected to reflect a participatory approach, evaluate the cause of poverty, set targets and indicators for poverty reduction” (Marrow 2001:2). “PRSP approaches are taken as an instrument for aid management, whereby all low-income countries would improve partnership with development partners and to avoid failures caused by fragmented donor approaches to development. Along with the IMF the World Bank further underscores that effective change cannot be imposed from the outside thus, the key ingredients in a successful development strategy and transformation are ownership and participation”(Marrow 2001:3). On participation of civil society and communities in national development processes, Marrow states that “policies that are imposed from outside may be grudgingly accepted on a superficial basis, but will rarely be implemented as intended. Development cannot be just a matter of negotiations between a donor and the government. Development must reach deeper. It must involve and support groups in civil society; these groups are part of the social capital that needs to be strengthened, and they give voice to often excluded members of society, facilitating their participation and increasing ownership in the development process. By involving these groups, the process of strategy formulation may be able to elicit the commitment and long-term involvement that is necessary for development to be sustainable” (Marrow 2001:3). The World Bank and the IMF emphasize that in order for the PRSP and any aid assistance to work, governments should be primarily be given the space to have an internal country dialogue and not a negotiation with external partners as well as for donors to create any parallel processes. Rather, donors

should engage in enhancing the role of democratic institutions, parliaments, civil society and natural resources management leading to improved policies (Marrow 2001).

The World Bank's support is focused on poverty reduction, developing a self-sufficient community, knowledge sharing, capacity building, and forging private-public partnerships. The World Bank's Country Assistance Strategy (CAS) to Ethiopia is aligned with the PASDEP. The CAS is structured to support Ethiopia in sustaining high levels of investments in key sectoral areas and increase the impact of spending on policy issues pertaining to physical and human capital as well as institutional capacity building, the CAS portfolio covers most sectors of the Ethiopian economy, but with a strong emphasis on infrastructure, basic social services, food security and governance (DAG 2010a).

Beginning 2008 the World Bank started providing support to GEQIP through various funding sources such as the International Donor Assistance (IDA) Adaptable Programme Loan (APL) of US\$ 50million and the Fast Track Initiative grant of US\$70million (World Bank 2008:11). The World Bank education strategy is focused on achieving the broader goal on Education For All (EFA). It gives special focus on the poorest children and girls, early childhood interventions, innovative delivery, and systemic reform. On delivery of its assistance, the World Bank promotes the application of Sector Wide Approach (SWAp). This approach is found to facilitate the support of a country-led sector programme in a comprehensive and harmonized manner. It also highlights on the need for a considerable effort for donor coordination and harmonization. The World Bank also underscores the need for capacity development and institutional building to enhance financial arrangements and accountability mechanisms at all levels with the use of local procedures to facilitate the delivery of aid (World Bank 2008).

2.12. Target Institutions Support to the General Education Quality Improvement Programme (GEQIP)

2.12.1. Department for International Development (DFID)

DFID is one of the pooled funding donors to the GEQIP. As a co-chair to the Education Technical Working Group, it oversees the coordination of the various supports to the GEQIP. DFID supports the following components of GEQIP: curriculum and text book development, school improvement programme, the teachers training programme and school planning and management programmes. DFID's support is channeled through the government system and is aligned with the various components of the GEQIP multi-donor programme. DFID has also made a partial secondment of a Senior Education Advisor to the MoE (DFID 2010). DFID aligns its monitoring activities on data gathered from the EMIS system, the GEQIP regular joint monitoring activities and an independent study that it will undertake on performance of each component of the GEQIP (DFID 2010b).

DFID underscores that implementation of the GEQIP is faced with capacity gap from the government side. It stresses that Civil Society Organizations play a crucial role in responding to the limited capacity in the government system. As part of its organizational priority, DFID provides support to strengthen Civil Society Organization (CSO) participation in the development process of the country. Considering the vast development priority areas that the GoE needs to address, DFID alerts the need for more resources to reach the PASDEP targets. Financing the various components of the GEQIP is cited as an example here. Through its Technical Advisor role, it also promotes harmonization and pooling of

resources for better results. In this regard DFID cites the establishment of the Ministry of Capacity Building as a result of a harmonized multi-donor programme support. The PSCAP public sector reform is also cited as an example to coordinate all capacity building supports despite the fragmented approach applied prior to the establishment of this joint programme. The proposal from DFID takes into consideration the GoE's requirement for a more focused and structural based capacity building process. "DFID is shifting more and more from individual corporate initiatives and align its support to that of government programmes. It channels 83% of its assistance through government led multi-donor systems, i.e. PBS, GEQIP, PSNP etc., accompanied with major technical support in the design of these programmes. Furthermore, as per GoE request, DFID also provides unconditional and un-earmarked bilateral assistance" (DFID 2009:72). "DFID also gives high importance to the effectiveness of collaboration with the World Bank including other donors, and continue partner capacity development interventions especially to the GEQIP" (DFID 2011a: 6).

2.12.2. United Nations Children's Fund (UNICEF)

In line with its corporate priority, UNICEF provides support to the various education priorities of the GoE, most importantly the quality improvement programme. UNICEF "targets to reach 85% of children in its target area of support with quality so that at least 50 percent pass result in grades 4 and 8 by 2011" (UNICEF 2006: 34). UNICEF provides its support to the GEQIP through the following programmes: child friendly schools, alternative basic education and national capacity enhancement. These programmes are delivered through strategic partnerships and development of joint programmes with other UN agencies, DFID, the World Bank and other relevant development partners in education (UNICEF 2006).

With the adoption of the Paris Declaration on Principles of Aid Effectiveness, UNICEF is engaged in national capacity building with the end result of using national systems. Country programme of support and workplans are developed in close consultation with the various ministry offices and their line bureaus ranging from federal to regional and Woreda (district) level. The fiscal period for these plans is aligned with that of the government system. UNICEF follows the July to June budget period of the GoE instead of the January to December calendar of UNICEF (UNICEF 2006). This approach is also noted to “provide the opportunity to avoid overlaps with other development partners, allowing design of UNICEF’s support in areas that are not covered by other development partners” (DFID 2011:11). UNICEF supports the GEQIP through the government system but with a different planning and reporting mechanism from DFID and the World Bank. MoFED takes the lead in the overall coordination of UNICEF’s programme and is responsible to ensure national ownership and full synergy between the UNICEF-supported programme and government policies and projects. UNICEF channels funds through MoFED, its regional and Woreda (district) offices. Civil society participation is determined during work-planning processes with the consent of the respective government office on their participation. Sector accountabilities and responsibilities for programme management rest with the heads of government Ministries. Funds are released in line with Annual Work Plans signed with the MoE and its line offices. UNICEF’s funding source come from regular and other resources. Other resources come from different donor sources accounting for 75% of UNICEF funding. These resources come with different donor reporting and allocation requirement, which are hard to channel through the government system or integrate with GEQIP, multi donor trust fund. UNICEF undertakes a fundraising and advocacy to secure such funding. In terms of monitoring and review of progress in addition to support provided to the EMIS system it

follows individual agency specific monitoring with MoE and also participates in the joint review processes with other development partners (UNICEF 2006; DAG-MoE 2012).

While UNICEF states that it is satisfied with the progress registered on GEQIP, it also notes that there are delays in funds utilization and reporting, poor quality and continuous transfer of teachers, poor information management system and infrastructure, which demands for more work and improvement. As much as UNICEF's procurement system was noted to be flexible, government prefers to use its own system, which is noted to be time consuming. In response to these challenges, UNICEF is trying to revise its reporting period to match the capacity at the district level by giving partners more time for implementation. It is also engaged in undertaking country wide procurement capacity assessment in order to assist the decentralization efforts and handling of such systems at the government regional office level. UNICEF also works with various international institutions to enhance the role of civil society which is important to address the capacity gap at the ground/Woreda and regional level (UNICEF 2009; MoE 2010b).

2.12.3. The World Bank

The World Bank' mandate in education in Ethiopia is aligned with that of the PASDEP, which is focused to strengthen human resources capacity and achievement of the universal access to primary education under the MDG 2. The World Bank gives the following rationale for its involvement in GEQIP: "i) GEQIP is consistent with the Bank's plan to improve quality of education, which will be operationalized together with the Protection of Basic Services block grant transferred to regional governments as part of delivery of basic services including general education; ii) the Bank underscores that it is very well positioned in drawing global experience on education reform that could be taken as a learning

experience for low income countries and iii) its strong financial and technical contribution is taken to be key in leveraging resources from other development partners especially the Fast Track Initiative Catalytic Funding (FTICF), the major funding source for education” (World Bank 2008:4).

In line with the joint government-donor decision taken at the 2007 annual review meeting, the World Bank was given the administrator role of the pooled fund system for GEQIP. Based on the GoE’s costing exercise and the financial plan for GEQIP there is a funding gap of US\$ 800 million to be secured from external assistance. In this regard, the World Bank uses its various funding sources to finance the GEQIP (World Bank 2008). These include the “International Development Assistance (IDA) thematic sector wide approach pooled funding mechanism focusing only on quality improvement in general education; the Adaptable Programme Loan (APL) contributing US\$ 50 million; the FTICF grant of US\$ 70 million; and the GEQIP pooled fund coming from DFID, the World Bank itself and others amounting to US\$ 115 million. The government contributes to the pooled funding incrementally on annual basis. Development partners in pooled fund include Finland, Italy, Netherlands, Sweden, UK (DFID). An MOU is developed that clearly outlines the roles and responsibilities of each partner in the pooled fund” (World Bank 2008:5; 17).

The World Bank Project Appraisal Document is used by all pooled fund development partners and the FTICF as a reference point in mobilizing resources from home countries. Furthermore, all activity planning, implementation, procurement arrangements, progress

reports including financial expenditures and review processes are administered through the World Bank, whose system is in line with that of the GoE (World Bank 2008).

In support of the GoE's decentralization approach and for the pooled donor support to reach its target result on GEQIP, the World Bank (2008) states that it has factored in the following measures depending on its experience from other multi-donor aid arrangements:

- "Performance grants were accompanied with capacity development support for education projects in decentralized system in the areas of planning, financial management, budgeting and implementation,
- Support schools through a coordinated inputs and integrated set of interventions instead of a component driven approach,
- Need for capacity assessment and provision of the necessary support on provision of quarterly reports to avoid delays on disbursement,
- Jointly designed results based monitoring and evaluation system with clear set of indicators to be used as a tool to monitor implementation progress,
- Use of national systems for procurement, financial management and M&E with identification of potential risk areas, which would allow harmonization of reporting, reduction of transaction cost and enhancing national ownership and leadership and bringing sustainability,
- Avail of sustained training and technical assistance in low capacity areas,
- Aligning donor support to government led education sector development plan through the SWAp which includes i) pooling all development partner resources in addition to federal and regional government resources, ii) reliance on government

rules for disbursement, implementation, reporting and monitoring, iii) establish a common and simplified monitoring framework aligned with the government's M&E strategy and iv) build linkages with on-going GEQIP programmes supported through non-pooled funding arrangements such as UNICEF" (World Bank 2008: 21-22).

The aforementioned three institutions have long years of partnership and experience in the education sector in Ethiopia and play a pivotal role in supporting the sector. DFID, UNICEF and the World Bank are providing major contributions to the General Education Quality Improvement Programme (GEQIP) in its inception, operationalization of the first phase of the programme, as well as the second phase, which is currently being developed. The 3 institutions work in partnerships with the education development partners in Ethiopia. Information provided in the next sections is applicable both to the 3 target institutions and education development partners to Ethiopia.

2.13. Implementation, Funding and Review of the GEQIP

The GEQIP is implemented through pooled and non-pooled fund arrangements. DFID and the World Bank fall under the pooled fund arrangement, while UNICEF provides its support as a non-pooled partner. For the pooled fund arrangement, the GEQIP Core Committee (GCC) composed of MoE and donors gives an oversight function on funds disbursement, review of recruitments of technical personnel (consultants), procurement and bidding processes (e.g., text book design and printing) etc. These processes are strictly guided by the GoE procedures as well as the MoE annual work plans. Where appropriate, the World Bank procurement system is used for the GEQIP implementation. While the lead role is being played by the MoE, the GEQIP Core Committee has assigned the administration

function of the strategy to the World Bank, which follows the GoE procedure in funds transfer; procurement, monitoring and implementation follow-up. The administration function is assigned to the World Bank due to the organization's capacity to manage multi-donor programmes procedurally as well as having the availability of adequate human resources. The other pooled fund partners participate through the provision of funds and technical support due to the limited resources that they have to manage such huge programmes. DFID supports the implementation of the GEQIP through a partial secondment of a Senior Education Advisor but are not involved in the day to day administration of the programme. UNICEF follows its own planning, and reporting mechanism, which is also aligned with the MoE plans to implement its support to the GEQIP (DFID 2010; UNICEF 2006; World Bank 2008). The DAG, Education Technical Working Group (ETWG) also plays a coordination role of the various development partners supporting GEQIP that are focused on service delivery, teacher development, capacity building, school construction, alternative basic education, support to higher education, school grants and technical assistance. Under the coordination of the ETWG, these agencies monitor progress, resolve implementation constraints and provide appropriate inputs to the education sector. These agencies undertake joint review missions based on a jointly agreed thematic area and approaches. The MoE planning head is a co-chair to this group (UNICEF 2012). It is important to note here that DFID and the World Bank have the role of a co-chair in managing the Donor Assistance Group (DAG) executive committee together with the GoE. UNICEF is a member to this group and has representation to the various sectorial working groups (World Bank 2008).

As a result of a joint consultation held in 2007 between the GoE and donors, agreements were reached to pool resources together and harmonize implementation, guided by the

Principles Aid Effectiveness agenda to implement the GEQIP (MOE 2008). In view of this, DFID and the World Bank support the GEQIP through a pooled funding, Multi Donor Trust Fund (MDTF). UNICEF supports the GEQIP through a non-pooled fund arrangement with a coordination role of the Ministry of Education. UNICEF cannot join the pooled funding arrangement due to its various funding sources that come along with various donor funds application and reporting requirements. The funding source for UNICEF comes from its regular contributions and other resources. The bulk of its programmes are financed through Other Resources (OR) coming from different donor countries, private funding and national committees. Funds coming from the OR are accompanied by different financial and reporting requirements, which demands for tracking of results to the very small resource contributed by a single donor, which is hard to track in a pooled funding arrangement. In a pooled funding arrangement, results can only be seen collectively for all donors and at a higher impact level but not at activity level as per each agency contribution, which is contrary to the requirement of UNICEF donors. Donors channel funds through different mechanisms such as direct contributions to the government, i.e., pooled funding, budget support and through direct implementers such as institutions like UNICEF for a speedy and quick impact intervention (UNICEF 2009b).

In terms of measuring progress towards the planned interventions of the GEQIP, the target institutions in partnership with other development partners and with the leadership of MoE undertake reviews and studies. These processes are focused on assessing progress from Federal state up to school at local levels on issues ranging from policy up to implementation of the education sector detailed activities in the GEQIP programme. Some of these review processes include baseline surveys, midterm reviews, exit surveys, all of which feed into GEQIP and the broader multi-donor support such as the PBS and Joint

Budget and Aid Review (JBAR). Outcomes of which ultimately facilitate measurement of progress towards the Education Sector Development Programme (ESDP).

The findings from the desk review show that outcomes of the various studies, review processes, including the GEQIP annual progress reports, focus only on the technical programmatic aspect of the programme. The donor coordination, application of the Principles of Aid Effectiveness and any possible improvements as such were not adequately covered. Availability of such sector specific information would have provided the opportunity to assess the collaboration among DFID, UNICEF and World Bank on delivery of results (British Council-MoE 2010; MoE 2011; DAG-MoE 2012). The DFID-GEQIP project document further reaffirms this point and states that similar to the health sector, studies on the education sector undertakings on the Principles of Aid Effectiveness agenda should be conducted (DFID 2010b).

The MoE undertakes a Joint Review Mission (JRM) annually based on jointly selected thematic area in collaboration with the various development partners. All the financing donors for GEQIP including representatives from the Protection of Basic Services multi-donor programme, line government offices, schools and parent teachers associations takes part in this process. The team guided by common reference materials and questionnaires conducts field missions to different regions of the country outcome of which are debriefed at the federal level in Addis Ababa with the participation of stakeholders reaching up to primary and secondary school levels. Outcome of the JRM are used to take corrective measures with on-going activities, guide strategic choices and priority setting. At the same time these outcomes feed into the GEQIP annual progress report, donor progress reports and any other government reports (DAG-MoE 2012).

2.14. Progress on GEQIP Implementation

The MoE-education sector donors joint review mission for 2012 focused on the School Improvement Programme (SIP) component of the GEQIP. The outcome of the review shows that:

- The national education budget has shown an increased allocation from 24.6% in 2007 to 27% in 2011. For instance in one of the regions, Southern Nations Nationalities Peoples Region , allocations from 2007 amounting to ETB 750million was noted to have grown to ETB 2.5 billion in 2011(DAG-MoE 2012).
- The GEQIP package has been noted to tremendously contribute to student performance especially that of girls through provision of improved attractive text books, tutorial class, participatory teaching methodologies, school materials, paternal support, strong student councils helping low performing students. Improved scores in subject matters such as History, Amharic, Chemistry and Mathematics are observed, while more work is needed in the other subject matters (DAG-MoE 2012).

On the other hand the joint review mission has proposed the following improvements at the Federal, Regional, Woreda and school levels of the education system:

- At the **Federal level**, engage in more consultation with school level actors, community representatives, NGOs and donors in priority identification. Conduct discussion between MoE and MoFED and other stakeholders on creating common

understanding on education planning and financing processes (block grant, school grant, community contribution, school internal income and other supports) including on efficient disbursement arrangement. Revise per capita school allocations to fit in the needs of each region/school instead of blanket allocation, which should be more focused on sustainability. This shall also take into consideration provision of more text books, incentives for teachers, and mechanisms to create conducive environment in schools. Provision of technical support to regional and Woreda level was noted to be a major priority action. Segregation of duties and transparency in allocation of budget was also mentioned to be an aspect to facilitate budget management and reporting (DAG-MoE 2012).

- At the **regional level** there is a need for more improved communication between Bureaus of Education and Bureaus of Finance and Economic Development offices on implementation, provision of trainings based on the needs of each institutions, allocation of sufficient block grants focused on student achievement and less dropout rates, as well as instituting more mobile schools in pastoralist and hard to reach areas (DAG-MoE 2012).

- At **Woreda (district) level** more orientation is needed on, provision of technical support on planning, block grants, financial records, reporting, and establish audit systems to help them design the right programmes to secure sufficient funding. Have more teachers assigned to manage the teacher to student ration. Provision of incentives to motivate qualified teachers to use an active teaching-learning approach as opposed to purely focusing on extended classes (DAG-MoE 2012).

- At **school level** more capacity building in enhancing schools technical skills for community mobilization, tracking progress on the school improvement programme, instituting proper record keeping, and familiarization of teachers with new development in the education sector i.e. orientation on text book and curriculum changes and application of active teaching learning approaches. Ensure parents participation with student performance instead of overloading PTAs with routine undertakings (**DAG-MoE 2012**).

2.15. Target Institutions Performance

Measurement of progress against the GEQIP are undertaken through joint reviews by the MoE and development partners to education, which feed into each development partner's reporting needs. Depending on the donor requirements, organizations such as UNICEF are required to generate individual progress reports for each funding sources. In line with the reviews above, we can see that sectorial studies as such do not make provision to assess the extent the Principles of Aid Effectiveness are followed. However, reports from the DFID, Donor Assistance Group, and the joint MoE- British council studies on GEQIP highlight the following on the extent education development partners followed these Principles. This is inclusive of DFID, UNICEF and the World Bank.

- Improved initiative is needed both from the government and donor side to develop a clear framework for harmonization, alignment, and aid effectiveness including joint aid instruments, harmonized-sector financing modality to monitor progress in this regard. Both sides are also expected to commission studies that would provide the evidence base in designing the right harmonization frameworks including studies on

- progresses made on shared goals such as the MDGs. As noted above, following the outcomes of the 2005 government elections various forms of programme support approaches were put in place that called for more improved coordination and aid instruments, the DAG review notes that this has been the case since 2008 and there are plans to sign a new harmonized action plan. Sectorial priorities such as the GEQIP are managed through various coordination arrangements, coming with different terms of reference lacking a common framework to be guided with (DAG 2010b).
- More work is required to harmonize and coordinate donor interventions, reduce imposing individual corporate requirements, engage in more dialogue with the government and revisit the Donor Assistance Group (DAG) structure to enhance the delivery of aid assistance. The joint efforts between GoE and the DAG supporting the central statistics authority in gathering poverty data is appreciated while quality is noted as an area for improvement in establishing. The same remains true with the EMIS as noted in the above sections, which is a priority area for the GEQIP. Establishment of a common framework for measuring performance/results (e.g. *Woreda* Benchmarking Survey) is an area mentioned as a mutual accountability mechanism (DAG 2010b).
 - Capacity gap within the structure of MoE and its regional and district level offices is recognized by the target institution, which is taken as a key area for support in order to achieve the planned results for GEQIP. Gaps on results and evidence based planning and policy development process was identified, which required strengthening the Education management Information System (EMIS) to generate

more quality data allowing creation of logical linkages between planned activities and outcomes. This is also noted to affect the level of mutual accountability as priorities and results to be measured are not clearly identified. The joint MoE-GEQIP development partners study shows that the third education sector development plan has been developed with a consultancy and training support by the International Institute of Education Planning (IIEP). Consultant support is hired to fill in the technical capacity gap in the areas of programme implementation, procurement, monitoring and evaluation, curriculum and text book development, publisher review, and safe transportation of text books to district level schools. The capacity building measures taken are noted to be short-lived mostly coming in the form of consultancy service, lacking the opportunity for knowledge transfer and the GoE's requirement to focus on strengthening structural arrangements. The report further states that a more sustainable capacity building mechanism needs to be put in place in order for MoE to become self-sufficient and take the lead in such processes. The need for more coordinated and sustainable capacity building intervention is identified as the majority of the trainings offered were noted to be a duplications as well as with varying content despite the focus on similar topics (British Council – MoE 2010).

- The 2012 joint review mission by MoE and the education development partners express concern on predictability of resources allocation by donors that despite commitments made to finance the full programme cycle, funds are usually provided only for one year. Disbursements are delayed and funding needs for the remaining period of the programme are indicative with no confirmation (DAG-MoE 2012). The GEQIP is challenged by lack of timely and sufficient funding from development

- partners. The report further notes that it is difficult to identify which activity is funded by which development partner, including the amount contributed as well as the fund channeling mechanisms used. Despite all the coordinated arrangements put in place, the approach followed by development partners remain to be fragmented and overlapping affecting implementation and delivery of result for GEQIP (British Council – MoE 2010).
- Few donors were noted to be bearing the cost of harmonization due to the absence of equal participation and commitments to donor coordination. Suggestions are made to strengthen the donor coordination arrangements through shared human resources allocation from each participating donor agency. Provision of technical assistance to the various working groups is identified as a major need for programming arrangements such as GEQIP. On the other hand the amount of funding that a particular donor contributes determines the level of influence and decision making power. The MAP study for instance shows the need to give more attention to non-pooled fund donors in GEQIP and to have a clear division of labour among the education development partners despite the level of funds they bring in (British Council-MoE 2010).
 - Despite efforts by development partners such as the target institutions for this research to Sector Wide Approaches (SWAs), pooled fund arrangements and to the decentralized national system with clear devolution of power, only 43% of development assistance is noted to be channeled through government systems. The need to reduce parallel implementation units is underscored with more alignment recommended in the areas of assessment, audit, procurement,

- communications, and capacity building interventions, monitoring of activities and management activities in general (DFID 2009).
- The level of flexibility attached to development assistance is noted as an area for improvement to match GoE changing priorities and to come up with more accurate timely information. Funds as such are not predictable usually manifested through delay of disbursements and challenges to lift multi-donor trust funds off the ground. Despite initial plans to start implementation of the GEQIP in 2008, the programme was operation only in 2009 due to challenges such as the ones noted above (DFID 2009; DAG 2010).
 - The 2009 DFID Country Programme Evaluation report acknowledges the joints effort underway on the application of common aid instruments, joint programming and budgeting as well as joint review processes. However, the report also notes that more work needs to be done on reducing administrative cost. For example multi-donor approaches such as GEQIP have been noted to limit the opportunity for direct interaction with CSOs to draw lessons in terms of enhancing their participation. On the other hand direct measurement of a specific development partner contribution was noted to be a challenge limiting the opportunity for improvement. The use of government system is found to be overburdening education development partners with procedural issues, such as opening special accounts leading to additional reporting requirements. The multi-donor programmes, such as GEQIP were noted to be instrumental in enhancing the quality of aid. Nevertheless improved communication among multilateral donors remains to be a challenge resulting in regional disparity on distribution of

development assistance. (DFID 2009).DFID states the harmonized approach in the GEQIP has been instrumental in addressing the major funding gap for the programme. However, similar to the health programme similar studies should be conducted for the education sector to assess the contribution of Principles of Aid Effectiveness to multi-donor programmes such as the GEQIP (DFID 2010b).

It can be observed here that while there are good initiatives, more needs to be done by the education development partners to follow the Principles of Aid Effectiveness if the supports to GEQIP are to be delivered efficiently.

The objective of the research is to assess the extent to which the Principles of Aid Effectiveness are followed in support of GEQIP by these 3 partners. Attention is also given to the operational environment provided by the GoE in enabling these institutions to follow the Principles. Contribution of these Principles for better coordination and efficient delivery of support by the target institutions is an aspect taken into account in the next chapter.

Chapter III: Research Findings

3. Introduction

In exploring the extent to which the Principles of Aid Effectiveness are followed in support of the General Education Quality Improvement Programme (GEQIP), the discussion so far has included a review of the development context in Ethiopia. This was carried out alongside a review of the country's various poverty reduction strategies and specifically the education sector and the linkages with the GEQIP quality education strategy. The contributions and application of the Principles of Aid Effectiveness have been discussed along with the aid environment in Ethiopia and the target institutions for this research. This was carried out with the objective of providing the overall development and aid environment in Ethiopia as it links with the global priorities and strategies. These linkages were also reviewed in view of contributions for efficient delivery of support to the various national priorities and in particular to the education sector through GEQIP.

As outcomes of the various reviews conducted from the preceding chapters show, the Government of Ethiopia (GoE) and its development partners (DFID, UNICEF and the World Bank) have agreed to follow the Principles of Aid Effectiveness as an overarching strategy to operationalize GEQIP. In a similar manner, the reviews from the secondary resources consulted show that there are various steps taken in following these Principles however resulting in a mixed outcome. This chapter provides the main findings of the research by focusing on the enabling environment provided by the GoE and the steps taken by the target institutions to follow the Principles of Aid Effectiveness in the delivery of aid to the GEQIP. It also shows if the steps taken by GoE and the target institutions have contributed for efficient delivery of support to GEQIP. The findings are sub categorized by key focus

areas and analyzed against each Principle. Sub categorization of the findings has been carried out for ease of reference.

3.1. Government Enabling Environment

The findings from the review of secondary resources used for this research show that the GoE provides an appropriate, enabling environment for development partners to follow the Principles of Aid Effectiveness. However, the research findings have also identified areas for improvement if target institutions are expected to follow these Principles while providing support to GEQIP and other national priorities. The research findings are provided below:

3.1.1. Availability of a National Development Plan with a Clear Budget

The GoE has developed a National Development Plan with clear priorities outlined in its Poverty Reduction Strategy. These priority areas are aligned with the MDGs. These priority areas are further translated into action through a Sector Development Plan, which provide the framework for development partners to align their support to the country's need. The GEQIP is derived from the PASDEP, the second poverty reduction strategy of Ethiopia, operationalized through the Education Sector Development Plan. This is in line with the programme approach/Sector Wide Approach (SWAp) as recommended under the Principles of Aid Effectiveness.

The financial requirements for the national priorities are budgeted in line with what is needed to reach the MDGs in Ethiopia. The education sector is aligned with the MDG 2 – Universal Access to Primary Education. It is focused on addressing access and quality

gaps in education in Ethiopia. The budget exercise conducted by the GoE clearly outlines available funds and gaps for additional resource mobilization from development partners. If we take the GEQIP, the Ministry of Education (MoE) states that it needs a support of US\$ 800 million of external assistance to fill in gap in the national budget. In line with this, DFID, UNICEF and the World Bank provide their support that comes in the form of technical, financial and in-kind support.

3.1.2. Availability of Strong National Systems

The assessment by DFID, UNICEF and the World Bank shows that the GoE has a strong public finance management system. In line with this, these partners are channeling the bigger share of their support through national systems. DFID states that almost 83% of its funding is channeled through MoFED. The World Bank mirrors the government system while implementing GEQIP and also plays an administration role on behalf of the MoE and development partners supporting the GEQIP. The GoE follows a decentralized approach, having structures laid down from federal up to regional and district level with a clear devolution of power. This is noted by DFID, UNICEF and the World Bank to have allowed adequate consultation among the various education development partners and avoid overlap with other development partners on support provided. UNICEF uses the decentralized systems of the MoE for planning its interventions and that of MoFED for channeling resources.

3.1.3. National Capacity Gap

DFID, UNICEF and the World Bank have identified that there are capacity gaps within the decentralized structures of MoE and MoFED in the challenging of delivery of the GEQIP. This is mostly observed on delayed implementation and utilization of funds. Generation of quality data was also an aspect identified as an area in need of improvement, which is affecting the MoE and its various offices to identify the right priorities for the education sector. The focus on the rapid expansion of access to schools as compared to the limited attention to provision of quality education is attributed to the lack of relevant data providing the evidence base for priority setting. A review of the literatures shows that the lack of focus on quality is affecting enrollment rates. A focus on the expansion of access was found not to have matched with available government resources. In this regard, reviews of the School Improvement Programmes (SIP) and the management and Administration Programme identified the need for an improved Education Management Information System (EMIS). The quality of an EMIS determines the generation of valid quality data guiding priority setting and measurement of results, which factors in various aspects of community needs. Availability of the right data and information will help understand the needs of a particular community and activities to be planned. For example from the desk review of the Joint Review Mission Report, it can be seen the school grants allocation should be needs based that takes into account the varying school situation in each regional and district area. However the current practice shows that priorities are guided by a generic budget formula allocation. A result reporting focusing on the contribution of the various GEQIP interventions is also essential to understand changes derived as a result of activities undertaken and to further refining priorities set. However, from the review of the GEQIP annual report, it can be seen that attention is given to activity listing without setting the link

with results at the ESDP and PASDEP level. This is also an area that requires capacity enhancement for better national priority setting to guide the support provided by education development partners such as DFID, UNICEF and the World Bank.

3.1.4. Limited Role of Civil Society

The Paris Declaration survey in 2008, the PASDEP and various documents reviewed from the target institutions state that the GoE follows a participatory approach while developing its poverty reduction strategy. The Poverty Action Network in Ethiopia (PANE) for Civil Society Organizations (CSOs) also provides confirmation in this regard. DFID, UNICEF and the World Bank state that the capacity within the government decentralized systems in Ethiopia could be addressed with the involvement of CSOs. The GEQIP interventions at school level shows that contributions from Parent Teachers Associations (PTAs) and the community has brought better results in school systems. However, the involvement of CSOs is limited as the majority of external assistance coming to Ethiopia is channeled through a centralized government system. In addition the GoE has come up the Charities and Civil Society Law that limits CSO involvement in various development interventions, which also stipulates for CSOs to mobilize their own resources.

3.1.5. Shortage of National Resources

The GoEs dependence on external support is regarded as a bottleneck in reaching the GEQIP results as planned. The GEQIP programme document outlines that the MoE needs a continued supply of funds from external sources, which usually are unpredictable, since funding from development partners are guaranteed only for the first year of the programme.

Disbursement of funds from the central government is also noted to be often delayed due to lack of adequate resources. On the other hand shifting of priorities is noted to contribute to a financial resources gap in some of the regions of Ethiopia. For example, the 2012 Joint Programme Review shows that a shift was made from education sector to road construction in some regions.

3.1.6. Need for Better Coordination among Government Ministries

Coordination between the various government ministries is also noted as an aspect that required improvement. In line with the GoE's centralized approach to aid, all external assistance is channeled through MoFED, which in turn allocates its budget to each region based on a standard formula. This creates a gap in the allocation of resources based on sector specific requirements and community priorities. If we take the GEQIP, this programme is designed and implemented by the MoE and its various regional and district level offices. The joint MoE and education development partners review states that flexibility to channel funds through actual implementers is essential to address the substantive aspects of the GEQIP. This is noted to facilitate the identification of the right interventions and better utilization of external assistance to meet the results of the GEQIP.

3.2. Donor Compliance

The research findings show that DFID, UNICEF and the World Bank follow the Principles of Aid Effectiveness. However, similar to the findings on the government enabling environments, it was found that the target institutions required improvements in following these Principles for the efficient delivery of support to the GEQIP. The findings are summarized below:

3.2.1. Alignment of Support with National Priorities and Systems

DFID, UNICEF and the World Bank provide their support in alignment with the priorities of the GEQIP. DFID and the World Bank follow a pool funding arrangement guided by a common Programme Priority Document derived from the MoE's Education Sector Development Plan. The funds for GEQIP are transferred through common arrangements using a Multi-Donor Trust Fund (MDTF) channeled through MoFED. Government procedures are used to manage and implement the GEQIP under the pooled fund arrangement. UNICEF on the other hand provides its support through non-pooled arrangement. Despite the separate arrangement, UNICEF continues to align its support to the GEQIP priorities and channel funds through MoFED. UNICEF develops its work plan in consultation with the MoE and its regional as well as district offices. Where necessary, UNICEF and MoE are flexible in the use of UNICEF procedures such as procurement of supplies (text books and printing). The approach followed by DFID, UNICEF and the World Bank is in compliance with the Principles of Aid Effectiveness on Alignment. This refers to the support to national priorities, and use of national systems instead of establishing parallel implementation structures. Furthermore, this is found to be a move away from a fragmented project approach utilized by development partners in reducing transaction costs on the MoE. On the other hand, the pooled fund arrangement procedures are noted to create delays due the lengthy processes and limited capacity in the regional education offices. The human resources capacity is also another challenging aspect usually faced with the lack of proper incentives to retain appropriately trained personnel.

3.2.2. Support for Capacity Building

DFID, UNICEF and the World Bank underscore that there is capacity gap in the decentralized government system ranging from federal up to regional and district/Woreda level. The GEQIP programme document for DFID and World Bank make provisions for more capacity assessment and the design of relevant interventions. UNICEF as a non-pooled partner is also engaged in the capacity enhancement programme in support of GEQIP. Furthermore, the joint GEQIP programme reviews show that financial assistance provided by each development partner should be accompanied with a technical assistance in order to ensure that funds are utilized for their intended purpose. Despite the continuous engagement on capacity building by DFID, UNICEF and the World Bank and other education development partners, the capacity gap in the education sector seem to recur. The MAP study shows that capacity building interventions are usually focused on the provision of short-term supports that contributes in preventing a knowledge transfer and encouraging sustainable changes. Trainings offered are found to be un-coordinated, duplicated and with varying content.

3.2.3. Unpredictability of Resources

Predictability of resources is another indicator for the Alignment Principle of Aid Effectiveness. The findings of the desk review show that while efforts are made by DFID, UNICEF and the World Bank to align their support with that of government priorities, the disbursement of funds is not moving ahead as planned. Agreements to provide external assistance are generally noted to be indicative figures, only with a confirmed contribution for the first year of the GEQIP, which affects planning for subsequent periods of the

programme. Due to such delays, the review of the School Improvement Programme (SIP) and the MAP components of the GEQIP underscore that the disbursement of funds from MoFED are delayed. Less predictability of resources from development partners has caused delays on the operationalization of the Multi Donor Trust Funds (MDTF) affecting the implementation of the GEQIP. Despite its initial plans for commencement in 2008, the GEQIP pooled fund was operational only in 2009.

3.2.4. Multiple Coordination Arrangements

The Education Technical Working Group (ETWG) is one of the sector working groups for the Donor Assistance Group (DAG) in Ethiopia. This ETWG is co-chaired by DFID and the Planning Department of MoE. The objective of this working group is to coordinate the role of all education development partners providing support to the education sector including the GEQIP. In addition there is also the GEQIP Core Committee (GCC) co-chaired by the World Bank and the Planning Department of MoE. The GCC provides a coordination and oversight function to pooled and non-pooled development partners to the GEQIP. These coordination arrangements are found helpful to avoid overlaps, identify gaps and provide a more focused support. On the other hand these coordination arrangements come along various procedures and reporting requirements preventing a coordinated support to the GEQIP. This is also overburdening development partners with multiple tasks such as various reporting requirements. The coordination of support is in line with the Principles of Harmonization. However, such multiple coordination arrangements are contrary to the Principles of Aid Effectiveness on the reduction of administrative burdens and transaction costs. Furthermore, the responsibility on such coordination arrangements is left only for a few donor partners in preventing the working group from meeting its objectives.

Development partners with higher financial contributions are also found to influence decisions taken by the working group, which creates challenges for a coordinated support to the GEQIP. Non-pooled partners that are members to the ETWG and GCC are noted as an example in this regard.

3.2.5. Joint Reviews and Analytical Works

A regular joint review of the GEQIP is undertaken through jointly identified thematic areas and methodologies. The MoE and the Education Technical Working Group for the Donor Assistancess Group take the lead in this process. The joint review processes coordinated under the Education Technical Working Groups are found to be encouraging steps in setting a common framework to measure results. The desk review findings shows that the inception of GEQIP is a result of such joint reviews of the ESDP II. This led to the need for undertaking a National Learning Outcome Assessment, which helped identify focus on the quality improvement of the education sector in Ethiopia. DFID, UNICEF and the World Bank are involved in the Joint Review Missions and shared analytical works, the outcome of which are used to guide their support to GEQIP. This undertaking is in line with the Principles of Harmonization. On the other hand the findings show that such joint arrangements usually prevent individual donor institutions from measuring the results of their contribution to draw lessons for improvements. Target institutions are also challenged to make a specific measurement of value for money of their contribution, which is hidden under outcomes of Joint Review Missions. It also limits their direct interaction with all stakeholders such as Civil Society Organizations.

In the following chapter, the findings are further analyzed to support the necessary conclusions and responses to the key research questions. These are followed by recommendations.

Chapter IV: Conclusion and Recommendations

4.1. Conclusion

The Principles of Aid Effectiveness continue to be the overarching strategies to deliver the poverty reduction priorities of the Government of Ethiopia (GoE). Development partners, such as DFID, UNICEF and the World Bank are also guided by the same Principles while providing support to the GoE. However, critics and reviews conducted show that both developed and developing countries are expected to do more to comply with their commitments to follow these Principles for any poverty reduction process to materialize. With this in mind this research was focused on assessing the extent to which DFID, UNICEF and the World Bank followed these Principles while providing support to the GEQIP. The GEQIP is the quality improvement programme of the education sector in Ethiopia led by the Ministry of Education (MoE). External assistance for GEQIP is channeled through the Ministry of Finance and Economic Development (MoFED). Enabling environments provided by the GoE and the contribution of these Principles for the efficient delivery of support to GEQIP are aspects covered by this research.

In responding to the objectives of the research, a desk review of the various key strategic documents from the target institutions, the Government of Ethiopia (GoE) and other development partners were reviewed to secure the relevant evidence in this regard.

In line with the findings of the research, it can be concluded that efforts are being made to follow the Principles of Aid Effectiveness by the target institutions (DFID, UNICEF and the World Bank). The Government of Ethiopia (GoE) is also providing the enabling environment

for these Principles to be followed. These Principles were instrumental in coordinating and enhancing the delivery of support to the GEQIP, which is a move away from a fragmented approach. The administrative burdens and transaction costs arising from the Individual Development Partner Review Mission; varying priorities of donors; different fund channeling and implementation mechanisms and reporting requirements are relatively reduced. These positive progresses are in line with the Principles of Ownership, Alignment and Harmonization.

On the other hand, if these Principles are expected to facilitate efficient delivery of support to GEQIP, they need to be followed through fully as agreed in the various High Level Forums of the Paris Declaration. If the Principles of Managing for Results and Mutual Accountability are to be met, attention needs to be given to the following areas:

1. Any sector specific study and progress review should take a more specific look on the Principles of Aid Effectiveness to assess their contribution. The secondary resources consulted show that while the target institutions have noted that they are guided by these Principles, there is no dedicated section in their reports to measure how much these Principles were followed. Any benefits derived or contributions from these Principles are not covered adequately in the secondary resources reviewed for this research, rather information on the Principles of Aid Effectiveness are presented in a more broader and scattered way. This indicates the need for further research.
2. Various coordination arrangements are put in place in support of the education sector. Such arrangements come with the objective of efficient delivery of support to the education sector. However having multiple coordination arrangements in place were found to overburden both government and development partners involved as

- opposed to facilitating the efficient delivery of support. This shows the need to have a common understanding on the requirements of the Principles of Aid Effectiveness in the context of Ethiopia. This is important if these Principles are to bring efficient delivery of support within the context of Ethiopia.
3. National capacity gaps are observed in the national decentralized systems of Ethiopia, which were mostly observed to reoccur in the education sector. Availability of both national, institutional and human resources capacity is a key aspect to providing an enabling environment for development partners to align their support to national priorities and systems.

4.2. Recommendations

Based on the findings of the research, the following recommendations are proposed in light of improving the extent to which the Principles of Aid Effectiveness are followed:

1. Establish a country specific framework to guide the application of the Principles of Aid Effectiveness. This will serve as a monitoring mechanism to see how much these Principles are followed; assess their contributions to the efficient delivery of external assistance; and propose any improvements required in line with country's need. This will provide the guidance for measuring mutual accountabilities to aid effectiveness, and transparency on the utilization of external assistance for the intended purpose by all stakeholders.
2. Understand the root causes of the recurring capacity problems in the Ministry of Education and its decentralized systems. As this is essential for institutions like

- DFID, UNICEF and the World Bank to continue aligning their support with national priorities and systems. On the other hand, the approaches followed by the target institutions on capacity building, should follow sustainable approaches and need to be properly coordinated to avoid the recurring capacity gaps. Attention should be given for more institutional capacity building as opposed to short term assignment of technical experts to ensure knowledge transfer. This is a determining factor for the absorption of capacity and the effective utilization of aid.
3. The Joint Programme Review processes for the education sector more specifically the GEQIP should be accompanied with an assessment of the extent to which the Principles of Aid Effectiveness are to be followed. This is important to understand the contribution and challenges created by these Principles towards the efficient delivery of support by development partners in the education sector. This will help to identify good practices for further replication and challenges for improvement.
 4. Focus on the quality of education at all levels – primarily through higher institutions. Improvements in the quality of education in Ethiopia would ensure longer-term and more effective aid. Quality education in turn will be instrumental to produce qualified personnel, much need to achieve the various development plans of the GEQIP.

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