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EU DEVELOPMENT ASSISTANCE FOR
BASIC EDUCATION IN SUB-SAHARAN
AFRICA AND SOUTH ASIA



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(pursuant to Article 287(4), second subparagraph, TFEU)

EUROPEAN COURT OF AUDITORS
12, rue Alcide De Gasperi
1615 Luxembourg
LUXEMBOURG

Tel. +352 4398-1
Fax +352 4398-46410
E-mail: auraud@eca.europa.eu
Internet: <http://www.eca.europa.eu>

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REPLY OF THE COMMISSION

ABBREVIATIONS

ACP: African, Caribbean and Pacific States party to the Lomé Convention

Confemen: Conférence des ministres de l'éducation des pays ayant le français en partage (Conference of national education ministers of French-speaking countries)

CSP: country strategy paper

DCI: Development Cooperation Instrument

DG: Directorate-General of the European Commission

ECSEL: European Community support to education in Liberia

EDF: European Development Fund

EFA: Education for All

ESP: education sector programme (Namibia)

EU: European Union

EuropeAid: EuropeAid Co-operation Office (European Commission)

FTI: Fast Track Initiative

GBS: general budget support

HQ: headquarters

IAC: Internal Audit Capability

MDG: millennium development goal

MTR: mid-term review

NER: net enrolment rate (see Glossary)

NGO: non-governmental organisation

OJ: Official Journal

PASEC: Programme d'analyse des systèmes éducatifs de la Confemen (Programme for the analysis of educational systems of the Confemen countries)

PETS: public expenditure tracking survey

PEFA: public expenditure and financial accountability

PDDE: Plan décennal de développement de l'éducation (Niger — Ten-year education development plan)

PFM: public financial management

Sacmeq: Southern and Eastern Africa Consortium for Monitoring Educational Quality

SBS: sector budget support

SMART: specific, measurable, attainable, relevant, time-bound

SPSP: sector policy support programme

TVET: technical and vocational education and training

Unesco: United Nations Educational, Scientific and Cultural Organisation

GLOSSARY

Basic education: in Unesco's International Standard Classification of Education, primary education together with the first three years of secondary education.

Gender parity index (GPI): ratio of female to male values of a given indicator: a GPI of 1 indicates parity between genders; a GPI below 1 indicates a disparity in favour of males.

Gross enrolment rate (GER): number of pupils enrolled in a given level of education, regardless of age, expressed as a percentage of the population in the relevant official age group. GER can be higher than 100 % as a result of grade repetition and enrolment of children younger and older than the normal age for the grade concerned (early or late entry).

Gross intake rate to last grade of primary education: number of new entrants to the last grade of primary, regardless of age, expressed as a percentage of the total population of the theoretical entrance age to the last grade of primary. It is the most widely used 'proxy' indicator to measure the completion rate.

Impact indicators: they relate to the overall goal of the programme. They measure long-term and aggregated results or changes at the level of beneficiaries (e.g. overall literacy rate, graduate unemployment, relation between education level and income, poverty rate, etc.).

Input indicators: they relate to resources. They measure the human, financial, physical and other (administrative and regulatory) resources provided for implementing the programme (e.g. budget devoted to education, cost per student, decree on school boards, etc.).

Net enrolment rate (NER): pupil enrolment of the official age group for a given level of education, expressed as a percentage of the population of that age group.

Outcome indicators: they relate to the purpose of the programme. They measure the results or consequences of outputs at the level of beneficiaries (e.g. net or gross enrolment rate, school retention rate, completion rate, learner achievement, etc.).

Output indicators (also called process indicators): they relate to the direct results of activities. They measure the immediate and concrete results of the different activities (processes) implemented and inputs used (e.g. number of schools built, number of teachers trained, learner/textbook ratio, etc.).

Result: for sector programmes, this report uses 'result' in relation to the Commission's 'input–output–outcome–impact' terminology. A 'result' corresponds to an 'outcome' such as primary school enrolment, and outcome/results indicators measure the results at the level of the beneficiaries (e.g. NER).

Survival rate to last grade of primary education: percentage of the number of pupils enrolled in the first grade that is expected to reach the last grade. The ideal value should be 100 %.

Sustainability: in relation to development projects, the degree of assurance that the project or its results will continue as long as required (i.e. will be sufficiently well established, self-sufficient and/or funded to do so).

EXECUTIVE SUMMARY

I.

Improving the availability and quality of education is a major factor in the global fight against poverty, reflected in the United Nations millennium development goals (MDGs) and by the Education for All movement (EFA). The European Consensus on Development presents the EU's priorities in this field as quality primary education, vocational training and addressing inequalities.

II.

This audit assesses whether EU development assistance in sub-Saharan Africa and South Asia has helped effectively to improve the accessibility and quality of basic education provision. For eight selected countries it compares outcomes with the targets set out in financing agreements, and examines in detail how the Commission programmed and monitored its spending.

EXECUTIVE SUMMARY

III.

Overall, significant progress has been made, although only 45 % of the targets in the audited financing agreements were fully achieved. For the goal of ensuring primary education for all children (MDG 2) only some of the intended improvements were achieved and progress has in general been too slow to ensure that targets for 2015 will be met. As regards eliminating gender disparity in education (part of MDG 3) there was more success, although the overall figures mask significant persisting inequalities in particular regional and social groups. For the third priority goal, improving education quality, few of the intended improvements were achieved.

IV.

The choice of aid delivery method is significant, since it determines the mechanisms for monitoring results. Where sector budget support was the aid delivery method this choice generally conformed with the Commission guidelines. In sub-Saharan Africa the increasing use of general budget support has much reduced the extent to which detailed targets and indicators are set for basic education, and sector dialogue is less intensive. The Commission did not fully consider the advantages of the measures for mitigating fiduciary risks such as those used in pooled funding.

V.

Generally the indicators used by the Commission have an appropriate focus on the MDGs, although insufficient attention is paid to indicators for education quality. However, the national education management information systems that the Commission relies on do not consistently provide sufficient, reliable and timely information.

VI.

Coordination with other donors has generally improved although it entails compromises which sometimes affected the Commission's own management or priorities. Education expertise is not optimally assigned and developed in Delegations, which reduces the Commission's ability to maintain sector dialogue in education. The EU provided capacity development support but in most cases it did not work as intended.

VII.

On the basis of the above observations, the Court makes a set of recommendations with the aim of improving the Commission's management of EU development assistance to education.

INTRODUCTION

GLOBAL DONOR COMMITMENTS

1. The European Union (EU) has recognised education as a major factor in the global fight against poverty¹. Through the Education for All movement (EFA)² and the United Nations millennium development goals (MDGs)³ the EU and the international donor community at large have committed themselves to support developing countries to achieve a multitude of objectives, including ensuring primary education for all children, eliminating gender inequalities and improving education quality.
2. Although considerable progress has been made since 2000 the Unesco Education for All (EFA) *EFA global monitoring report 2010* estimates that 72 million children still do not have access to basic education (see Glossary). Following a significant increase in external aid for basic education from 1999 to 2004, the global trend has reversed. Global aid commitments for basic education were 25 % lower in 2007 compared with 2004. The *EFA global monitoring report 2010* estimates that the global gap between aid commitments made by donors and the actual spending is some 20 billion US dollars. It also estimates that the global annual funding gap for enabling developing countries to reach the EFA goals is some 16 billion US dollars with sub-Saharan Africa accounting for around two thirds of the shortfall.
3. With the Paris Declaration of 2005 and the Accra Agenda for Action of 2008, the EU and the global donor community in general has agreed to a set of principles for more effective aid (including in particular for the MDGs), by improving harmonisation and alignment of aid delivery methods and procedures through enhanced cooperation and greater reliance on country systems.

¹ Joint statement by the Commission and the Council, 10 November 2000 (Council Document 12929/00).

² EFA is a global movement led by Unesco, aiming to meet the learning needs of all children, youth and adults by 2015. The movement was launched in 1990, with the adoption of the Jomtien Declaration (http://www.unesco.org/education/efa/ed_for_all/background/jomtien_declaration.shtml). The six EFA goals are: 1. Expand early childhood care and education; 2. Provide free and compulsory primary education for all; 3. Promote learning and life skills for young people and adults; 4. Increase adult literacy by 50 %; 5. Achieve gender parity by 2005, gender equality by 2015; 6. Improve the quality of education.

³ MDG 2, 'Achieve universal primary education', has as a target to ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling. MDG 3, 'Promote gender equality and empower women', includes the target of eliminating gender disparity in primary and secondary education, preferably by 2005, and at all levels no later than 2015.

EU POLICY COMMITMENTS

4. A Commission communication of 2002⁴ noted that the strategy to be pursued would involve support for basic education as the first priority.
 5. The 2005 development policy⁵ placed a greater emphasis on contributing to the MDGs and identified 'human development', including education, as one of nine areas where the Commission would be primarily active. It noted that the Community aimed to contribute to EFA, and stated that priorities in education were quality primary education, vocational training and addressing inequalities. Particular attention would be devoted to promoting girls' education and safety at schools, and support would be provided to the development and implementation of nationally anchored sector plans as well as participation in regional and global thematic initiatives on education.
 6. The EU's development assistance to education is mainly funded by the Development Cooperation Instrument⁶ (DCI) and the European Development Fund⁷ (EDF). Funding from the DCI is also made available to non state actors/ civil society organisations of which some are active as advocates or service providers in the education sector. The Commission's contributions to the EFA Fast Track Initiative (FTI)⁸ are funded from the EDF and DCI. The allocations to direct support to education in south Asia in the current programming period (2007–13) totalled 452,0 million euro or 17,7 % of the total development assistance programmed. In sub-Saharan Africa the total of the allocations to directly support education was 344,6 million or 2,8 % of total programming. In sub-Saharan Africa, general budget support, which can benefit education indirectly, amounted to a total of 3 388,8 million euro or 27,6 % of total programmed development assistance for 2008–13 (see **Table 1** and **Annex I**).
- ⁴ COM(2002) 116 on education and training in the context of poverty reduction in developing countries.
- ⁵ European Consensus on Development (OJ C 46, 24.2.2006, p. 1).
- ⁶ Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation (OJ L 378, 27.12.2006, p. 41). A total of 16 897 million euro is allocated to countries in Latin America, Asia, central Asia, the Middle East and south Africa for the programming period 2007–13.
- ⁷ Commission Decision C(2007) 5223 concerning the indicative allocations for national indicative programmes under the multiannual financial framework for the period 2008–13 of the ACP–EC Partnership Agreement. A total of 13 201,7 million euro is allocated to the African, Caribbean and Pacific states.
- ⁸ The Education for All Fast Track Initiative is a global partnership between donor and developing countries to speed the progress towards the millennium development goal of universal primary education by 2015. All lower-income countries which show serious commitment to achieve universal primary completion can receive support from the FTI.

7. The Commission provides assistance to the education sector through budget support, pooled funding and projects. In the Commission's definition there are two main types of budget support: (i) general budget support (GBS), representing a transfer to the national treasury in support of a national development or reform policy and strategy; (ii) sector budget support (SBS), representing a transfer to the national treasury in support of a sector programme. Both types of budget support consist of a transfer to the national treasury of a partner country. Therefore, there is no procedural distinction between GBS and SBS. They are, however, distinct to the extent that they have different objectives. GBS aims to support a national development policy and strategy and also provide variable tranches, usually linked to health and education indicators, to give additional incentives to achieving performance in these critical areas, while SBS seeks to accelerate progress towards the partner country's sector goals. The difference in objectives is reflected in the conditions and dialogue. A pool fund is a fund that receives contributions from different external agencies, and in certain cases from governments, to finance a set of budget lines or activities agreed as eligible in support of a sector programme. Finally, the Commission can decide to apply the relevant procurement and grant award procedures when financing earmarked activities (projects).

8. **Table 1** shows the direct allocations to education and general budget support in south Asia and sub-Saharan Africa. It shows that in sub-Saharan Africa EU development assistance directly allocated to education (through projects, pool funds and sector budget support) decreased, although GBS has increased. Education is in general a significant component of the social sector progress that is expected to result from GBS. Progress in education is then reflected in the performance indicators and related monitoring, including policy dialogue.

TABLE 1

DIRECT ALLOCATIONS TO EDUCATION AND GENERAL BUDGET SUPPORT IN SOUTH ASIA AND SUB-SAHARAN AFRICA¹

Region	Program-ming period	Number of countries benefiting from education specific support (focal sector)	EC financing (million euro)			For education out of total program-ming	For GBS out of total program-ming
			Total programming	Direct allocation to education ²	General budget support (GBS)		
South Asia	2002–06	2 of 8	1 824,1	184,0	0	10,1 %	0 %
	2007–13	4 of 8	2 555,0	452,0	0	17,7 %	0 %
Sub-Saharan Africa	2003–07	10 of 50	8 804,8	396,2	2 314,3	4,5 %	26,3 %
	2008–13	10 of 50	12 294,0	344,6	3 388,8	2,8 %	27,6 %

¹ A detailed, country-by-country overview is provided in *Annex I*. South Africa is included here in the figures for sub-Saharan Africa, although it is not funded from EDF but from the DCI like the countries of south Asia (see paragraph 6).

² Figures include basic education, upper secondary education and TVET as they were not always possible to disaggregate.

Source: European Commission, 2010.

AUDIT SCOPE AND APPROACH

9. The audit assessed whether the EU's development assistance made an effective contribution to its policy priorities for education in sub-Saharan Africa and south Asia. It focused on the following two questions:
- Have the EU's interventions effectively contributed to achieving their intended improvements in basic education?
 - Does the Commission manage its interventions in education well?
10. The audit scope was limited to basic education in sub-Saharan Africa and south Asia⁹. These are the sub-regions most likely not to meet education goals by 2015 (see *Map*).

⁹ The definition of south Asia follows the Commission's definition and comprises: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

MAP

SUB-SAHARAN AFRICA AND SOUTH ASIA



Source: Global Administrative Unit Layers (GAUL), UN-FAO.

11. The audit work done included reviews of documentation and interviews with Commission staff at headquarters and in delegations, and detailed examinations of the Commission actions in eight beneficiary countries, four by mission and four by desk review¹⁰. The criteria for the selection of countries were geographical spread across sub-Saharan Africa and south Asia, and the inclusion of fragile states. The audit criteria used were derived directly from Commission policy or guidance documents. The audit covered four out of the eight countries where sector budget support programmes are implemented in the two sub-regions. *Annex II* gives a complete list of projects and programmes audited.

12. Despite some recognised weaknesses in education statistics, in order to report on the achievement of targets set out in financing agreements the Court has used the national statistics specified in those agreements, since no others were generally available. To analyse the evolution of figures over time Unesco statistics, which are prepared so as to allow comparisons, have been used. As regards the reliability of all such data see paragraphs 58 to 60, from which it will be evident that the figures should be viewed with some caution.

13. For both GBS and SBS, the development partners give both ownership and responsibility for the management of inputs and activities to the governments and focus their own attention on results. Close cooperation between donors is also required as they support the same national strategy or programme and use the same system. Accordingly, the Commission must try to ensure that its contributions are coordinated with the contributions of other donors, which can also help reduce the transaction costs for partner countries. This implies a loss of visible connection between the Commission aid inputs and the development results.

¹⁰ Missions were to Burkina Faso, Namibia, Nepal and Tanzania, while desk reviews covered Bangladesh, Liberia, Niger and Pakistan.

- 14.** The Court recognises that the relationship between aid inputs and results (outcomes) in the audited financing agreements is a complex one. This is discussed in further detail in **Annex III**. Nevertheless, while following the principles of partnership, alignment with national strategies and donor coordination, the Commission continues to have sole responsibility for taking financing decisions and is accountable to the discharge authority for the use of EU funds. In its audit of the EU interventions in education implemented by means of sector budget support the Court assumes, as the Commission does, that there is an association between the EU's support and the achievement of the education goals although the Commission is not exclusively responsible for the results.
- 15.** The audit follows on from the Court's Special Report No 10/2008 on EC development assistance to health services in sub-Saharan Africa. To complement that report, which dealt with general budget support (GBS) as a main aid delivery method, the audit work on education has focused mainly on the support provided to sector policy support programmes (SPSP), typically provided through sector budget support (SBS) or pooled funding. At the same time the Court has carried out an audit of the Commission's management of GBS in ACP, Latin American and Asian countries¹¹.

¹¹ Special Report No 11/2010 on the Commission's management of general budget support in ACP, Latin American and Asian countries.

OBSERVATIONS

HAVE THE EU'S INTERVENTIONS EFFECTIVELY CONTRIBUTED TO ACHIEVING THE INTENDED IMPROVEMENTS IN BASIC EDUCATION?

- 16.** The Court assessed whether EU assistance led to all the intended results specified in financial agreements covering budget support, pool funds and projects. It made a more detailed examination, including an analysis of progress over time, of the results most directly relevant to the three following internationally agreed priority goals on education:
- (a) ensuring primary education for all children;
 - (b) eliminating gender inequalities in education;
 - (c) improving the quality of education.
- 17.** The Court audited both support to national education programmes and specific projects. Programme support was provided through sector budget support and pooled funding mechanisms, while the more traditional projects were funded directly. The Commission's support to the FTI was also examined in the light of the recent evaluation of this initiative¹².

OVERALL, SIGNIFICANT PROGRESS HAS BEEN MADE, ALTHOUGH ONLY 45 % OF THE TARGETS IN THE AUDITED FINANCING AGREEMENTS WERE FULLY ACHIEVED

- 18.** Assessing the audited EU-funded education support programmes (both SBS and pooled funding) the Court concludes that 45 % of the results indicators contained in the financing agreements fully achieved their targets¹³, whilst a further 30 % of the indicators were making progress.

¹² Mid-term evaluation of the EFA Fast Track Initiative (Cambridge Education, Mokoro and Oxford Policy Management) November 2009.

¹³ The indicators and targets used are in each case those from the last year for which data was available.

19. As regards the projects audited it was found that in most cases they delivered most of the activities and results foreseen¹⁴. However, their impact was inherently limited due to their smaller scale compared to the sector programmes. Furthermore, in half of the audited projects the sustainability was not ensured, either because of lack of funding after the end of the projects or due to inadequate institutional arrangements¹⁵. An example is provided in **Box 1**.
20. **Annex IV** provides a list of the programmes and projects audited with a summary rating of their results. **Annex V** provides an overview of the detailed results achieved by programme. The findings for the results achieved specifically related to each of the three priority objectives are presented below.

¹⁴ In some cases the results could not be clearly measured because the performance indicators applied were not sufficiently SMART (specific, measurable, attainable, relevant and time bound).

¹⁵ The issue of projects' sustainability has been raised in several European Court of Auditors' special reports. See for instance the European Court of Auditors Special Report No 4/2009 on the Commission's management of non-state actors' involvement in EC development cooperation, in particular paragraphs 63 to 68 (<http://eca.europa.eu/portal/pls/portal/docs/1/2722293.PDF>).

BOX 1

BURKINA FASO: EXAMPLE OF PROJECT WITH PROBLEMS OF SUSTAINABILITY

The support to basic education project contributed mainly to the construction and maintenance of schools and houses for teachers. However, the EU-funded school canteens visited during the audit were either not functioning at all or not able to provide food to the pupils on a daily basis. The audit also found that one EU-funded literacy centre was converted into a primary school because of its failure to attract people. In addition, one EU-funded workshop of teaching material was converted into a vocational training centre because the activity did not receive financial and institutional support.

ENSURING PRIMARY EDUCATION FOR ALL CHILDREN: SOME OF THE INTENDED IMPROVEMENTS ACHIEVED BUT PROGRESS HAS GENERALLY BEEN TOO SLOW

- 21.** Ensuring primary education for all children corresponds to the MDG 2 and EFA 2 goals. It is an ambitious goal as it involves not only providing access to school for all children but ensuring that, once in the school, they complete a full cycle of primary education. There are many indicators used to measure its progress. Among them, the most widely used are the net enrolment rate, the gross intake rate to the last grade (a proxy for the completion rate — see Glossary), and the literacy rate of 15- to 24-year-olds, women and men.
- 22.** *Table 2* shows by country the achievement of the goal of ensuring primary education through a comparison of the intended and the actual results for relevant indicators as set out in the audited financing agreements. The indicators used in the financing agreements vary considerably reflecting different country circumstances and priorities. Overall, less than half (44 %) of the result targets in the agreements have been fully met to date, and progress was made in a further 37 %.
- 23.** The expected results for net enrolment rates (NER) were achieved for the financing agreements audited in Bangladesh, Namibia and Tanzania but not achieved in the case of Nepal. NERs were not among the expected results in the agreements audited in Burkina Faso and Niger. While the expected results for gross enrolment rates (GER) have been achieved in Bangladesh and Burkina Faso this has not been the case in Nepal and Niger.
- 24.** The measurement of primary school completion has mainly been done through one of two indicators: primary completion rate or survival rate to grade 5¹⁶. Out of the five countries in which the audited financing agreements included targets for these indicators, only Burkina Faso achieved it.

¹⁶ Survival rate to grade 5 is used as an indication of completion and of education quality (a high completion rate is difficult to maintain for several years without a certain level of quality in education). For this reason, this indicator is also included in *Table 4*.

25. Since literacy rates require a long timeframe to register changes the Commission did not generally use the literacy rate of 15- to 24-year-olds to monitor progress. For the programmes examined, only in Namibia and Nepal were such indicators established, although in Namibia data was not yet available.

TABLE 2

INDICATORS RELATED TO THE GOAL OF ENSURING PRIMARY EDUCATION AS CONTAINED IN THE FINANCING AGREEMENTS — COMPARISON BETWEEN EXPECTED AND ACHIEVED RESULTS¹

Ensuring primary education (related to MDG 2)	Country, status of the programme, data and targets					
	Bangladesh (ongoing)	Burkina Faso (closed, final data)	Namibia (ongoing)	Nepal (ongoing, final data)	Niger (closed, final data)	Tanzania (ongoing)
New entrants in grade 1 with early childhood education			Not achieved	Not achieved		
Gross enrolment rate (GER)	Fully achieved	Fully achieved		Not achieved	Not achieved	
GER in rural areas		Fully achieved			Not achieved	
Net enrolment rate	Fully achieved		Fully achieved	Not achieved		Fully achieved
Completion rate	Not achieved	Fully achieved			Not achieved	
Survival rate to grade 5			Not achieved	Not achieved		
Transition rate from grade 5 to 6	Fully achieved					Fully achieved
Net intake rate at grade 1				Not achieved		
Reduction of cross-district disparities in NER (primary)						Fully achieved
Stipend recipients (in millions)	Fully achieved					
Disadvantaged children enrolled	Fully achieved					
Dropout rates (primary)	Not achieved					
Literacy rate 15+				Not achieved		
Literacy rate 15–24			Not available	Not achieved		
Literacy rate 6+				Not achieved		

Not available: Target set but data not available.

¹ The indicators have been selected from the financing agreements for the programmes audited on the basis of their relevance for the priority area. With only 19 % of the planned activities of the EC support to education in Liberia (ECSEL) project having been carried out, it is not yet meaningful to assess the impact of the project. None of the audited interventions in Pakistan were linked to such indicators at the national level. See *Annex V* for details.

Sources: European Commission and European Court of Auditors.

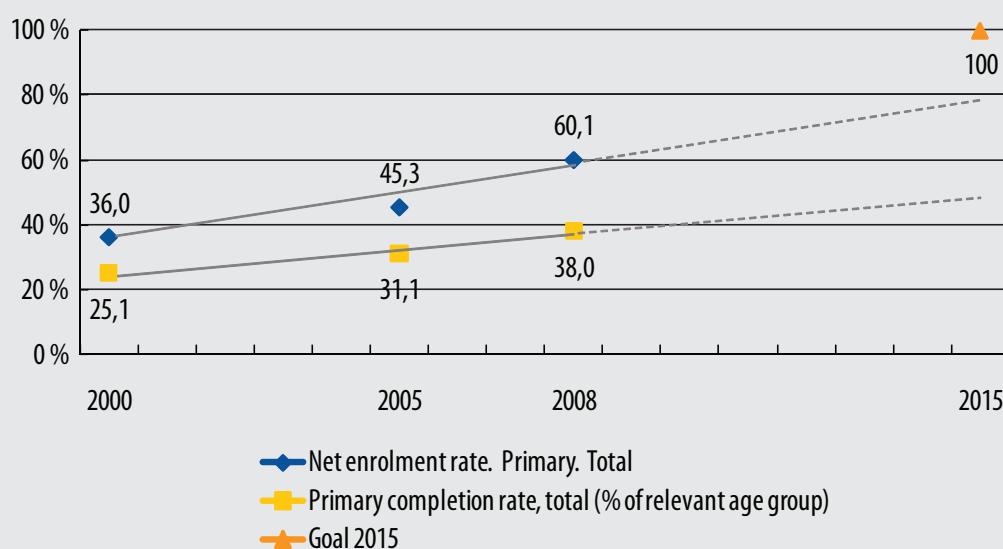
26. As a basis for assessing the overall progress towards ensuring universal primary education in the period 2000–08 for the audited financing agreements¹⁷, the table in **Annex VI** shows, by country examined, the progress using net enrolment rate and the completion rate¹⁸. As can be seen from the table, most of the countries examined have registered progress in enrolment since 2000 but the completion of a full cycle of primary education remains an issue for all of them. **Graph 1** for Burkina Faso illustrates the gap: whereas about 60 % of children are in school, only 38 % complete the primary education cycle. The gap between the enrolment and completion rates illustrates the challenge of keeping the children in school once they enrol. This gap is related to both factors outside the education system (such as the poverty situation of the families, children’s health or malnutrition) and inside factors such as barriers to gender parity and poor quality and efficiency in the education system, resulting in high repetition and dropout rates.

¹⁷ For the programmes still under implementation, 2008 was the last year where data was available.

¹⁸ The proxy indicator to measure the completion rate is the gross intake rate to last grade of primary education (see Glossary).

GRAPH 1

PROGRESSION TOWARDS ACHIEVING UNIVERSAL PRIMARY COMPLETION IN BURKINA FASO

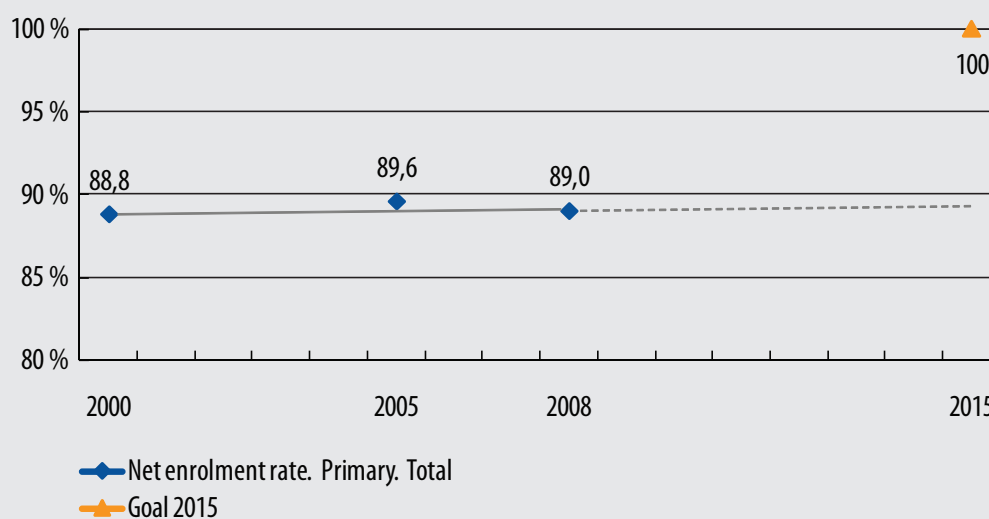


Dashed lines show possible continuation of current trend.
Source: Unesco Institute for Statistics.

27. As the targets for enrolment and completion in the audited financing agreements typically take their point of departure in the MDGs or the EFA goals, the realism of these goals has a direct impact on the likelihood of achieving the expected results. This is also reflected in the findings of this audit where most result targets related to the MDGs are not met. Requiring all countries to have 100 % primary school completion rates by 2015 means that all countries should have admitted all 6-year-olds in 2009 or 2010. This is far from being the case in any of the countries in sub-Saharan Africa and south Asia. In brief, the MDGs and the EFA goals are not realistic for many of the world's poorest countries.
28. The Court also noted cases where the population growth ratio puts at risk the positive trend for enrolment rates as for example in Burkina Faso, Niger and Tanzania. Despite the challenges that demographic growth poses to development and to education in particular, little evidence was found that the Commission was addressing this issue.

GRAPH 2

EVOLUTION OF THE NER IN NAMIBIA (2000-08)



Dashed lines show possible continuation of current trend.

Source: Unesco Institute for Statistics.

- 29.** It is an explicit policy that the EU should focus its support on the poorest part of the population. This is often a big challenge in the case of support to education programmes, encompassing broad reforms and many priorities, whereas projects on the other hand can be exclusively targeted to reach the poorest. The necessity but also the challenge of extending opportunities to populations that are hard to reach is more apparent in countries with high NER rates (Bangladesh, Namibia and Tanzania). **Graph 2** and **Box 2** illustrate the case of Namibia where the NER has been stagnating below 90 % since 2000 because of insufficient pro-poor focus in its education policies and programmes. The box also shows a good example of the potential of projects to provide education for hard-to-reach children at local level (Bangladesh).
- 30.** The Commission also contributes to the FTI to help developing countries with credible education programmes but insufficient resources, to achieve primary education for all children (see also footnote 8). However, the recent evaluation of the FTI found that its overall added value at the global level has been considerably less than expected. Among a number of critical issues the report refers to the limited contribution of the FTI to increasing access for all children to primary school and that there is an inherent tension between the FTI's focus on primary education and the broader EFA goals¹⁹.

GENDER DISPARITIES: SOME OF THE INTENDED IMPROVEMENTS ACHIEVED, BUT SIGNIFICANT INEQUALITIES PERSIST

- 31.** Achieving universal primary education implies that all girls and boys should be able to attend school and complete a full cycle of primary education. Eliminating gender disparities by 2005 and achieving gender equality in education by 2015 correspond to the fifth EFA goal and to the education part of the MDG 3, and cover the whole education system. Although gender disparities tend to increase at higher levels of education²⁰, for this audit the Court has limited its assessment to primary education on which most of the EU interventions have been focused.

¹⁹ Many donors have called for broadening the scope of FTI, while maintaining the focus on universal primary education, to the whole of EFA and/or to the entire education sector. However, a decision has not been taken mainly due to the financial implications of adopting a whole sector approach.

²⁰ Approximately 63 % of countries with available data have achieved gender parity at the primary level of education, compared with 37 % at secondary and less than 3 % at the tertiary level (Unesco Institute for Statistics, 'Gender parity in education: not there yet', March 2008).

BOX 2

NAMIBIA: THE EDUCATION SECTOR PROGRAMME DOES NOT SUFFICIENTLY FOCUS ON THE POOREST

The MDG 2 target for 2015 will be difficult to reach. Whilst Namibia's score, with enrolment rates approaching 90 %, is good compared with most other African countries, it has not increased in the last eight years. The difficulty is linked to the socioeconomic inequalities, and to education policies and programmes, including the EU education sector programme (ESP), that are insufficiently pro-poor to reach the most disadvantaged children (namely orphans and vulnerable children, children from the San minority and children living in remote areas). The current financing model under which schools depend on parental contributions to the School Development Funds for such basic provisions as textbooks, materials, renovation and even teachers perpetuates inequalities and the issue has not been addressed adequately in the ESP. The ESP has given low priority to the Education Development Fund which is meant to compensate schools for enrolling children exempted from the School Development Fund. The coverage of the feeding programme still remains to be extended to all schools in need. In addition to this, students have to pay for uniforms and examinations. All this affects heavily the poor areas where the number of students whose parents cannot afford to contribute to the School Development Fund is high. The main ESP achievement in this respect has been the approval of the orphans and vulnerable children policy, although it was not yet implemented at the date of the audit.

BANGLADESH: THE SUPPORT TO NON-FORMAL PRIMARY EDUCATION PROJECT GIVES QUALITY PRIMARY EDUCATION TO HARD-TO-REACH CHILDREN

Despite net enrolment rates approaching 90 %, it is unlikely that Bangladesh will reach the overall MDG 2 goal of full completion of primary education by 2015. There are still big regional variations and access to education for poor children is still significantly lower than for rich children. This EU-funded project supports non-formal primary education for difficult-to-reach children (e.g. those in urban slums and remote rural areas and children belonging to ethnic minorities). The three NGOs implementing the project successfully opened and operated schools and thereby reached 330 000 most vulnerable children from poor households and ethnic minorities and provided them with a full cycle of primary education. The project has developed links with the formal primary education system, including partnerships with local education authorities and government primary schools in order to ensure the sustainability of the results achieved.

32. **Table 3** shows by country and by education support programme the achievement of results related to the goal of eliminating gender disparities in education comparing related outcome indicators with their intended targets. Few indicators are used by the Commission for this goal. For Bangladesh and Namibia no indicators were used at all, reflecting the fact these countries had already achieved gender parity (see paragraph 33). In three countries the results were not, or mostly not, achieved while only in Burkina Faso were the targets of the financing agreement reached.

TABLE 3

INDICATORS RELATED TO THE GOAL OF ELIMINATING GENDER DISPARITIES IN EDUCATION AS CONTAINED IN THE FINANCING AGREEMENTS – COMPARISON BETWEEN EXPECTED AND ACHIEVED RESULTS (see Table 2, footnote 1)

Eliminating gender disparity (related to MDG 3)	Country, status of the programme, data and targets					
	Bangladesh (ongoing)	Burkina Faso (closed, final data)	Namibia (ongoing)	Nepal (ongoing, final data)	Niger (closed, final data)	Tanzania (ongoing)
Gender parity grades 1 to 5				Fully achieved		
Gross enrolment rate (girls)		Fully achieved			Not achieved	
Gross intake rate at grade 1 (girls)		Fully achieved				
Percentage of learning achievement at last grade of primary (girls)						Not achieved
Literacy rate 15–24 (women)				Not achieved		
Literacy rate 6+ (girls)				Not achieved		
Literacy gender parity index 15+				Not achieved		

Sources: European Commission and European Court of Auditors.

- 33.** The table in **Annex VII** shows, by country examined, the progress over the period 2000–08 using the gender parity index for net enrolment rate, and the net enrolment rate and completion rate for girls. There has been a reduction of gender disparities since 2000 in all the countries, with three countries (Bangladesh, Namibia and Tanzania) having reached parity²¹. Progress has been slow in the rest especially in Burkina Faso, Niger and Pakistan.
- 34.** These averages, however, hide important inequalities between girls from rural and urban areas, from poor and rich households, and from marginalised and advantaged groups. In the 20 poorest provinces of Burkina Faso, which are especially targeted by the EU interventions, the differences in enrolment between girls and boys have, however, increased since 2001. Also the female dropout rate in rural areas is higher than for boys. In Nepal, the final evaluation of the basic and primary education programme in 2005 observed that the issue of lack of parity in private schools was a concern²². At the beginning of 2010, the Court's audit of the EU-funded Education for All programme found that this problem remained largely unsolved.
- 35.** The most common actions supported by the EU interventions included financial incentives to enable girls to go to school, recruitment of female teachers, and separate latrines. In Nepal the number of women teachers in public primary schools was found to be low (34,5 %) which is rather modest when compared to the ratio in private schools (55,7 %), which have not benefited from the EU-funded Education for All programme. **Box 3** illustrates the challenges faced by EU development assistance in countries where gender equality is not sufficiently addressed in the national education programmes. It also shows the potential of projects to promote gender equality at local level.

²¹ One interesting feature of Namibia is that gender parity in education has also been achieved in secondary education. There are more girls in secondary education than boys, and girls tend to perform better than boys, with higher survival rates in education. Moreover, young women are generally more literate than young men (except in the Kavango region). In fact, boys are currently the group at risk in terms of gender equality.

²² Attendance at some private schools was heavily weighted in favour of boys, whereas girls are only allowed by their families to attend public schools (which are perceived to provide lower quality education). This is more common in districts where the pupils have to travel from villages to urban private schools.

BOX 3

NIGER: INSUFFICIENT PROMOTION OF GENDER EQUALITY IN EDUCATION

Niger is off track for achieving universal primary education by 2015, among other reasons due to the persistence of deep gender disparities in access to primary school. The EU has supported the implementation of the PDDE (Plan décennal de développement de l'éducation) by way of general (2003–08) and sector budget support (2006–08). However, the period was characterised by slow progress in reducing the gap between girls' and boys' access to school. For the academic year 2007/08 there was still a difference of 12 percentage points between the net enrolment rate of boys and girls. In addition, the indicators of access are not sufficiently disaggregated to reflect the disparities between girls and boys in rural areas, where 83 % of the population lives. Furthermore, the institutional and socio-cultural constraints that jeopardise girls' access to education are not explicitly addressed in the PDDE. The persistence of barriers to gender equality results for example in a higher opportunity cost of their education where girls' work is needed in the home, or in a poor and hostile school environment that does not guarantee their safety. Moreover, even if some problems are correctly identified in the PDDE, a comprehensive gender approach with appropriate financing is lacking and the remedial action plans are considerably underfinanced: only 0,34 % of the PDDE 'Access' component for the period 2003–07 was dedicated to the promotion of girls' schooling.

PAKISTAN: GOOD PRACTICE IN PROMOTING GENDER EQUALITY IN EDUCATION — THE NORTHERN PAKISTAN EDUCATION PROGRAMME

The main reason why Pakistan is off track for achieving universal primary education by 2015 is the persistence of deep gender disparities. The EU has financed a programme with the objective of contributing to the improvement of access, quality and sustainability of education, with a strong focus on increased gender equality in the northern areas and Chitral. By the end of 2007 enrolment at partner schools had increased by 30 % in comparison with 2003 and girls represented 64 % of the total enrolment in 2007. In comparison with the enrolment in 2003 this was an increase of 19 %. Another key outcome was that 3 785 students (94 % girls) were enabled to access secondary school in areas where there was no access for female education before this EU programme. The programme addressed the problems of disadvantaged female teachers by ensuring that 52 % of the trained teachers were female. They were also supported to pursue leadership roles in the schools ensuring a 35 % quota for women in management roles.

EDUCATION QUALITY: FEW OF THE INTENDED IMPROVEMENTS ACHIEVED

- 36.** The purpose of ensuring universal primary education is not only to have all children in school and to help them to complete a full cycle of primary and entry into secondary school, but to give them the basic knowledge and skills they will need in life.
- 37.** Unlike for enrolment and completion, there is no internationally agreed set of indicators to monitor results in improving quality. It is widely recognised that monitoring quality should focus on learning achievements, i.e. what pupils have learned on reading, mathematics and science (see also paragraph 57). However, this depends on the availability of national learning assessments, which are not regularly carried out as they are costly²³.
- 38.** In the absence of systematic learning assessments, the indicators most used relate to the exam pass rates and to the inputs and outputs necessary for quality: e.g. well-prepared teachers (number and proportion of teachers trained and qualified), a good school environment (schools with toilets, drinking water, electricity, canteens, libraries, books, computer rooms), reasonable class sizes (pupil:teacher ratios), textbook provision (textbooks per pupil ratio), etc.
- 39.** **Table 4** shows by country and by education support programme the achievement of results related to the improvement of quality in education comparing related outcome indicators with their intended targets. In this case also only a few of them fully achieved the targets specified in the financing agreements. The target for pupil:textbooks ratio was reached in Burkina Faso but not in Tanzania. For one of the two most commonly applied proxy indicators for quality, pupil:teacher ratio, two countries achieved the expected results (Bangladesh and Namibia), while two did not (Burkina Faso and Nepal). In Bangladesh and Nepal, the respective result targets for absenteeism of pupils and percentage of qualified teachers respectively were met. The only quality result target set for Niger was not met.

²³ In sub-Saharan Africa there are also regional learning assessments (such as programme d'analyse des systèmes éducatifs de la Confemem (PASEC) for French-speaking countries and the Southern and Eastern Africa Consortium for Monitoring Educational Quality (Sacmeq) for English-speaking countries) but their timeliness is also not optimal, results being assessed only every 10 years for some countries.

40. Assessing quality through the available national learning assessments the Court has found little evidence that EU interventions led to improvements in the quality of education. Only in Bangladesh had learning achievements improved and were regarded as satisfactory. In most of the countries where learning assessments were available (Burkina Faso, Namibia, Nepal and Niger) the scores were low.

TABLE 4

INDICATORS RELATED TO THE GOAL OF IMPROVING QUALITY IN EDUCATION AS CONTAINED IN THE FINANCING AGREEMENTS — COMPARISON BETWEEN EXPECTED AND ACHIEVED RESULTS (see Table 2, footnote 1)

Improving quality education	Country, status of the programme, data and targets					
	Bangladesh (ongoing)	Burkina Faso (closed, final data)	Namibia (ongoing)	Nepal (ongoing, final data)	Niger (closed, final data)	Tanzania (ongoing)
Percentage of learning achievement at last grade of primary				Not achieved		Fully achieved
Repetition rates (primary)	Not achieved		Not available	Not achieved		
Survival rate to grade 5			Not achieved	Not achieved		
Pupil:textbook ratio (primary)		Fully achieved				Not achieved
Pupil:teacher ratio (primary)	Fully achieved	Not achieved		Not achieved		
Pupil:qualified teachers (primary)						Not achieved
Reduction cross-district disparities in pupil:teacher ratio (primary)						Not achieved
Percentage of teachers with qualification/training				Not achieved		
Percentage of teachers with required certification				Fully achieved		
Percentage of pupils:desks		Not achieved			Not achieved	
Pupil absenteeism	Fully achieved					

Sources: European Commission and European Court of Auditors.

41. When assessing quality through the input and output indicators the Court also found little evidence of steady improvements. In particular, shortage of teachers and insufficiently qualified teachers were common in all the countries audited despite the support provided to the national policies for teacher supply and training by most of the EU interventions examined. For example, in Bangladesh substantial progress was being made in achieving quantitative targets in training activities in the second primary education development programme. However, the institutions supported by the programme continue to have a limited capacity (limited budget, lack of staff with relevant experience, inappropriate structure) and the impact of the training appears to be limited since there is little follow-up to support teachers in the development of new techniques. There has also been little progress in the provision of training incentives to teachers in terms of career promotion or pay scale.
42. The provision of a good-quality education remained a matter of great concern among all the stakeholders in the countries visited. Moreover, it is a common perception that due to the priority given to the MDGs, governments and development partners have been more focused on increasing enrolment than on the improvement of education quality. **Box 4** illustrates in practical terms which are the most common issues related to the lack of quality. It takes as an example the case of Tanzania, the country with the most significant increase in enrolment among the countries considered in this audit.

BOX 4

TANZANIA: AN EXAMPLE OF THE QUEST FOR QUALITY

In Tanzania, available indicators do not demonstrate improvements in all measures of the quality of education during the implementation of the support to education sector reform programme. The primary completion rate has decreased during the last two years, while primary dropout rates have remained unchanged during the last decade. There are not enough qualified teachers, teachers' salaries have not increased in recent years and their work environment is challenging in numerous ways, including with respect to housing, transportation and the physical collection of salaries. There are insufficient books and generally a lack of other learning materials. The primary school pupil:textbook ratio of 3:1 for basic education was in 2008 still the same as of 2003. The capitation grant to be paid per pupil is only 3,6 US dollars per year.

- 43.** The FTI has also recognised the importance of addressing learning outcomes and the quality of education in the current situation where access is expanding and has encouraged partner countries to measure student learning and the quality of teaching. In 2009, it adopted two specific indicators of learning outcomes²⁴. Tracking reading progress has been done over 20 FTI countries showing overall modest performance.

DOES THE COMMISSION MANAGE ITS INTERVENTIONS IN EDUCATION WELL?

- 44.** The audit assessed to what extent shortcomings in the Commission's management can explain the shortcomings in the results observed. It covered both the programming and the implementation phases. For programming, the Court assessed if the Commission in accordance with its own guidelines²⁵:

- ij focused its interventions on three of the key priorities identified in the European Consensus: primary education, gender and education quality;
- ij duly assessed the appropriateness of choosing budget support or alternative aid delivery methods.

For implementation, the Court assessed if the Commission in accordance with its own guidelines:

- ij had adequate information for monitoring purposes;
- ij was actively monitoring education outcomes, while paying due attention to its international commitments to donor coordination and harmonisation;
- ij ensured that delegations had sufficient expertise to ensure effective monitoring and maintain sector dialogue on education;
- ij provided adequate support to capacity development.

The audit also considered to what extent non-compliance with guidelines was justified.

²⁴ The proportion of students who, after two years of schooling, demonstrate sufficient reading fluency, and the proportion of students able to read with comprehension by the end of primary school.

²⁵ These include the programming guidelines for education (January 2006), guidelines to support to sector programmes (July 2007) and 'Guidelines on the programming, design and management of general budget support' (January 2007).

**WHERE SBS WAS THE AID DELIVERY METHOD THIS CHOICE
GENERALLY CONFORMED WITH THE COMMISSION'S GUIDELINES**

- 45.** In view of the importance in the programming process of the Commission's guidelines, the Court examined how well they were followed and whether they were helpful.
- 46.** Where education was a focal sector the choice of SBS as aid delivery method had generally been made in full accordance with the education programming guidelines. This included the eligibility criteria for budget support.
- 47.** For the EU support to education in Pakistan's North-West Frontier Province, however, the choice of SBS for the current programming period was not in line with the guidelines, since a government-owned education sector policy was not in place at the time the financing agreement was signed and thus the eligibility criteria were not met.
- 48.** For Tanzania, the Court examined the Commission's assessments of the credibility of the public financial management reform programme that supported the financing decisions for budget support in the previous and current programming period. The limited government ownership and slow progress of the public financial management reform programme highlighted in the 2008 PEFA impact study²⁶ and the 'Country strategy paper 2008–13', call into question the clarity and consistency of the assessment criteria applied by the Commission.

²⁶ PEFA impact study — Final Report, Volume II — Country impact notes, June 2008.

THE COMMISSION DID NOT FULLY CONSIDER THE ADVANTAGES OF THE MEASURES FOR MITIGATING FIDUCIARY RISKS SUCH AS THOSE USED IN POOLED FUNDING

- 49.** The Commission's programming guidelines indicated certain disadvantages of pooled funding and noted that the Commission would prefer to launch an SBS operation rather than joining a pooled fund²⁷. Accordingly, except in Bangladesh, the Commission did not participate in pooled funding arrangements even in those audited countries where other development partners were using it for sector policy support programmes. On this issue, however, the guidelines were too sweeping as the Commission thereby deprived itself in practice of some potential advantages, including measures aimed at mitigating fiduciary risks. This is especially relevant in the education sector and in countries where there is a high risk of misuse of funds²⁸.
- 50.** Safeguards against misuse of funds are routinely applied when the donors work together using pooled funding procedures. They include prior fiduciary risk assessments of the sector concerned, and disbursements based on audited financial statements. An example of an effective safeguard measure can be found in Niger, where an audit commissioned by the pooled fund partners in 2006 was able to detect a six million euro fraud linked directly to the implementation of the 'Plan décennal de développement de l'éducation'. As a result of the subsequent investigation and trial a former minister of education was convicted.

EDUCATION TARGETS AND INDICATORS ARE LESS COMPREHENSIVE UNDER GBS

- 51.** The education sector aspects in the GBS programmes are addressed through the inclusion of performance indicators for which targets are set and linked to variable GBS tranches. However, the number of indicators varies considerably and there are typically significantly fewer indicators for education included in the GBS financing agreements (typically three to four indicators) compared to SBS agreements. Moreover, GBS conditions normally address progress on overall national strategies (e.g. poverty strategies) rather than sector policy. Because of this and the limited number of indicators, GBS dialogue on education is less intensive.

²⁷ In the programming guidelines for country strategy papers — Education — detailed version — January 2006, the following is said about pooled or basket funding as a possible support mechanism: 'Pooled or basket funding is in principle also a possibility for the EC's support. However, pooled funding is often a very complex and cumbersome process, and Commission procedures may not accommodate it. Furthermore, where pooled funding is possible, the conditions are usually right for SBS. At the end of the day, pooled funding is more adapted to donors that have not yet moved to budget support (often as a transition to full-fledged budget support) than to the EC. Therefore, the EC will prefer to launch an SBS operation rather than joining a pooled or basket fund.'

²⁸ In several of the audited countries the Court noted numerous cases of misuse of government resources. For example, a public expenditure tracking survey (PETS) carried out in Tanzania in 2009 showed that 13 % of primary school teachers on average were not actually working at the school where they were on the official payroll (teacher absenteeism and 'ghost' teachers). The problem of teachers' absenteeism was observed in several other countries, including in Liberia where an audit of the Ministry of Education observed a number of fundamental governance problems, including irregularities in payroll.

- 52.** The Court's audit also included two ninth EDF GBS programmes in Burkina Faso and Niger which both had a more focused education sector component than in the Commission's typical GBS programmes. This included the use of more detailed conditions for monitoring and giving incentives for progress in the education sector. However, despite the advantages of this greater sectoral focus, the Commission reverted to its traditional approach to GBS programmes under the 10th EDF.
- 53.** The Court recognises that where partner governments give priority to education spending, and have sound education policies and related PFM systems, GBS has the potential to make a useful contribution to supporting the education sector. However, the Commission has not clearly defined to what extent the use of GBS differs from the role of education sector budget support programmes (see paragraph 51).

THE EFA FAST TRACK INITIATIVE (FTI) HAS NOT MADE THE EXPECTED CONTRIBUTION TO CLOSING THE GLOBAL FUNDING GAP

- 54.** Since one of the objectives of the FTI is to help ensure funding for beneficiary countries committed to EFA goals the Court also reviewed the recent evaluation of the FTI to assess the extent to which it had contributed. While important financial contributions from the FTI were provided to individual countries the evaluation concluded that 'global evidence does not suggest that it has had a great positive effect on the level of external aid or domestic financing for education or basic education as envisaged'. This assessment is shared by the *EFA global monitoring report 2010*²⁹ (concerning the global funding gap, see also paragraph 2).
- 55.** As regards education's share of national budgets generally, the FTI sets an indicative target of 20 % of total government expenditure allocated to education. Of the eight countries covered by the audit, only two (Burkina Faso and Namibia) spent 20 % or more of the total budget on education in the last financial year, while in two the government spent less than 12 % (Pakistan and Liberia).

²⁹ It is stated that 'the (FTI) results have been disappointing. When assessed against the scale of the financing gap, the FTI has failed to mobilise resources on the scale required. Fundamental reforms are needed' (Summary, p. 35).

INDICATORS USED BY THE COMMISSION HAVE AN APPROPRIATE FOCUS ON THE MDGs ...

- 56.** The Commission's analysis of the education sectors in preparation of the country strategy papers for 2007/08 and 2012/13 (for the DCI/EDF respectively) was generally comprehensive and duly reflected the Commission's policy commitments to supporting achievement of the MDGs. The priority objective of universal primary education and gender equality was also largely reflected in the choice of performance indicators used to measure and assess results in the financing agreements audited. Indicators based on MDGs, however, are not equally realistic for all countries – particularly the poorest – the MDGs being both challenging in nature and by definition the same for all.

..., HOWEVER, INSUFFICIENT ATTENTION HAS BEEN PAID TO INDICATORS OF THE QUALITY OF EDUCATION

- 57.** It is difficult to measure education quality in a reliable and consistent way in the two regions covered by the audit (see also paragraphs 37 to 38). Although a number of proxy indicators are available, the financing agreements audited included only a few such indicators as **Table 4** shows. Hence they did not help promote the need for education quality to be addressed effectively.

EDUCATION MANAGEMENT INFORMATION SYSTEMS THAT THE COMMISSION HAS DECIDED TO RELY ON DO NOT ALWAYS PROVIDE SUFFICIENT, RELIABLE AND TIMELY INFORMATION

- 58.** The education indicators used by the Commission and other development partners to measure the achievement of the intended results are based on the partner governments' education statistics systems. It is therefore essential that these systems are able to provide reliable statistics. In addition, the partner governments should also produce periodic reports to allow the Commission and other development partners to measure progress on the supported education programmes, including outcome indicators.

BOX 5

NEPAL: RELIABILITY OF STATISTICS

Although the education management information system is considered by the development partners to be robust, there is concern about the quality and reliability of data underlying the statistics. Some evaluations reported evidence of deficiencies in checking the accuracy of school data, and systemic incentives for the schools to over-report attendance (as the financing of schools is pupil-based). Schools also reported on registered pupils and not on the actual attendance. Furthermore, household surveys reported lower participation of children in the schools. The extent of these problems is not known, and the development partners commissioned three technical reviews of school education, carried out in 2005 and 2006. They included a survey of 1 000 randomly selected schools in 20 sampled districts. In general, the figures presented in these reviews were in line with the official ones. However, there were significant differences concerning the gross enrolment rate at primary level (130 instead of 144 officially) and the percentage of girls and Dalits³⁰ receiving scholarships (respectively 33 % and 65 % instead of 53 % and 81 % officially). The development partners pointed to a need for more cross-checking and triangulation of data and they envisaged the possibility of performing regular sample checks in the districts.

There are no long series of independent statistics provided by the Unesco Institute for Statistics concerning the net enrolment and completion rate, possibly because of lack of reliable population data almost 10 years after the last census took place.

³⁰ The lowest caste in Nepal.

59. The Court found in five out of eight cases that partner governments' education statistics systems provide data regularly. However, for Bangladesh, Liberia and Pakistan, statistics suffer from unavailability of data, due to low capacity of data collecting and processing institutions³¹. The Court also found that in most of the audited countries, the Commission does not always have sufficient, reliable and timely government reports available to monitor education outcomes.

60. As regards the quality of statistics, the Court noted that in most of the countries examined, the Commission has supported activities to improve the quality of official statistics³². The Court found that this support has contributed to strengthening the education management information systems although some common shortcomings persist:

- (a) the reliability of census-based statistics (e.g. net enrolment rates (NERs)) is a general concern in sub-Saharan Africa and south Asia³³;
- (b) inconsistencies between administrative data that schools reported to the ministries of education and data from household surveys, usually obtained through parental reporting on whether their children attend school³⁴;
- (c) insufficient disaggregated statistics and analysis to capture quality and equity issues (e.g. on access and achievement levels of learners from low-income households and from disadvantaged groups).

³¹ These countries receive support from the Commission and other development partners to improve their statistics.

³² In Bangladesh the support was provided by the World Bank.

³³ According to the *EFA global monitoring report 2010*, the number of children from a relevant age group who are out of primary school is an 'inexact science'. Administrative data that schools report to ministries of education are an important resource and national reporting systems are considered to be increasingly effective. However, uncertainties over demographic profiles (and hence the number of children in each age group) can cloud the issue.

³⁴ For 29 countries in sub-Saharan Africa and South and West Asia examined in the *EFA global monitoring report 2010*, household surveys show around 50 % fewer children in school — 22 million in total — than administrative data.

DONOR COORDINATION HAS GENERALLY IMPROVED BUT ENTAILS SOME COMPROMISES

61. Delegations' cooperation and coordination with partner governments and other development partners in the education sector, following the commitments made under the Paris Declaration, was generally deemed appropriate. However, in Burkina Faso in the ninth EDF programme, it proved more difficult because the Commission was the only development partner to use budget support whereas the others contributed to the education sector through a pool fund. Such coordination properly necessitates a degree of compromise, but the Court noted some cases where the Commission's management or priorities were more seriously affected:

- (a) In Namibia, the original EU-funded education sector programme was totally revised. This was as a consequence of a complete review of the sector carried out by the government with the assistance of the World Bank, with only limited input from the Commission and other development partners. The programme now co-finances the first phase of a national education programme that covers the whole education sector and pays limited attention to primary education and to MDG and EFA goals;
- (b) In Nepal, the Commission could not fully introduce tranche release based on results indicators as the other development partners do not use this mechanism and were reluctant to introduce changes to the joint financing arrangements with the government;
- (c) In Pakistan, the Commission aimed at supporting with a project the education sector in Sindh province. However, it was asked by the government to align its support with that of the World Bank through SBS. As a result, the results matrix of the financing agreement does not follow the guidelines for education in terms of sufficient output and outcome indicators concerning access to primary education. This is due to the fact that the World Bank does not follow the same approach as the EU. A new, revised matrix contains more indicators but the number of outcome indicators is still limited.

62. The monitoring of EU-funded interventions, and SBS in particular, is mainly done through joint reviews, which the development partners collectively rely on for monitoring purposes. The Court found that the focus in these reviews tends to be on processes and financial issues linked to specific disbursement conditions rather than on education outcomes.

COMMISSION STAFF EXPERTISE IN EDUCATION NOT APPROPRIATELY DEVELOPED AND ALLOCATED

63. The Court considers that for each country where education is a focal sector or covered by GBS, the delegation should assign staff with the necessary expertise (or who have the opportunity to develop it) to engage in policy dialogue and monitor the sector, with recourse to expert advice as appropriate. At the time of the audit the overall allocation of staff was suboptimal and did not provide delegations consistently with the expertise needed to allow them to manage the Commission's portfolio in the sector.
64. At the end of 2009, out of the 44 Delegations worldwide where education was a focal sector, 16 — more than a third — did not have a person assigned to education³⁵. In the seven countries with an MDG contract (all in sub-Saharan Africa)³⁶ a total of only three persons were assigned in two countries to work on education, while two delegations (Tanzania and Rwanda) relied on the expertise of Member States. **Box 6** shows an example of delay in assigning staff and the consequences in Liberia.
65. Where general or sector budget support is concerned, the absence of staff with the necessary expertise and seniority weakens both the delegation's dialogue with the beneficiary country and its participation in joint working groups with other donors that monitor performance. This means that an essential element in ensuring that budget support meets its objectives is impaired and may even be wholly disabled.

³⁵ Preliminary results of a Commission survey that provided details on how many countries get direct funding for education or use GBS, including MDG contracts, as aid delivery methods.

³⁶ The new MDG (millennium development goal) contract is a commitment of funds for the full six years of the 10th EDF whereby at least 70 % of the total commitment will be disbursed unless there is an unambiguous breach in the eligibility conditions for GBS.

- 66.** The Commission's difficulty in assigning staff with the appropriate profiles to delegations, reflecting problems related to recruitment procedures, staff qualifications and turnover, is a general concern that cannot be compensated for by HQ support or by contract agents³⁷. The Court observed that education experts are typically not EU officials and the extent of their training on Commission procedures varies considerably. On the other hand the generalist profiles of staff in delegations did not always have the right mix of thematic expertise, competency and skills for managing SBS and GBS interventions.
- 67.** With respect to staff support from headquarters, the Court found that there are no clear criteria or mechanisms in place to determine the needs or the priorities for the on-demand advice provided by the thematic, specialist units in the Development DG and EuropeAid respectively.

³⁷ EuropeAid's Internal Audit Capability (IAC) conclusions following an audit on human resources development in delegations in 2009.

BOX 6

LIBERIA: STAFFING PROBLEMS IN THE COMMISSION'S MONROVIA OFFICE

Between August 2007 and September 2008 the Commission's office in Monrovia was unable to do follow-up on the programme for EC support to education in Liberia (ECSEL) due to the lack of staff dedicated to the sector. The lack of timely and effective follow-up was one of the main reasons for the project's considerable delay and the fact that many activities and results today are at risk.

Even when the highest political level, including the Commissioner for Development, drew attention to the staffing problems in Monrovia, the Commission's response was too slow to ensure that the ECSEL project stayed on track.

It took 25 months from the time the Development DG's top management requested urgent action to resolve the staffing problems in Monrovia (in February 2007) before the long-term technical assistance for ECSEL actually arrived in Monrovia (in March 2009).

THE EU PROVIDED CAPACITY DEVELOPMENT SUPPORT BUT IN MOST CASES IT DID NOT WORK AS INTENDED

- 68.** Sector programmes and budget support give the ownership and responsibility for programme management to the partner governments. It is therefore essential to ensure that the capacity of the relevant institutions and persons to manage and implement these programmes is adequate.
- 69.** The Court found that the Commission intended to provide capacity development support for all the education programmes audited, including the strengthening of the education management information systems (see paragraph 60). However, in most of the audited countries (Burkina Faso, Liberia, Namibia, Nepal, Niger and Tanzania) the EU capacity development support did not work as intended. The main weaknesses identified related to:
- (a) not properly planning and placing capacity development initiatives in their strategic context, resulting in provision of technical assistance on an ad hoc basis and failure to transfer knowledge effectively;
 - (b) the Commission's failure to mobilise human and technical resources on time, resulting in a considerable delay of the project;
 - (c) the technical assistance to support planning, monitoring, the budgeting process and financial management in education not being realised due to tendering problems and the government's reluctance to ask for technical support;
 - (d) insufficient quality of the underlying studies (see **Box 7**).

70. In line with the Paris Declaration³⁸ and the recommendations of the Court of Auditors³⁹, in July 2008, the Commission adopted a strategy under which it is increasingly working together with government and development partners in technical cooperation for capacity development based on partner governments' demands⁴⁰. During the course of this audit it was, however, too early to assess the effectiveness of this strategy.

³⁸ The Paris Declaration states that 'Capacity development is the responsibility of partner countries with donors playing a support role'.

³⁹ European Court of Auditors' Special Report No 6/2007 on the effectiveness of technical assistance in the context of capacity development (<http://eca.europa.eu/portal/pls/portal/docs/1/673583.PDF>).

⁴⁰ 'Reforming technical cooperation and project implementation units for external aid provided by the European Commission — A backbone strategy'.

BOX 7

BURKINA FASO: NO CAPACITY DEVELOPMENT SUPPORT COULD BE PROVIDED BY THE COMMISSION UNDER THE 2005–08 BUDGET SUPPORT

The Commission financed an identification study to develop a strategy and a multiannual plan for the capacity development of the financing and planning departments of the Ministry of Education. The recommendations were not implemented by the ministry given their excessive number and complexity. Furthermore, the ministry asked for a second study in order to ensure the coherence between the proposed actions and the incipient decentralisation process. This second study was judged by the delegation as of average quality, voluminous and difficult to use. These recommendations were also not implemented. Meanwhile, a technical committee was set up by the ministry and the World Bank, charged with developing a multiannual planning for the Ministry of Education as a whole. Because of the average quality of these reports and subsequent low level of ownership by the ministry, the funds allocated by the Commission to capacity development of the ministry (1 million euro) could not be committed and ultimately no capacity development assistance could be provided in the 2005–08 budget support.

CONCLUSIONS AND RECOMMENDATIONS

THE EU INTERVENTIONS ACHIEVED SOME OF THE EXPECTED IMPROVEMENTS IN BASIC EDUCATION IN SUB-SAHARAN AFRICA AND SOUTH ASIA, BUT LESS THAN INTENDED

- 71.** Overall, significant progress has been made, although only 45 % of the targets in the audited financing agreements were fully achieved.
- 72.** For the priority goal of ensuring primary education for all children (MDG 2), only some of the intended improvements were achieved and progress has in general been too slow to ensure that targets for 2015 will be met. The results for provision of primary education were in general modest, although better for enrolment than for completion.
- 73.** For the objective of eliminating gender inequalities in education, the EU's interventions contributed to enabling the beneficiary countries to achieve some of the intended improvements. But significant inequalities persist within particular regions and social groups.
- 74.** For the third and final priority goal considered, improving the quality of education, the audit concludes that few of the intended improvements were achieved. Whilst it is widely accepted that education quality is difficult to measure, it appears that the priority given to MDG 2 (which is largely quantitative) took attention away from assessment of education quality in earlier years.
- 75.** This is only partial success, but the achievement should not be underestimated. However, it demonstrates how necessary good management is to assure that EU funds are well targeted and monitored to ensure they are used to best advantage.

THE COMMISSION'S MANAGEMENT DID NOT CONSISTENTLY ENSURE APPROPRIATE PROGRAMMING AND IMPLEMENTATION OF EU INTERVENTIONS

- 76.** Where sector budget support was the aid delivery method this choice generally conformed with the Commission guidelines. The Commission did not fully consider the advantages of the measures for mitigating fiduciary risks such as those used in pooled funding. Fewer detailed targets and indicators for basic education were set in general budget support and dialogue was less intensive. The Court noted two cases in Niger and Burkina Faso where general budget support had a strong education sector focus but this was later abandoned.

- 77.** The Commission's focus on the MDGs in the programming and formulation of its assistance to education is generally appropriate. The MDG and EFA goals do not as such automatically represent achievable priorities, in particular for the world's poorest countries. Insufficient attention is paid to indicators for education quality. There was little evidence that the effect of demographic change — principally population growth — on trends and hence on indicators has been thought through.

- 78.** The beneficiary governments' education management information systems that the Commission relies on do not always provide sufficient, reliable and timely information.

- 79.** Coordination with other donors has generally improved although it entails some compromises which sometimes affected the Commission's own management or priorities, including the selection and use of indicators.

80. Education expertise is not optimally assigned and developed in delegations, which reduces the Commission's ability to maintain the sector dialogue on education and to play a full role in working groups with other donors. This deprives the Commission of a vital monitoring mechanism as well as of the best opportunities for effective influence on implementation.
81. The EU provided capacity development support but in most cases it did not work as intended.

RECOMMENDATIONS

82. In view of the scale and universal nature of the goals, the majority of significant education development takes place in the context of national programmes run by partner governments. In such cases the EU contribution is only one among many and the Commission has no direct power over implementation. Where education is a focal sector or covered through general budget support, two main points are vital for the Commission to discharge its responsibility for the budget, and to ensure that EU assistance is as effective as possible: the establishment of well-chosen and realistic indicators and targets so as to monitor results effectively; and ensuring that delegations assign staff with the expertise and seniority needed to maintain dialogue with partner governments and other donors, in particular to help ensure that programme implementation leads to the intended results as far as EU development assistance is concerned.

83. In detail, the Court recommends that the Commission should:

- (a) in view of its more limited focus on the social sectors, review the effect of the increased use of GBS in sub-Saharan Africa on development assistance for education, and consider whether adjustments to future programming are needed;
- (b) ensure that future development assistance to education to a greater extent than in the past focuses on the quality of education and the capacity of beneficiary governments to cope with increases in school enrolment;
- (c) update and expand the relevant guidelines for education covering all aid delivery methods relevant for the sector, including pooled funding and general budget support, in a comprehensive manner and covering explicitly:
 - (i) in what situations it is advisable to apply GBS to support education outcomes;
 - (ii) how to carry out education policy dialogue where GBS is the only aid delivery method concerned with education;
 - (iii) how to choose and design relevant performance indicators for education in GBS;
 - (iv) how to perform sector performance review in the SBS context;
- (d) systematically use a mixture of aid delivery methods, and in particular consider running a number of projects as well as programme support to ensure local knowledge, to get a cross-bearing on monitoring, and to benefit from non-state actors' ability to innovate and to provide for hard-to-reach children;
- (e) promote sector-specific public financial management reviews (and the use of PETS) and play a full part in the donor education working group where monitoring can be coordinated, supplemented where appropriate with independent monitoring missions;

- (f) ensure better alignment of different donors' requirements concerning the reporting formats and performance criteria to be used for government reporting in the education sector, where education is a focal sector or where general budget support is provided.

This Report was adopted by Chamber III, headed by Mr Jan KINŠT, Member of the Court of Auditors, in Luxembourg at its meeting of 16 November 2010.

For the Court of Auditors



Vítor Manuel da SILVA CALDEIRA
President

ALLOCATIONS TO EDUCATION AND GENERAL BUDGET SUPPORT IN SOUTH ASIA AND SUB-SAHARAN AFRICA

Regions	Countries	Edu. focal?	Previous prog. total	Previous prog. educa-tion	% edu.	Previous prog. GBS	% GBS	Edu. focal?	Current prog. total	Current prog. educa-tion	% edu.	Current prog. GBS	% GBS
South Asia	Afghanistan	N	973,80	0,00	0,00	0,00	0,00	N	1 030,00	0,0	0,00	0,0	0,00
South Asia	Bangladesh	Y	363,50	125,00	34,39	0,00	0,00	Y	403,00	124,0	30,77	0,0	0,00
South Asia	Bhutan	N	15,00	0,00	0,00	0,00	0,00	N	14,00	0,0	0,00	0,0	0,00
South Asia	India	N	225,00	0,00	0,00	0,00	0,00	Y*	470,00	120,0	25,53	0,0	0,00
South Asia	Maldives	N	2,00	0,00	0,00	0,00	0,00	N	8,00	0,0	0,00	0,0	0,00
South Asia	Nepal	N	70,00	0,00	0,00	0,00	0,00	Y*	120,00	74,0	61,67	0,0	0,00
South Asia	Pakistan	Y*	145,00	59,00	40,69	0,00	0,00	Y*	398,00	134,0	33,67	0,0	0,00
South Asia	Sri Lanka	N	29,80	0,00	0,00	0,00	0,00	N	112,00	0,0	0,00	0,0	0,00
			1 824,10	184,00	10,09	0,00	0,00		2 555,00	452,0	17,69	0,0	0,00

Regions	Countries	Edu. focal?	Previous prog. total	Previous prog. educa-tion	% edu.	Previous prog. GBS	% GBS	Edu. focal?	Current prog. total	Current prog. educa-tion	% edu.	Current prog. GBS	% GBS
ACP-SSA	Angola	Y	148,25	26,91	18,15	0,00	0,00	Y	214,00	17,5	8,18	0,00	0,00
ACP-SSA	Benin	N	288,00	0,00	0,00	92,58	32,15	N	334,00	0,0	0,00	100,00	29,94
ACP-SSA	Botswana	Y*	56,54	51,00	90,20	0,00	0,00	Y*	73,00	62,0	84,93	0,00	0,00
ACP-SSA	Burkina Faso	N	432,40	15,00	3,47	197,00	45,56	N	529,00	0,0	0,00	320,00	60,49
ACP-SSA	Burundi	N	162,39	0,00	0,00	84,12	51,80	N	176,00	0,0	0,00	90,00	51,14
ACP-SSA	Cameroon	N	126,29	0,00	0,00	0,00	0,00	N	239,00	0,0	0,00	0,00	0,00
ACP-SSA	Cape Verde	N	44,91	0,00	0,00	21,23	47,27	N	51,00	0,0	0,00	33,00	64,71
ACP-SSA	Central African Republic	N	94,06	0,00	0,00	18,53	19,70	N	137,00	0,0	0,00	34,00	24,82
ACP-SSA	Chad	N	209,90	0,00	0,00	23,80	11,34	N	299,00	0,0	0,00	0,00	0,00
ACP-SSA	Comoros	Y	29,75	16,00	53,78	0,00	0,00	Y	45,00	11,3	25,11	0,00	0,00
ACP-SSA	Congo (Brazzaville)	N	109,20	0,00	0,00	30,45	27,88	N	85,00	0,0	0,00	0,00	0,00
ACP-SSA	Congo (Kinshasa) — DRC	N	388,60	0,00	0,00	106,00	27,28	N	514,00	0,0	0,00	0,00	0,00
ACP-SSA	Côte d'Ivoire	N	37,36	0,00	0,00	0,00	0,00	N	218,00	0,0	0,00	0,00	0,00
ACP-SSA	Djibouti	N	38,24	0,00	0,00	0,00	0,00	N	40,50	0,0	0,00	0,00	0,00
ACP-SSA	Equatorial Guinea	N	7,81	0,00	0,00	0,00	0,00	N	0,00	0,0	0,00	0,00	0,00
ACP-SSA	Eritrea	Y	118,50	53,00	44,73	0,00	0,00	N	122,00	0,0	0,00	0,00	0,00
ACP-SSA	Ethiopia	N	446,00	20,00	4,48	58,27	13,07	N	644,00	0,0	0,00	195,00	30,28

Regions	Countries	Edu. focal?	Previous prog. total	Previous prog. educa-tion	% edu.	Previous prog. GBS	% GBS	Edu. focal?	Current prog. total	Current prog. educa-tion	% edu.	Current prog. GBS	% GBS
ACP-SSA	Gabon	Y	34,60	6,00	17,34	0,00	0,00	Y*	49,00	10,0	20,41	0,00	0,00
ACP-SSA	Gambia	N	57,40	0,00	0,00	0,00	0,00	N	76,00	0,0	0,00	22,00	28,95
ACP-SSA	Ghana	N	281,00	0,00	0,00	111,00	39,50	N	367,00	0,0	0,00	175,00	47,68
ACP-SSA	Guinea	N	8,78	0,00	0,00	0,00	0,00	N	0,00	0,0	0,00	0,00	0,00
ACP-SSA	Guinea-Bissau	N	73,30	0,00	0,00	18,10	24,69	N	100,00	0,0	0,00	32,00	32,00
ACP-SSA	Kenya	N	290,00	0,00	0,00	125,00	43,10	N	383,00	0,0	0,00	126,80	33,11
ACP-SSA	Lesotho	N	106,30	0,00	0,00	0,00	0,00	N	136,00	0,0	0,00	53,80	39,56
ACP-SSA	Liberia	N	50,09	12,00	23,96	3,50	6,99	Y	150,00	8,4	5,60	20,20	13,47
ACP-SSA	Madagascar	N	418,49	0,00	0,00	129,50	30,94	N	577,00	0,0	0,00	170,00	29,46
ACP-SSA	Malawi	N	276,67	0,00	0,00	85,50	30,90	N	436,00	0,0	0,00	175,00	40,14
ACP-SSA	Mali	N	395,20	0,00	0,00	156,53	39,61	N	533,00	0,0	0,00	150,00	28,14
ACP-SSA	Mauritania	N	115,40	0,00	0,00	0,00	0,00	N	156,00	0,0	0,00	38,00	24,36
ACP-SSA	Mauritius	N	48,70	0,00	0,00	28,55	58,63	N	51,00	0,0	0,00	43,50	85,29
ACP-SSA	Mozambique	N	502,61	0,00	0,00	149,92	29,83	N	622,00	0,0	0,00	311,00	50,00
ACP-SSA	Namibia	Y*	69,43	29,00	41,77	0,00	0,00	Y*	103,00	42,2	40,97	0,00	0,00
ACP-SSA	Niger	N	332,80	20,00	6,01	181,00	54,39	N	458,00	0,0	0,00	150,00	32,75
ACP-SSA	Nigeria	N	552,00	0,00	0,00	0,00	0,00	N	677,00	5,0	0,00	0,00	0,00
ACP-SSA	Rwanda	N	176,00	0,00	0,00	101,76	57,82	N	290,00	0,0	0,00	175,00	60,34

Regions	Countries	Edu. focal?	Previous prog. total	Previous prog. educa-tion	% edu.	Previous prog. GBS	% GBS	Edu. focal?	Current prog. total	Current prog. educa-tion	% edu.	Current prog. GBS	% GBS
ACP-SSA	Sao Tome and Principe	N	10,33	0,00	0,00	0,00	0,00	N	17,10	0,0	0,00	0,00	0,00
ACP-SSA	Senegal	N	282,50	0,00	0,00	53,00	18,76	N	288,00	0,0	0,00	133,00	46,18
ACP-SSA	Seychelles	N	4,41	0,00	0,00	0,00	0,00	N	8,40	0,0	0,00	7,50	89,29
ACP-SSA	Sierra Leone	N	164,70	0,00	0,00	62,00	37,64	N	242,00	0,0	0,00	90,00	37,19
ACP-SSA	Somalia	N	153,81	0,00	0,00	0,00	0,00	Y	212,00	55,0	25,94	0,00	0,00
DCI-SSA	South Africa	Y	515,00	22,00	4,27	0,00	0,00	Y*	980,00	122,7	12,52	0,00	0,00
ACP-SSA	Sudan	Y	83,72	52,00	62,11	0,00	0,00	Y	0,00	0,0	0,00	0,00	0,00
ACP-SSA	Swaziland	Y	33,07	20,00	60,48	0,00	0,00	Y	63,00	3,5	5,56	0,00	0,00
ACP-SSA	Tanzania, United Republic of	Y*	393,85	43,32	11,00	201,00	51,03	N	555,00	0,0	0,00	305,00	54,95
ACP-SSA	Togo	N	16,23	0,00	0,00	5,00	30,81	N	123,00	0,0	0,00	32,00	26,02
ACP-SSA	Uganda	N	256,60	0,00	0,00	92,00	35,85	N	439,00	0,0	0,00	175,00	39,86
ACP-SSA	Zambia	N	351,50	10,00	2,84	179,00	50,92	N	475,00	0,0	0,00	232,00	48,84
ACP-SSA	Zimbabwe	N	12,15	0,00	0,00	0,00	0,00	N	7,00	7,0	0,00	0,00	0,00
			8 804,8	396,2	4,50	2 314,3	26,28		12 294,0	344,6	2,80	3 388,8	27,56

* Education supported through sector budget support (SBS). In Pakistan SBS was provided at regional and not federal level.

Based on data from DEVA.1 and DEV.C.1.

This table does not include data concerning Mayotte and St Helena.

In Burkina Faso and Niger education was not a focal sector but both countries received special education tranches under GBS.

Since no programming figures for GBS (previous programming period) were available for the ninth EDF, commitment figures were taken instead.

This table includes also addenda to the CSP of the ongoing programming period.

LIST OF INTERVENTIONS AUDITED

Country	Instrument/aid modality	Intervention	Total amount (million euro)
Bangladesh	Sector policy support programme – Pool funding (Dec. 2003 to Dec. 2009)	Second primary education development programme (PEDP II)	105,0
	Project (Dec. 2006 to Dec. 2010)	Support for non-formal primary education (NFPE)	28,3
	Project (Dec. 2007 to Dec. 2012)	Technical and vocational education and training (TVET)	14,0
Burkina Faso	Project (1999–2004)	Programme d'appui au secteur de l'éducation de base (PASEB)	9,9
	General budget support with education sector tranches (2005–08)	General budget support to poverty reduction (2005–08) thereof: — variable tranche — Education — sector allocation 'Education for All'	192,4 22,5 15,0
	MDG contract (2009–14)	Budget support to growth and poverty reduction, thereof: — variable tranche — Education (2013–14)	320,1 28,8
Liberia	Project (Oct. 2006 to Dec. 2010)	EC support to education in Liberia (ECSEL)	12,0
	General budget support (Financing Agreement not yet signed)	Budget support for macroeconomic stabilisation (BSMS) (2009–11)	20,2
Namibia	Sector budget support (2003–09)	Namibia education sector programme (ESP)	24,0
	Sector budget support (at formulation stage — not yet approved)	Proposal for a 10th EDF education sector policy support programme (SPSP)	42,1
Nepal	Project/pool funding (1999–2004)	Basic and primary education programme II (BPEP II)	19,0
	Sector budget support (2008–13)	Education sector policy support programme (ESPSP)	25,0
	Sector budget support (2010–13) (at formulation stage — not yet approved)	Proposal for a school sector reform programme (SSRP)	26,0

Country	Instrument/aid modality	Intervention	Total amount (million euro)
Niger	General budget support with education sector allocations (PPARP 2006–08)	Multiannual programme support to poverty reduction, thereof: — variable tranche — Education — sector allocation 'Education for All'	91,0 12,0 21,0
	General budget support (PPARP 2009–11)	Multiannual programme support to poverty reduction, thereof: — variable tranche — Education	93,0 15,0
	Project (March 2002 to May 2009)	Programme soutien à l'éducation de base dans deux zones éducatives innovantes — Souteba	8,7
	Project (phase 2005–07)	Programme d'appui à la formation professionnelle continue et l'apprentissage	5,6
	Project (phase 2008–10)	Programme d'appui à la formation professionnelle continue et à l'apprentissage	2,0
Pakistan	Programme (May 2003 to May 2008)	The northern Pakistan education programme 2003–08	19,3
	Sector budget support (Dec. 2006 to Dec. 2011)	Sindh education plan support programme	39,0
	Sector budget support (Dec. 2008 to June 2013)	NWFP education sector reforms programme	20,0
	Programme (Aug. 2009 to Aug. 2014)	Support to the technical and vocational education and training (TVET)	20,0
	Programme (not yet signed)	Supporting TVET reform in Pakistan (TVET II)	26,0
Tanzania	General budget support (May 2006 to Dec. 2010)	Poverty reduction budget support programme (PRBS03) — Variable tranche	101,8
	Sector budget support (Dec. 2006 to Dec. 2010)	Support to education sector reform programme	43,5
	MDG contract (Dec. 2009 to May 2015)	Millennium development goals contract 2009–15	305,0
	Project with Oxfam UK (Dec. 2005 to Oct. 2009)	Education quality improvement through pedagogy (EQUIP)	0,69
	Project with Fida International (Dec. 2005 to Jan. 2011)	Youth with disabilities community programme (Work area 7: Functioning framework available for primary schools to mainstream children and youth with disabilities)	0,75
	Project with Camfed (Oct. 2008 to Oct. 2010)	Civil society action for girls' education in Tanzania	0,88
	Project with Sense International (Nov. 2008 to Nov. 2013)	Promoting access to education for deaf, blind and multiply disabled children in Tanzania	0,24

ANNEX II

Country	Instrument/aid modality	Intervention	Total amount (million euro)
Multi-country	Contribution to a trust fund	Contribution to the FTI — Catalytic Trust Fund (EDF intra-ACP allocation)	63,0
	Contribution to a trust fund	Contribution to the FTI — Catalytic Trust Fund ('Investing in people' thematic programme)	31,1
	Contribution to a trust fund	Contribution to the FTI — Catalytic Trust Fund (contribution to the Secretariat — 'Investing in people' thematic programme)	1,0

Interventions in blue were also examined for their results (see *Annex IV*).

THE ATTRIBUTION ISSUE IN BUDGET SUPPORT PROGRAMMES

It is recognised that it is difficult to attribute changes in outcome indicators to any particular project or programmes. There are three important reasons for this:

Time lag: It takes time before an activity is implemented and bears fruit. It is therefore difficult to draw conclusions shortly after a programme has been completed. This is specifically the case when it comes to measures of education quality. For instance, it takes time to train teachers, prepare a new curriculum, prepare textbooks, print them and distribute them before it significantly changes the situation on the ground and have a measurable impact on completion rates or learning achievements. Evidently, some interventions are more easily implemented than others and some are more visible or more strategic than others (e.g. building teacher training colleges or building schools). They are, however, all needed. There is no point in building schools if there are not enough trained teachers or if those who are trained are not allocated to the schools where they are most needed.

Causality: The donor can never be entirely sure about which measure can really create change. Also, in most cases one set of outcomes does not depend on only one factor or one intervention.

Contribution: EU-funded interventions often provide a limited share of all the resources for education. This is true even in a small and highly aid dependent country but even more so in a big country with considerable resources of its own and many other development partners.

AUDITED PROGRAMMES AND PROJECTS WITH SUMMARY RESULTS

Country	Intervention	Subsector of intervention	Amount (committed)	Rating
Funding modality: sector budget support				
Namibia	Education sector programme (ESP) (2003–09)	All education sector	24,0	Results mostly not achieved
Nepal	Education sector policy support programme — ESPSP (2008–13)	Basic education	25,0	Results mostly not achieved to date
Pakistan	Sindh education plan support programme (2006–11)	Basic education	39,0	Not possible to assess ¹
Tanzania	Support to education sector reform programme (2006–10)	Basic education	43,5	Results mostly not achieved to date
Funding modality: general budget support (GBS) with specific education sector allocations				
Burkina Faso	General budget support to poverty reduction (2005–08) thereof: — variable tranche — Education — sector tranche 'Education for All'		192,4	Results mostly achieved
			22,5 15,0	
Niger	Multiannual programme support to poverty reduction (2006–08) thereof: — variable tranche — Education — sector tranche 'Education for All'		91,0	Results not achieved
			12,0 21,0	
Funding modality: general budget support (GBS) with social sector performance indicators linked to variable tranches				
Tanzania ²	Poverty reduction budget support programme (PRBS03) (2006–08) — variable tranche (2006/07)	Basic education (performance indicators)	101,8 0-15,3 ³	Results mostly achieved
Funding modality: pooled funding				
Bangladesh	Second primary education development programme — PEDP II (2003–09)	Primary education	105,0	Results mostly not achieved
Nepal	Basic and primary education programme — BPEP II (1999–2004)	Basic education	19	Results mostly not achieved

ANNEX IV

Country	Intervention	Subsector of intervention	Amount (committed)	Rating
Funding modality: programme/project				
Bangladesh	Support for non-formal primary education — NFPE (Dec. 2006 to Dec. 2010)	Primary education	28,3	Results achieved to date
Bangladesh	Technical and vocational education and training (2007–12)	TVET	14,0	Too early to assess
Burkina Faso	Programme d'appui au secteur de l'éducation de base — PASEB (1999–2004)	Basic education	9,9	Results mostly achieved
Liberia	EC support to education in Liberia — ECSEL (2006–10)	Governance and primary education	12,0	Results not achieved to date
Niger	Programme soutien à l'éducation de base dans deux zones éducatives innovantes — Souteba (2002–09)	Basic education	8,7	Results mostly achieved
Niger	Programme d'appui à la formation professionnelle continue et l'apprentissage (phase 2005–07)	TVET	5,6	Results achieved
Niger	Programme d'appui à la formation professionnelle continue et à l'apprentissage (phase 2008–10)	TVET	2	Results achieved to date
Pakistan	The northern Pakistan education programme (2003–08)	Basic and higher secondary education	19,3	Results achieved
Tanzania	Education quality improvement through pedagogy — EQUIP, project with Oxfam UK (2005–09)	Education facilities and training	0,69	Results mostly not achieved or cannot be measured ⁴
Tanzania	Youth with disabilities community programme — Project with Fida International (2005–11)	Health education	0,75	Results mostly not achieved to date or cannot be measured
Tanzania	Civil society action for girls' education — Project with Camfed (2008–10)	Primary education	0,88	Results mostly achieved to date
Tanzania	Promoting access to education for deaf, blind and multiply disabled children — Sense International (2008–13)	Education facilities and training	0,24	Results mostly achieved to date

ANNEX IV

Country	Intervention	Subsector of intervention	Amount (committed)	Rating
Funding modality: contribution to a trust fund				
Global	Contribution to the FTI — Catalytic Trust Fund (EDF intra-ACP allocation)	Basic education	63,0	Results mostly not achieved to date
Global	Contribution to the FTI — Catalytic Trust Fund ('Investing in people' thematic programme)	Basic education	31,1	Results mostly not achieved to date
Global	Contribution to the FTI — Catalytic Trust Fund (contribution to the Secretariat — 'Investing in people' thematic programme)	Basic education	1,0	Results mostly not achieved to date

¹ The policy matrix does not include sufficient output and outcome indicators to assess results. Results in terms of financial input indicators and quantitative indicators regarding administrative and regulatory investments are being achieved to date.

² The results achieved refer to the only year for which targets were defined, 2006/07. While three out of four targets were achieved for 2006/07, for two out of the four performance indicators targets and data were not available for the last two years of implementation (2007/08 and 2008/09).

³ The amount available for the variable tranche comprised 9 million euro for the financial year 2008/09 and 6,3 million euro of undisbursed tranches from the financial year 2007/08. Of this variable tranche a maximum of 50 % could be disbursed on the basis of the performance on education indicators, while the remaining 50 % would be determined by the performance indicators on health.

⁴ This particular project has had a very positive and measurable impact in the municipality where it was implemented. This includes significantly improved enrolment rates and pass rates in primary schools and the commitment of local authorities to maintain and fund the established infrastructure for teacher training centres. However, the Court's assessment of the results achieved strictly refer to the expected results as they are formulated in the revised log-frame used in the final evaluation report (EQUIP — Final evaluation report — December 2008, Annex E).

OVERVIEW OF SUMMARY RESULTS ACHIEVED PER COUNTRY AND PROGRAMME AUDITED/REVIEWED

Note on colours used in the tables:

black — indicator used in the report to measure progress in general and towards ensuring primary education, and/or gender equality and quality of education (includes cases where the target was almost but not fully achieved (see for instance gross enrolment rate in Bangladesh));

blue — indicator used to measure only progress in general;

orange — target not achieved.

BANGLADESH

Second primary education development programme (PEDP II) 2003–09

1. The PEDP II includes specific key performance indicators (KPIs) for measuring improvements. The table below summarises the progress achieved on 14 KPI as given in the 'PEDP II primary education annual sector performance report 2009'. The table shows that six out of the 14 key performance indicators are below target and three of these even have a negative trend. The critical KPIs targets that are unlikely to be achieved relate to: (i) cycle completion rate, (ii) pupil learning achievement, and (iii) share of education expenditure in GNP.

Comparison between expected and achieved results

Indicator	Baseline 2005	Result 2008	Target 2009	Overall trend	Target achieved/not achieved
Gross enrolment rate	93,70 %	97,60 %	98 %	Nearly on target	Achieved
Net enrolment rate	87,20 %	90,80 %	90 %	On target	Achieved
Completion rate	52,10 %	50,70 %	55 %	Below target Negative trend	Not achieved
Stipend recipients (in millions)	4,3	4,8	4,3	Above target	Achieved
Transition rate from grade 5 to 6	92,40 %	95,6	96 %	Nearly on target	Achieved
Education expenditure as % of GNP	1,93	2,14	2,80	Below target	Not achieved

Indicator	Baseline 2005	Result 2008	Target 2009	Overall trend	Target achieved/not achieved
Primary education expenditure in % of total education expenditure	37,10	40–41	45	Below target	Not achieved
Pupil absenteeism	23 %	19 %	18 %	Nearly on target	Achieved
Pupils per teacher ratio	54	50	46	Positive trend	Achieved
Repetition rates grades 1 to 5	12,10 %	12,60 %	Below 10 %	Slightly negative trend	Not achieved
Efficiency coefficient in years of input	8,1	8,6	7,5	Negative trend	Not achieved
Dropout rates grades 1 to 4	14,2 % (Gr1) 8,5 % (Gr2)	13,2 % (Gr1) 8,8 % (Gr2)	6 % fall	Not on target	Not achieved
	11,0 % (Gr3)	9,0 % (Gr3)			
	12,5 % (Gr4)	16,7 % (Gr4)			
Learning competences skills grade 5	51,4 %	65,90 %	Not fixed	Not comparable	N/A
Disadvantaged children enrolled	45,70 %	77,50 %	15 % rise	Above target	Achieved

2. Progress towards access targets is on track. Furthermore, the targeted gender parity in primary school enrolment was achieved. However, these access indicators mask considerable variations among districts and specific poor groups. The data produced by the current monitoring and evaluation system do not allow an analysis of these variations. Pupil absenteeism was very near to the target of 18 % for 2009, although it was still too high.
3. As regards quality, the pupil:teacher ratio achieved half of the expected reduction to 46 for 2009, and the pupil:classroom ratio (not included in these KPI) was still high (62:1 versus target of 46:1).
4. The biggest unsolved problem appears to be the very high dropout and failure rates, with over half of the children not even completing primary education. The 2009 joint annual review mission of the programme complained that the overall dropout rate of 49,3 % in 2008 remained unacceptably high (target for 2009: 45 %), and that public spending on education of 2,14 % GNP in 2008 was still far short of the target of 2,8 % for 2009.

BURKINA FASO

Poverty reduction budget support programme with specific education allocations (PRBS) 2005–08

5. The support to education under this programme was intended to increase access, to improve the efficiency of the primary school system, to reduce gender gap, to improve teaching conditions, and to assure sufficient financial resources for education. As can be seen from the information provided in the table below, although the five indicators related to ensuring primary education and gender parity used in the poverty reduction budget support programme 2005–08 have achieved their target, only two of those related to quality education used in the specific allocation to education achieved their intended result.

Comparison between expected and achieved results

Indicators	Baseline 2003	2006		Target achieved/ not achieved
		Target	Result	
Budget support — education indicators				
Gross intake rate at grade 1 (girls)	61,50 %	69,50 %	73,20 %	Achieved
GER (primary)	52,20 %	60,30 %	66,60 %	Achieved
GER in the 20 priority provinces	37,60 %	49,10 %	52,30 %	Achieved
GER girls	46,30 %	55,40 %	61,20 %	Achieved
Completion rate (primary)	31,30 %	35,00 %	36,40 %	Achieved
Execution rate of Ministry of Education (MEBA) budget	> 90 %	90,00 %	88,60 %	Not Achieved
Sector budget support education*				
Pupil:teacher ratio	52		54	Not achieved
Book:pupil ratio (Arithmetic)	0,22		0,73	Achieved
Book:pupil ratio (Language)	0,32		0,58	Achieved
Percentage of pupils without seats	15,4		21,4	Not achieved

* Only positive trend was required.

6. In primary schools, the increase in the number of teachers, classrooms and seats did not meet the number of enrolled children, which was higher than expected. As regards efficiency, the number of children dropping out of school was still high and the completion rate low. Although progress was achieved in the monitoring of the national programme (Plan décennal de développement de l'éducation de base) the financing of the programme and of basic education did not increase in terms of allocations or in terms of budget execution.

LIBERIA

EC support to education in Liberia (ECSEL) 2006–10

7. Few of the observed changes in the education outcomes in Liberia can be attributed (even partially) to ECSEL. The considerable delays in ECSEL implementation do not yet allow for a general assessment of the results of the project. Still, the 'empirical' improvement in the textbook-to-pupil ratio to 1:2 and progress in the development of the education management information systems had been achieved with contributions from ECSEL. With 80 % of the operational implementation period passed, only 19 % of the planned project activities have been completed, and 37 % of the planned activities cannot be completed before the end of this period and will require a rider to the financing conditions.

NAMIBIA

Education sector programme (ESP) 2003–09

8. The focus of ESP has been on secondary level access and completion with limited attention paid to primary education, to MDGs and EFA goals. Although ESP started already in September 2003, it was not possible to fully assess the programme contribution to planned improvements in education outcomes due to its initial low implementation, the subsequent change in the programme strategy and shortcomings in the monitoring system. However, where overall indicators are available, they continue to show mixed results (see the table below). The overall progress on education outcomes was assessed by the Government of Namibia and the delegation as mixed, with poor performance in terms of quality and addressing inequalities.

Comparison between expected and achieved results

Subsector	Indicators	Baseline data 2005	2008		Target achieved/ not achieved
			Target	Result	
Access					
Early childhood and pre-primary	Number of children aged 5–6 enrolled in pre-primary schools	To be collected	2 500	1 081	Not achieved
Primary	Net enrolment rate for grades 1 to 7	93,6 %	96,0 %	97,4 %	Achieved
Secondary	Net enrolment rate for grades 8 to 12	49,5 %	54,0 %	54,5 %	Achieved
	Annual increase in the number of students in senior secondary level	28 500	34 500	33 401	Not achieved
	Grade 11 intake (new students)	14 777	18 137	17 376	Not achieved
Tertiary	General enrolment in University of Namibia	8 864	9 773	8 361	Not achieved
	General enrolment at the Polytechnic of Namibia	6 079	7 200	9 410	Achieved
Vocational education and training	Enrolment in Cosdec (community skills development centres)	495	1 650	1 149	Not achieved
	Enrolment in Levels 1, 2 and 3 in existing vocational training centres (VTC)	1 160; 892; 681	1 850; 1 250; 900	1 652; 1 018; 620	Not achieved
Information, adult and lifelong learning	Number of schools per region that have family literacy in place	1	7	10	Achieved
Quality					
Early childhood and pre-primary	Percentage of children entering primary having successfully completed the revised school readiness programme	2009 set as baseline year	No target	No data	N/A
Primary	Survival rates in grade 5	88,0 %	94,5 %	89 %	Not achieved
	Percentage of learners achieving D or better in mathematics, science and English in grade 5	No baseline data	No target	No data	N/A
Secondary	Survival rates in grade 8	69,0 %	77 %	72 %	Not achieved
	Percentage of learners achieving D or better in mathematics, science and English in grade 10	Mat = 36,2; Sci = 38,3; EN = 45,4	Mat = 42,2; Sci = 48,1; EN = 52,4	Mat = 39,6; Sci = 46,3; EN = 42,8	Not achieved
	Survival rates in grade 11	31,0 %	36 %	38 %	Achieved
	Percentage of schools (primary and secondary) meeting the textbook ratio 1:2 in mathematics, science and English	Ongoing baseline study (2009)	No target	No data	N/A

Subsector	Indicators	Baseline data 2005	2008		Target achieved/ not achieved
			Target	Result	
Vocational education and training	VTC completion rate for all 3 levels	0,56	70 %	77 %	Achieved
	COSDEC completion rates	No baseline data	75 %	93 %	Achieved
Information, adult and lifelong learning	Adult literacy (15 years +)	84 %	87 %	No data	N/A
Equity					
Primary and secondary	Percentage of the recurrent budget allocated through the per capita financing formula	N/A	No target	No data	N/A
Secondary	Reduction in the number of secondary teachers without formal teaching in the most disadvantaged regions	No baseline data	No target	No data	N/A
Information, adult and lifelong learning	Adequate regional resource and study centre facilities provided in 4 of the 13 regions by 2013	No baseline data	No target	No data	N/A
	Education radio programme broadcast by Namibian College of Open Learning (Namcol)	N/A	90	108	Achieved
Efficiency					
Primary	Repetition rate in grade 1	19,6 %	14,4 %	Data not yet available	N/A
	Repetition rate in grade 5	22,1 %	16,1 %	Data not yet available	N/A
	Learner:teacher ratio*	30,7 %	33,70 %	29,40 %	Achieved
Secondary	Repetition rate in grade 8	23,1 %	16,1 %	Data not yet available	N/A
	Learner:teacher ratio	24,9 %	26,4 %	24,4 %	Achieved
	Percentage of school managers on performance contracts	N/A	30	Data not yet available	N/A
Vocational education and training	Percentage increase in revenue from the levy	N/A	No target	No data	N/A
Information, adult and lifelong learning	Funding formula for grants to NAMCOL revised	N/A	Finalised	Submitted. Waiting for approval	N/A

* The learner:teacher ratio has not been taken as an indicator of quality because the target was to increase the ratio for cost and efficiency reasons instead of decreasing it (which would indicate quality concerns).

Subsector	Indicators	Baseline data 2005	2008		Target achieved/ not achieved
			Target	Result	
HIV/AIDS					
All subsectors	Percentage of primary and secondary schools with HIV/AIDS plans	Baseline data is collected	No target	No data	N/A
	Percentage of learners (from grade 5 up to grade 12) exposed to life skills education	No baseline data	100 %	100 %	Achieved
	Number of orphans and vulnerable children receiving psycho-social support	No baseline data	No target	18 000	N/A
	Number of orphans and vulnerable children under the school feeding programme	No baseline data	150 000	200 000	Achieved
	Percentage of secondary schools with student counselling programmes	Baseline data is collected (2007)	No target	No data	N/A

9. Available indicators demonstrate decreasing trends in enrolment and survival rates since 2005. The unusual improvement in the 2008 enrolment rate is questionable due to a change in the calculation method of the ratio. Significant achievements in the reduction of gender disparities in education have been achieved. Available indicators do not demonstrate improvements in the quality of the education during ESP implementation (except the introduction of life skills in the curriculum) while a lack of indicators does not allow for assessing improvements in addressing inequalities (e.g. social, ethnic or regional disparities) with the exception of orphans and vulnerable children having access to feeding programmes.

NEPAL

Education sector policy support programme (ESPSP) 2008–13

10. The ESPSP financed only the last two fiscal years (2007/08 and 2008/09) of the five-year national 'Education for All' programme (EFA)¹. In addition, the financing agreement was not signed until mid-2008 when the EFA programme was reaching its last year, and the payments were made quickly, in the space of one year. The ESPSP contribution to achieving EFA goals was therefore limited.

¹ The ESPSP also provides sector budget support for capacity development.

11. Only four of the 18 indicators selected for EFA have fully reached their target: the gross enrolment rate (GER) for early childhood development (66,2 % as against 51 %), the percentage of teachers with the required certification (100 % as against 99 %), the literacy rate (target of 82 % reached in 2008) and the gender parity index for grades 1 to 5 (0,98 as against 0,9). One indicator has partially met its target, i.e. learning achievement at grade 5 (only for social studies) (see the table below).

Comparison between expected and achieved results

Indicators	Baseline 2001	2009		Target achieved/ not achieved
		Target	Results 2009 (unless otherwise specified)	
Expanding early childhood development (ECD) and pre-primary childhood (PPC) services to poor and disadvantaged children				
• GER for ECD/PPC	13 %	51 %	66,20 %	Achieved
• New entrants in grade 1 with ECD	8 %	60 %	49,90 %	Not achieved
Ensuring access to education for all children				
• NER for grades 1 to 5	81 %	96 %	93,70 %	Not achieved
• Gross intake rate at grade 1*	141 %	110 %	144 %	Not achieved
• Net intake rate at grade 1	54 %	95 %	86,40 %	Not achieved
• GER primary	123 %	104 %	141,40 %	Not achieved
Meeting the learning needs of all children				
• Repetition rate at grade 1	39 %	10 %	26,50 %	Not achieved
• Repetition rate at grade 5	9 %	3 %	6,7 % (females 6,8, males 6,6)	Not achieved
• Survival rate to grade 5	66 %	86 %	77,9 % (females 80, males 78)	Not achieved

* Gross intake rate at grade 1 above 100 % is difficult to interpret. It may reflect unreliable population data and/or significant late enrolment, re-enrolment of dropouts, repetition counted as new enrolment or even migration from neighbouring populations. For this reason, this indicator is not taken as a measure of enrolment in this report.

Indicators	Baseline 2001	2009		Target achieved/ not achieved
		Target	Results 2009 (unless otherwise specified)	
Reducing adult illiteracy				
• Literacy rate 15+	48 %	66 %	55,6 % (2008)	Not achieved
• Literacy rate age group 15–24	70 %	82 %	Females 15–19: 79,7 % (2008)	Not achieved
			19–24: 69,8 % (2008)	
			Males 15–19: 91,9 % (2008)	Achieved
			20–24: 89,5 % (2008)	Achieved
• Literacy rate 6+	54 %	76 %	63,2 % (2006)	Not achieved
			Males: 75	Achieved
			Females: 53	Not achieved
• Literacy gender parity index 15+	0,6	0,9	0,71 (2008)	Not achieved
Eliminating gender disparity				
• Gender parity for grades 1 to 5	0,6	0,9	0,98	Achieved
Improving all aspects of quality education				
• Pupil:teacher ratio at primary	39	37	41,7	Not achieved
• Percentage of teachers with required qualification and training	15	99	91,70	Not achieved
• Percentage of teachers with required certification	16,6	99	100	Achieved
• Percentage of learning achievement at grade 5	40	60	Nepali 45 (2008)	Not achieved
			English 40 (2008)	Not achieved
			Maths 48 (2008)	Not achieved
			Science and env. 46 (2008)	Not achieved
			Social studies 65 (2008)	Achieved

12. Even though targets were not met for most of the indicators, and some of them are difficult to interpret because of the fragility of the population data, they generally showed progress on most aspects. However, there are vast disparities between districts for most of the indicators, and many of the issues identified during the BPEP II and hindering progress towards EFA goals remain (see below). Progress has been less significant in reducing adult illiteracy and in improving the quality of education. Despite progress, there is still much inefficiency in the school system. Strong commitment towards education ensures institutional sustainability, although Nepal remains highly dependent on donor support.

Basic and primary education programme II 1999–2004 (BPEP II)

13. There are no performance indicators in the financing agreement and the audit has been limited by inconsistency in the use of the key performance indicators through the programme². Evaluations of the programme made little use of indicators. Therefore, it was not possible to compare the results achieved with any particular benchmarks and targets.
14. The BPEP II contributed to bringing children into the primary school system and to decreasing the gender gap. However, boys enrolled at much higher rates than girls, there was a lack of female teachers, and lack of parity in private schools remained a concern. Improvements in reducing repetition and dropout rates remained modest, and the programme had little impact on bringing marginalised and disadvantaged children into the schools. Improvements in access might be overstated. Improvements in quality were difficult to demonstrate, and there was little evidence of gains in this area. BPEP II helped to develop capacities at all levels but many shortcomings were identified.
15. The 'Appraising EC support to EFA' report concluded that there is little evidence of the impact of BPEP II. The perception is that of an absence of impact in relation to the funding provided, and too much focus on ensuring access to the detriment of improving quality. However, the programme helped to strengthen ownership and partnership and paved the way for key policy development and implementation issues in many areas of basic and primary education.

² The programme implementation plan had a set of indicators which are not the same as those of the policy framework. After the mid-term review of the programme, the indicators were changed to the EFA indicators to be used for the new EFA programme.

NIGER

Poverty reduction budget support programme with specific education allocations (PPARP) 2006–08

16. As can be seen from the table below, the programme did not achieve its intended results except for the execution rate of the Ministry of Education budget.

Comparison between expected and achieved results

Indicator	Baseline data 2005	2006		Target achieved/ not achieved
		Target	Result	
Pupil:table ratio in rural areas	4	3,7	3,8	Not achieved
GER (primary)	45,4 %	57 %	54 %	Not achieved
GER girls	36,5 %	49 %	44 %	Not achieved
GER in rural areas	42,6 %	54 %	52 %	Not achieved
Completion rate (primary)	24,7 %	43 %	40 %	Not achieved
Utilisation rate of MOE budget		> 90 %	95,60 %	Achieved

17. Enrolment rates improved quite significantly (10 points percentage increase in the GER in three years in rural areas) over this time, although retention is still problematic and few pupils complete a full cycle of primary education. Learning achievements are also low. Gender issues, and to some extent the high proportion (83 %) of the population living in rural areas and the expansion of bilingual education, were not fully taken into consideration in the programme and consequently insufficient funding was allocated to these aspects.

PAKISTAN

Sindh education plan support programme (2006–11)

- 18.** The programme has had a slow start up: although the financing agreement was signed at the end of 2006, the first payment was made only in October 2008. Furthermore, the results matrix of the financing agreement does not follow the programming guidelines for education in terms of output and outcome indicators. This is due to the fact that the EU contributes together with the World Bank to the education sector in Sindh province and the World Bank does not follow the same approach as the EU. The matrix does not include sufficient output indicators to give an indication of the education system's capacity, which has a direct impact on the quality of education provided (e.g. pupil:teacher ratio, book:pupil ratio, teacher:classroom ratio). Outcome indicators measuring results concerning access to education (i.e. enrolment rates) and efficiency (e.g. completion rate) are also missing in this matrix. Therefore, it was not possible to compare results with specific benchmarks and targets. A new, revised matrix, introduced in 2010, contains more indicators but the number of outcome indicators is still limited.

TANZANIA

Poverty reduction budget support programme (2006–08) and support to education sector reform programme (2006–10)

- 19.** As can be seen from the information provided in the tables below, although three out of the four indicators used in the poverty reduction budget support programme 2006–08 have achieved their target, the support to education sector reform programme has not yet achieved the planned results and indicators do not show the planned improvements. For eight out of the ten indicators the target was not achieved in 2008/09. The number of indicator targets not achieved or partly achieved increased from six to eight between 2007/08 and 2008/09, demonstrating a negative trend. The draft mid-term review (MTR) came to the conclusion that 'SBS is mostly off track, i.e. only a minority of SBS indicators have been globally achieved, many of which are behind schedule, and only in a minority of cases are adequate measures taken when (they are threatening to go) off track'.

Comparison between expected and achieved results

Poverty reduction indicators for PRBS03 — Education (indicators used for the December 2008 disbursement only)

Indicator	Baseline 2005 (^a 2006) (%)	Target for 2006 (^b 2007) (%)	Data for 2006/07 (%)	Target achieved/ not achieved
Net primary school enrolment rate	96,1 ^a	97,5 ^b	97,3	Achieved
Girl:boy ratio in secondary education	88,7 ^a	90 ^b	87,8	Not achieved
Percentage of students passing primary school leavers' exam	61,8	62,5	70,5	Achieved
Transition from standard 7 to form 1	49,3	54	60,3	Achieved

Support to education sector reform programme (2006–10)

Indicator	Baseline data 2005	2008/09		Target achieved/ not achieved	
		Targets	Result		
Reduction of cross-district disparities in the net enrolment ratio in primary education	8,8 %	7 % (2007)	3,98 %	Achieved	
Pupils:grade A or diploma teachers in primary education	88	50 (2007)	63	Not achieved	
Reduction of cross-district disparities in pupils:teacher ratio in primary education	12,9 %	8,6 % (2007)	13,3 %	Not achieved	
Pupils:textbook in primary schools	3:1	1:1 (2007)	3:1	Not achieved	
Percentage of girls passing primary school leavers' exam	54,6	65 (2007)	45	Not achieved	
Gross enrolment ratio (GER) in secondary	GER in form 1 to form 4	15,90 %	30 % (2007)	36,2 %	Achieved
	GER in form 5 to form 6	2,40 %	6,5 % (2007)	4,0 %	Not achieved
Gross enrolment ratio of girls in forms 5 and 6	0,9 %	2 % (2007)	2,9 %	Achieved	
Percentage of students passing the form 4 examination	89,2	93 (2007)	90,3	Not achieved	
Public expenditure on education as a percentage of total public expenditure	18,7 (FY 2005–06)	25,0 (FY 2007–08)	19,8	Not achieved	
Percentage of local government administrations awarded clean audits by the National Audit Office	53 (FY 2005–06)	75 (FY 2006–07)	54 (FY 2007–08)	Not achieved	

- 20.** The net primary enrolment rate increased from 59 % in 2000 to 97,3 % in 2006 and then decreased slightly to 95,9 % in 2008. The high enrolment rates also have to be seen in the context of increasing dropout rates, which have now nearly returned to the level of 2003. The number of students increased by 12 % per year from 2000 to 2003 and since then has increased by some 4 % per year. Equal access for girls and boys has almost been achieved, while the proportion of children with disabilities in primary school declined from 2007 to 2008 and has generally only made slow progress.
- 21.** MDG 2 gave the Government of Tanzania (GoT) an incentive to pay more attention to enrolment than to the quality of education. Quality indicators show either a downwards trend or are at risk. The ratio between the number of students starting school with those passing Standard VII (cohort completing Standard VII) decreased from 70 % in 2000 to 62,4 % in 2008. This evolution has to be seen in the context of the implementation of the free primary school policy in 2002, which increased the number of students dramatically but with a decline in education quality. The primary completion rate (Standard VII exam pass rate) increased from 22 % in 2000 to 54,2 % in 2006 and then decreased to 52,7 % in 2007. The primary school pupils:textbook ratio of 3:1 for basic education was in 2008 still the same as agreed between the EC and the GoT in the CSP 2001–07 of March 2002. The ratio between primary school pupils and classrooms had improved in 2007 (77:1) compared with 2006 (92:1). However, in 2008 (109:1) it was again significantly above the level of 2006.

PROGRESS TOWARDS ENSURING PRIMARY EDUCATION IN THE COUNTRIES EXAMINED

Country	Indicator	Year		
		2000	2005	2008
Bangladesh	Net enrolment rate, total	N/A	87,2	85,5
	Completion rate, total	59,5	61,1	54,5
Burkina Faso	Net enrolment rate, total	36,0	45,3	60,1
	Completion rate, total	25,1	31,1	38,0
Liberia	Net enrolment rate, total	42,0	N/A	31,0
	Completion rate, total	N/A	N/A	54,7
Namibia	Net enrolment rate, total	88,8	89,6	89,0
	Completion rate, total	91,6	86,2	80,8
Nepal	Net enrolment rate, total	65,0	79,2	80,0
	Completion rate, total	63,2	76,0	78,2
Niger	Net enrolment rate, total	26,7	42,2	49,5
	Completion rate, total	17,9	29,3	37,9
Pakistan	Net enrolment rate, total	54,0	64,7	66,1
	Completion rate, total	N/A	60,8	60,3
Tanzania	Net enrolment rate, total	52,9	90,2	99,3
	Completion rate, total	57,2	55,0	82,6

Source: Unesco.

Lack of data for Liberia partly due to the recovering from 14 years of civil war.

Number in italics: data from another year.

Completion rate as measured by gross intake ratio to the last grade of primary.

PROGRESS TOWARDS GENDER PARITY IN THE COUNTRIES EXAMINED

Country	Indicator	Year		
		2000	2005	2008
Bangladesh	Gender parity index for net enrolment rate. Primary	N/A	1,05	1,02
	Net enrolment rate. Primary. Female	N/A	89,5	86,3
	Net enrolment rate. Primary. Male	N/A	85,0	84,7
	Completion rate. Primary. Female	61,4	63,3	57,1
	Completion rate. Primary. Male	57,5	59,0	51,9
Burkina Faso	Gender parity index for net enrolment rate. Primary	0,71	0,80	0,86
	Net enrolment rate. Primary. Female	29,8	40,1	55,7
	Net enrolment rate. Primary. Male	42,0	50,4	64,4
	Completion rate. Primary. Female	20,6	26,9	33,5
	Completion rate. Primary. Male	29,4	35,1	42,3
Liberia	Gender parity index for net enrolment rate. Primary	0,77	N/A	0,93
	Net enrolment rate. Primary. Female	37,0	N/A	30,0
	Net enrolment rate. Primary. Male	48,0	N/A	32,0
	Completion rate. Primary. Female	N/A	N/A	49,8
	Completion rate. Primary. Male	N/A	N/A	59,7
Namibia	Gender parity index for net enrolment rate. Primary	1,06	1,06	1,05
	Net enrolment rate. Primary. Female	91,3	92,2	91,1
	Net enrolment rate. Primary. Male	86,3	86,9	86,9
	Completion rate. Primary. Female	97,4	90,1	85,8
	Completion rate. Primary. Male	85,8	82,3	75,9
Nepal	Gender parity index for net enrolment rate. Primary	0,79	0,87	0,97
	Net enrolment rate. Primary. Female	57,0	73,8	78,0
	Net enrolment rate. Primary. Male	72,0	84,4	81,0
	Completion rate. Primary. Female	54,6	72,3	77,5
	Completion rate. Primary. Male	71,3	79,6	78,8

ANNEX VII

Country	Indicator	Year		
		2000	2005	2008
Niger	Gender parity index for net enrolment rate. Primary	0,70	0,72	0,78
	Net enrolment rate. Primary. Female	21,9	35,2	43,2
	Net enrolment rate. Primary. Male	31,2	48,8	55,4
	Completion rate. Primary. Female	14,4	23,1	31,5
	Completion rate. Primary. Male	21,3	35,1	43,9
Pakistan	Gender parity index for net enrolment rate. Primary	N/A	0,76	0,83
	Net enrolment rate. Primary. Female	N/A	55,7	59,7
	Net enrolment rate. Primary. Male	N/A	73,3	72,2
	Completion rate. Primary. Female	N/A	50,4	53,4
	Completion rate. Primary. Male	N/A	70,6	66,9
Tanzania	Gender parity index for net enrolment rate. Primary	1,03	0,98	1,00
	Net enrolment rate. Primary. Female	53,6	89,4	99,1
	Net enrolment rate. Primary. Male	52,3	91,0	99,6
	Completion rate. Primary. Female	56,0	53,9	80,8
	Completion rate. Primary. Male	53,9	56,1	84,5

Source: Unesco.

Lack of data for Liberia partly due to the recovering from 14 years of civil war.

Number in italics: data from another year.

Completion rate as measured by gross intake ratio to the last grade of primary.

REPLY OF THE COMMISSION

EXECUTIVE SUMMARY

III.

The Commission notes the significant progress that has been made towards targets in the education sector. In addition to 45 % of indicators being fully achieved, a further 30 % were clearly making progress as noted by the Court in point 18. This is a remarkable achievement by partner countries on indicators, many of which need a long time span to show change. Maintaining good progress is an even bigger challenge in countries with quick demographic growth. The Commission acknowledges that more effort is needed to improve education quality and is now working to address this in partnership with EU Member States.

IV.

The programming of the 10th EDF in sub-Saharan Africa arose out of detailed country-by-country processes and analysis. General budget support (GBS) tended to continue in those countries where education was not proposed as a focal sector (e.g. Tanzania, Zambia). While it has been the Commission's approach to emphasise the social sectors in the definition of the specific indicators of its GBS programmes, it should be recognised that such programmes are nevertheless grounded in the full range of development concerns of the beneficiaries.

Regarding the Court's observation on safeguards, pooled funding and budget support are two different financing modalities in which risks and 'risk mitigating measures' will differ and are not easily compared. However, risk assessment is always part of programme preparation. In the case of budget support, risks are addressed and mitigated through dialogue and capacity development, often provided through a joint and coordinated manner by involved donors. The strongest mitigating measure is when the Commission reserves the right to withhold disbursements if the eligibility conditions are not fulfilled.

V.

Measuring learning achievements (indicating the quality of the education system) is a challenge in most countries. This information is not usually part of the regular education management information system (EMIS) data; often it relies on surveys which are dependent on external financing. It is for this reason that 'proxies' are regularly used to capture quality improvements. Strengthening statistical systems in general, and EMIS in particular, is commonly part of the Commission's support to sector policies.

Moving towards using more indicators for education quality will require setting up measuring systems and building up and strengthening national EMIS systems. As the Court itself implies in its observation, there is a lot that needs to be done in countries in this context. In addition, we would like to point out that the Commission's staff working document (SWD) 'More and better education in developing countries' issued in February 2010 and distributed to delegations gives guidance on quality issues for policy dialogue.

VI.

Concerning education expertise, the Commission acknowledges that there are staffing gaps in some delegations. Several delegations have made agreements under the EU 'division of labour' (DoL) policy to delegate 'sector policy dialogue' to an EU Member State, where they have the relevant sectoral expertise.

REPLY OF THE COMMISSION

INTRODUCTION

1. The MDGs are 'joint commitments between international donor community and partner governments. These goals are aspirational for many countries and as indicated by the Court in Annex III, 'EU-funded interventions often provide a limited share of all the overall resources available'.

5. Having recognised the challenge of quality in education, the Commission issued the staff working document (SWD) 'More and better education in developing countries' in February 2010, which gives policy guidance to delegations on this issue.

6. In addition to providing funding, through its convening power, the Commission is also playing an important role in coordinating EU Member States, promoting joint approaches and facilitating division of labour as regards pertinent needs, sectors and regions.

8. The Court has observed a decrease in support to education in the 10th EDF, which reflects the outcome of a series of decisions at country level including the selection of other priority sectors, and enhanced division of labour and coordination between donors.

AUDIT SCOPE AND APPROACH

14. The Commission underlines that cooperation with partner countries is based on mutual trust and mutual accountability, with the partner country carrying the main responsibility for implementation of policy and subsequent achievement of results. The foreseen outcomes are agreed together with the partner government, in coordination with other donors also contributing to the sector. As mentioned by the Court in Annex III, the Commission's financial support to education is normally only a fraction of the national budget for education.

OBSERVATIONS

18. The Commission notes the significant progress that has been made towards targets. The long-term time frame needed for targets to be met and the challenges of demographic growth should also be borne in mind when interpreting the results. The Commission acknowledges that more effort is needed to improve education quality and is now working to address this in partnership with EU Member States.

19. The issue of ensuring sustainability has been — in addition to ownership and reduction of transaction costs — a factor influencing the move towards sector-wide and programme-based approaches, which allow the application of a mix of different aid modalities within a policy and budget framework agreed with the government.

REPLY OF THE COMMISSION

Box 1 – Burkina Faso: example of project with problems of sustainability

Difficulties in coordinating donor support (for example, for water supply for schools) with public programmes (support for canteens) are precisely the reasons why the majority of the Commission's support has switched from project to sector approach.

In Burkina Faso, 'education centres' were devoted to different education related activities in order to respond to the changing needs. Buildings were reconverted into other uses in the sector, such as vocational training centres which are also much needed facilities.

22.

The Commission would like to clarify that Table 2 only shows progress in two categories: 'fully achieved' and 'not achieved'. Employing a more dynamic approach, the Commission would like to highlight the importance of progress made on a number of indicators, including those which are not fully achieved. For instance, in the case of Nepal, according to Annex V, seven out of the eight indicators marked as 'not achieved', show a substantial positive trend, though not reaching the exact target. All the three indicators marked as 'not achieved' for Niger, show very good progress being very close to the target values.

23.

In addition, the Commission acknowledges that significant progress was made in net enrolment rate (NER) in Nepal and in gross enrolment rate (GER) in Niger (see Annex V).

25.

Literacy rates are very rarely used as a means to 'incentivise' performance in the sector, due to the long time frame required for progress to be achieved. Ensuring continual monitoring of literacy rates is, however, part of the overall monitoring framework for the sector.

26.

The Commission welcomes the Court's positive findings on enrolment since 2000, as well as the recognition of the different internal and external factors which affect completion rates. Substantial demographic growth should also be mentioned as an external factor affecting the pupil:teacher ratio in a country and consequently the quality of education being delivered. The case of Burkina Faso illustrates how progress in enrolment is often difficult to be maintained in terms of completion due in some part to factors external to the education system.

27.

The Commission agrees that the millennium development goals (MDGs) and Education for All (EFA) goals are not realistic for many of the world's poorest countries to achieve by the internationally agreed target year of 2015. This is why the Commission in its guidelines emphasises the importance of setting targets together with the partner country, taking into account the country context. The targets should be realistic but also sufficiently ambitious: the aspirational nature of the MDGs for many countries should always be borne in mind.

28.

The Commission's recent staff working document 'More and better education in developing countries' acknowledges that demographic growth is a factor to be taken into account.

REPLY OF THE COMMISSION

29.

The Commission agrees with the Court that using a combination of financing modalities enables a strengthened response to the needs of 'hard to reach' children.

Box 2 – Namibia: The Education sector programme does not sufficiently focus on the poorest

The Commission's support to Namibia under the 9th European Development Fund required monitoring of 'prior actions' which focused on equity objectives. The issue of the 'School Development Fund' and 'Education Development Fund' have been raised in all annual reviews. The introduction of new systems (school profiling and early grade reading assessment) have been agreed upon through dialogue and their implementation is now supported within the framework of the 10th EDF sector policy support programme (SPSP).

Bangladesh: The support to non-formal primary education project gives quality primary education to hard-to-reach children

The Commission welcomes the positive observations of the Court regarding the EU-funded non-formal education project in Bangladesh.

30.

The Fast Track Initiative (FTI) is a global initiative that aims to improve: the quality of national education sector policies, efficiency of expenditure, capacity development, donor coordination, harmonisation and alignment as well as mobilising financing in support of endorsed sector plans. The FTI financing mechanisms (trust funds) are an important but relatively small part of the overall financing available at either country or especially global level. The conclusions of the FTI evaluation report result mainly from looking at aggregate figures at global level, and not from analysing and drawing conclusions on specific FTI countries or subgroups of FTI countries.

Concerning the issue of 'inherent tension of the FTI's focus on primary education and the broader Education for All (EFA) goals', the situation has changed. The FTI Board decided in its meeting of 5 and 6 May 2010, that (i) in policy dialogue, technical assistance and capacity development, the FTI will address the whole sector and (ii) that the FTI Catalytic Fund (a multi-donor trust fund of the FTI) support will cover all EFA goals.

31.

There is strong association between poverty and gender inequalities in education: gender disparity is inversely related to wealth. Disparities rise for girls born into the poorest households (see *EFA global monitoring report 2009*).

REPLY OF THE COMMISSION

33.

Public policies and governance initiatives to remove the 'economic barriers' can help overcome gender inequalities, but removing socio-cultural barriers to equity is more difficult.

34.

In Nepal, private schools are not directly supported through the education sector programme of the government, which is supported by the EU and other donors.

35.

The Commission agrees that increasing the proportion and the number of female teachers in schools can be an important measure to promote gender equality in education. The Commission would like to observe, however, that the recruitment of female teachers in rural areas, especially in least developed countries such as Nepal where literacy and availability of trained (women) teachers are low, is generally constrained. Furthermore, socioeconomic conditions are such that female teachers are usually more easily recruited in urban areas by private schools, also because they tend to offer better working conditions than public schools.

Box 3 – Niger: Insufficient promotion of gender equality in education

The Commission agrees that the environment in Niger is a difficult one in which to promote girls' education. As mentioned earlier, public policies and governance initiatives (incentives, adequate infrastructure) which seek to remove economic barriers can help overcome gender inequalities, but removing socio-cultural barriers to equity is more difficult, requiring long-term political commitment, leadership and legislation enforcing the equal rights of girls (*EFA global monitoring report 2009*).

Pakistan: Good practice in promoting gender equality in education — the northern Pakistan education programme

The Commission welcomes the Court's positive findings in Pakistan which confirm that good results can be achieved with the right approach and even in considerably challenging environments.

39.

The Commission would like to clarify that Table 4 only shows progress in two categories: 'fully achieved' and 'not achieved'. Employing a more dynamic approach, the Commission would like to highlight that progress had been made on a number of indicators, including those which are described as not achieved. In the case of Nepal, out of the five quality indicators marked as 'not achieved', four show a clear positive trend. The one indicator in Niger — pupil:table ratio in rural areas — shows significant progress, almost achieving the target (see Annex V).

41.

Teacher's recruitment is a major challenge in countries examined, as it has important implications in terms of sustainable public financing. Considering that external support is often marginal in financial terms, the recurrent part of the budget will normally depend on the availability of internal domestic resources.

For Bangladesh, the Commission agrees with the Court. Institutional capacity building is part of the Commission support. However, the transformation indeed takes longer to yield the intended efficiency gains but progress has been made as for example evidenced by increased leadership and spending capacity.

REPLY OF THE COMMISSION

42.

The education-related millennium development goal (MDG) is about 'completion' of primary education so this requires putting emphasis not only on access but also on quality measures. Having recognised the challenge of quality in education, the Commission issued the staff working document (SWD) 'More and better education in developing countries' in February 2010, which gives policy guidance to delegations on this issue.

Box 4 – Tanzania: An example of the quest for quality

Tanzania has succeeded in doubling the number of children in school in 10 years from 4 190 000 to 8 624 000 (GMR 2010). Consequently, the number of children completing primary school has also risen. Maintaining good progress is an even bigger challenge in countries with fast demographic growth because of the financial resources required to sustain positive trends in the medium and long term.

EDF-funded support to the education sector had a strong focus on quality of education, and performance indicators were balanced between access and quality of education. Indeed only 43 % of the performance-based disbursement was paid out, due to insufficient achievements on quality indicators.

47.

In Pakistan, the Commission's eligibility criteria were addressed taking into account the concept of direction of change, as mentioned in the sector policy support programmes (SPSP) guidelines. The North-West Frontier Province had been working on their sector plan since 2006 with the direct support from the Commission in 2006 and more recent support from the German Cooperation Office (Deutsche Gesellschaft für Technische Zusammenarbeit — GTZ). The unforeseen deterioration of the security situation in the Province — and the fact that government changed in 2008 — were part of the reasons why the completion of the education sector plan was delayed. Moreover, in the financing agreement there is a safeguard which stipulates that release of the first EU disbursement will be conditional upon completion of the education sector plan. Following the adoption of the education sector plan the provincial government submitted a request for the first tranche release in July 2010.

48.

Tanzania's progress with the implementation of public finance management (PFM) reforms made it eligible for the disbursement of sector budget support funds at the time when these were approved. Effective management of previous budget support programmes was one of the six eligibility criteria that were positively assessed prior to the millennium development goal contract.

REPLY OF THE COMMISSION

The Commission assessment of programmes of reform and their implementation are contained in the delegation PFM reports which form part of the GBS/SBS disbursement dossiers. The country strategy paper indicates that slow progress due to lack of ownership was being addressed by the government of Tanzania through the design of a more relevant programme of reform that was then adopted in 2008. This followed an external evaluation of the PFM reform programme that showed the need for a more strategic approach and discussions with the donor community.

49.

The Commission acknowledges that the programming guidelines (dated 2006) gave some indications for the initial programming of funds at country level, as part of the preparation of country strategy papers and indicative programmes. However, the Commission notes that the final decision concerning the financing modality is not always made at the 'programming phase' but later as part of the identification/formulation phases of the programme cycle. The existing sector policy support programme (SPSP) guidelines (July 2007) clearly outline the three financing modalities which can be used to support education: (1) project, (2) pooled funding, and (3) sector budget support.

The Commission employs a number of important risk mitigation measures in the design and implementation of its budget support programmes. The risk of misuse of funds is mitigated through the stringent requirement of continuous progress in the implementation of a credible programme to improve public financial management (PFM). In this context, the Commission and other budget support donors also provide dedicated assistance to the reform and strengthening of key weaknesses in the PFM systems such as audit functions, internal control and procurement. Where the Commission notes that progress is insufficient, disbursements are withheld until credible reassurances or measures have been established.

50.

In the Court's observation regarding 'safeguards', it should be noted that there is not a uniform approach to the implementation of pooled funds. They may be implemented through projects (managed by international organisations) or through decentralised management (management by government) which would require preliminary audit of financial management systems. As under pooled funding, specific audits or surveys are also possible under sector budget support, but need to be carried out by and under the authority of the supreme audit institution of the respective country. In this context, the Commission's guidelines on budget support explicitly recognise the value of selected audits of internal control systems to give further insights into how to focus capacity building in public finance management (PFM) and mitigate risks. Moreover, the PFM annual monitoring report that sets out the reporting requirements for the Commission when providing budget support explicitly requires detailed reporting on the supreme audit institution's reporting on the sector concerned and also on the anti-corruption mechanisms in place. These issues are taken forward in the dialogue on PFM in the respective countries.

REPLY OF THE COMMISSION

51.

General budget support (GBS) by definition does not aim to support a specific sector, but rather aims at providing additional discretionary resources at the disposal of the partner government in order to support macroeconomic stability and enhance the prospects of delivering its public expenditure programmes across the full range of its development policies. In order to monitor progress in its poverty reduction programmes, GBS programmes look at the achievement of the entire range of poverty indicators in the government's performance assessment framework. Consequently there are less education indicators, and less intensive dialogue on education or any other specific sector, through GBS, than through sector budget support (SBS).

53.

The Commission considers that where partner governments give priority to education spending, and have sound education policies, the value added of general budget support (GBS) in these cases is in ensuring that social sectors remain part of the overall policy dialogue with the partner country. GBS programmes typically use only key outcomes in education and health whereas sector budget support programmes focus on a broader range of sector-specific indicators thereby allowing a more in-depth dialogue.

54.

The mid-term evaluation of the Fast Track Initiative (FTI), whilst interesting and useful, places disproportionate attention to financial figures at the global aggregate level at the expense of analysing important contributions made by the FTI Catalytic Fund (a multi-donor trust fund of the FTI) to individual FTI-endorsed countries. Nepal, Rwanda, Burkina Faso and Senegal are good examples of such countries. Important contributions of the FTI were missed as a consequence.

55.

Countries applying for FTI funding are expected to show their commitment to education sector reform, through an increase in the sector's share of the national budget. Not all the countries may be in a position to achieve this target at the same pace but they need to show a positive upward trend. In the case of Liberia, for example, the country's application for funding (approved in May 2010) shows a serious attempt to increase the resources for education from 13,9 % in 2010 to 18,7 % by 2015.

56.

As mentioned in previous points, millennium development goals (MDGs) are aspirational for many countries. The issue is not only in the choice of indicators but also in the target setting, particularly in the timelines. Targets should reflect a good balance between realism and ambition. They should indeed be set taking the country context into account.

REPLY OF THE COMMISSION

57.

The Commission has recently issued a staff working document (SWD) 'More and better education in developing countries' to give guidance on the multiple facets of quality of education and on how to address it.

58.

The Commission agrees with the Court's concern regarding the quality of statistical systems. Assessment of the quality of statistical systems and performance monitoring frameworks are always carried out as part of the identification and formulation of sector policy support programmes (SPSP).

59.

Government reports are not the unique monitoring tool. The Commission may rely on different tools to monitor performance of the education sector: sector reviews, missions to the field, joint missions with other donors, specific reports from stakeholders. At the same time, the Commission supports, when relevant, statistical capacity and systems as key instruments for monitoring, reporting and strategic policy-making.

60.

The Court has noted the support given and the progress made with regard to support for national statistical systems. The Commission acknowledges that further efforts are indeed needed.

61. (a)

In Namibia, there were important national policy changes. In the course of the ninth EDF implementation, the Government of the Republic of Namibia embarked on a sector-wide approach supported by all development partners, with technical support from the EU and the World Bank. The World Bank market-oriented approach to education systems happened to match the knowledge-base economy objectives enshrined in national development plan 'Vision 2030' and thus is reflected throughout the national education programme. The ninth EDF was revisited to accommodate the shift to sector-wide approach and to align with the World Bank monitoring modalities developed around prior actions. It is correct that while the national education programme covers primary education, it does not elaborate much on this subsector.

61. (b)

The Commission highlights the positive trend which has taken place in Nepal as a result of the introduction of a disbursement mechanism based on performance indicators linked to capacity development. More recently a similar mechanism has been introduced in the new school sector reform programme linked to progress against the objective of reducing out-of-school children.

61. (c)

The EU education sector programme in Pakistan's Sindh Province supports important reforms in the sector aimed at improving education service delivery (access/equity/quality). The improvement of service delivery in the sector depends on the effective implementation of these reforms. Hence the matrix focuses on vital reform indicators that must be achieved within the time span of the programme (as a proxy for the generally more medium-term improvement in outcomes).

REPLY OF THE COMMISSION

62.

Progress against outcome indicators (enrolment, completion, survival and learning achievements in some cases) is assessed in joint reviews.

When agreeing performance monitoring arrangements with partners, the Commission considers that a good mix of process and outcome indicators will provide a more comprehensive picture of the progress of the country in implementing its sector policy.

63.

In order to address the situation regarding expertise, competencies and skills, the Commission has launched internal audits on human resources in EU delegations and HQ services.

64.

The situation described by the Court illustrates the challenges the Commission is facing in terms of human resources in this particular area. For instance there are challenges associated with the rotation and movement of staff, in particular in fragile situations and when programming priorities change at country level. In addition, the Commission remains committed to its zero-growth policy up to 2013 which implies some rationalisation efforts and adopting priorities in the redeployment of resources. There are finally financial constraints with cost increases (such as security measures) which have not been compensated under appropriate budget lines (BA appropriations).

65.

While it might not always be possible to respond immediately to the staffing requirements at country level, delegations can draw on the thematic expertise available at headquarters. In addition, the Commission provides annually training and guidance on thematic issues for delegation staff. This takes the form of written guidance, regional seminars, web-based networking, training courses and other learning events.

69. (c)

The Commission agrees with the Court that technical cooperation cannot be envisaged without a strong demand and without government leadership. Lessons from experiences in this area show that, without this ownership, external institutional support is unlikely to be used as the foundation for effective capacity development.

Box 7 – Burkina Faso: no capacity development support could be provided by the Commission under the 2005–08 budget support

This example of Burkina Faso illustrates the difficulties mentioned by the Court in Point 69(c) above. Without ownership, even the most technically proficient and excellent capacity assessment is unlikely to be used as foundation for subsequent capacity development.

70.

The Paris Agenda calls for a harmonised approach to capacity development. The Commission aims therefore to undertake all activities in this area jointly with the Government and other development partners. For this reason, support to capacity development support may be managed and coordinated by other partners through a clearly defined division of labour within the sector.

REPLY OF THE COMMISSION

CONCLUSIONS AND RECOMMENDATIONS

71.

The Commission notes the significant progress that has been made towards targets in the education sector. In addition to 45 % of indicators being fully achieved, a further 30 % were clearly making progress as noted by the Court in point 18 (for detailed information, see Annexes V–VII). This is a remarkable achievement by partner countries on indicators, many of which need a long time span to show change. Maintaining good progress is an even bigger challenge in countries with quick demographic growth.

74.

Improvements in education quality (learning outcomes) are often difficult to measure and achieve. It is an inherently long-term process, requiring expansion and improvement of teacher training (both initial and in-service) and management, curriculum reform, setting up and running quality assurance systems, etc.

76.

The Commission's choice of aid modality in support of focal sectors is based on a careful assessment of the expected effectiveness of each instrument. Where the balance of risks and benefits is considered to be in favour of budget support, this is the Commission's preferred approach to proceed provided that the eligibility conditions can be verified. The rigorous verification of eligibility criteria both in advance of the launching of any budget support programme as well as their repeated verification before any disbursement is an important risk mitigation factor. Where the conditions for budget support are not met, the Commission's guidelines make it clear that the possibility of proceeding through either a project approach or through a pooled funding approach should be made on a case-by-case basis by comparing the relevant costs and benefits of each intervention modality. This also includes an assessment of the relative risks of each instrument. In all cases, the Commission took full account of these risks in making its eventual decision with regard to which aid modality to adopt.

REPLY OF THE COMMISSION

77.

The Commission agrees with the Court that the millennium development goals (MDGs) and Education For All (EFA) do not automatically represent achievable goals for many of the world's poorest countries. This is why the Commission in its guidelines emphasises the importance of identifying the indicators and setting the targets together with the partner country, taking into account the country context. The targets should be realistic but also sufficiently ambitious.

The Commission agrees with the Court that more attention should be paid to the impact of demographic growth. The Commission's staff working document 'More and better education in developing countries' acknowledges demographic growth as a factor to be taken into account.

80.

The Commission acknowledges that in some cases, there are gaps in the availability of education expertise in delegations. However, some delegations have made agreements under the EU division of labour policy to delegate policy dialogue to a EU Member State which has the relevant sectoral capacity.

81.

Institutional capacity development is part of the Commission's support. Nevertheless it cannot succeed without strong demand and government leadership and remains one of the most difficult areas in which to achieve positive results. The Paris Agenda offers an opportunity for a harmonised approach to capacity development, and the Commission will make best use of this including through its new technical cooperation strategy (Backbone strategy).

83. (a)

General budget support programmes focus on the achievement of the entire range of poverty indicators and therefore do not directly support education-sector reform programmes. They do provide variable tranches, usually in health and education, which provide additional incentives to performance in these critical areas.

83. (b)

The Commission agrees with the Court on the need to pay more attention to the quality of education. The Commission has already taken steps to address the issue, notably through the Staff Working Document 'More and better education in developing countries', issued in February 2010.

83. (c)

The Commission does not fully agree with the recommendation proposed by the Court at 83(c). As stated for point 83(a) above, general budget support is not a financing modality through which the Commission would directly support the education sector. However, there is a potential for a wider and indirect impact on the education sector through the provision of GBS to be determined on a case-by-case basis.

The existing sector policy support programmes guidelines (July 2007) clearly outline the three financing modalities which can be used to support education: (1) project, (2) pooled funding, and (3) sector budget support. The Commission has begun to review and adapt the general guidance available for 'programme and project cycle management'. Sector-specific aspects are intended to be captured, as well as guidance on the different aid modalities. Revised guidance documents for the 'programme and project cycle' are expected at the end of 2012, following one year of internal consultation and testing with EU delegations.

REPLY OF THE COMMISSION

83. (c) (i)

As the Commission's general budget support (GBS) guidelines point out: even if it supports a country's overall priorities, GBS should not be built as a 'multi-sectoral' operation, since this would weaken the focus of supporting national development policy and strategy in coherence with the fundamental goals of the Commission.

83. (c) (ii)

To make the best use of the potential of general budget support (GBS), EU financing should be accompanied by policy dialogue in the sectors which are included in the variable tranche. Within the context of the EU Division of Labour the Commission is in the process of formally delegating to EU member states in some countries the functions of sector policy dialogue and sector performance monitoring.

83. (c) (iii)

In general budget support (GBS), education indicators and other sector-specific indicators are always limited in number. They are used as a proxy to capture progress in the entire poverty reduction programme in agreement with the partner country.

The Commission is already providing substantial guidance, advice and support, both remotely and in country to EU delegations regarding this particular aspect of aid management — including the preparation of training courses, annual seminars and guidance documents.

83. (c) (iv)

The recommendation regarding guidance for 'sector performance review' is not only relevant for one financing modality but for all three modalities included under the sector policy support programme. In addition to providing guidelines, the Commission intends to continuously improve the guidance and support it provides (remotely and at country level) to Commission staff.

83. (d)

The Commission agrees with the Court that using a combination of financing modalities enables a strengthened response to the needs. This can be assured within a single-sector policy support programme and the Commission has built up good practices and experiences in terms of using a mix of aid delivery in the education sector.

83. (e)

The Commission agrees with the Court's recommendation and would agree to promote sector-specific public finance management (PFM) work wherever possible within the context of sector policy support programmes (SPSP). This type of activity is already taking place in some countries.

83. (f)

The Commission agrees with the Court's recommendation regarding the alignment of donor monitoring and reporting systems. This is already a practice strongly promoted, particularly when working with other donors at country level in a sector-wide approach and is formalised through the signature of memorandum of understanding.

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