



PACIFIC ISLANDS FORUM SECRETARIAT

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EDUCATION MINISTERS MEETING

*Nadi, Fiji
26 – 27 September 2006*

SESSION FOUR

**PROPOSAL ON A PACIFIC PROGRAMME FOR THE FAST TRACK INITIATIVE
FOR EDUCATION FOR ALL**

The attached paper, prepared by the World Bank, outlines a proposal for the introduction of the Fast Track Initiative in the Pacific.



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Summary brief

SESSION FOUR: PROPOSAL ON A PACIFIC PROGRAMME FOR THE FAST TRACK INITIATIVE FOR EDUCATION FOR ALL

Purpose

This paper outlines a proposal for introduction of the Fast Track Initiative in the Pacific. The proposed grant-based program has two objectives:

- To accelerate progress in each of the region's countries towards the Millennium Development Goal (MDG) of universal completion of a quality primary education by 2015.
- To facilitate the optimal use of the resources available for the development of primary education in Pacific region.

The note includes information on the extent to which Pacific island countries are progressing towards meeting the education MDG; information on the Fast Track Initiative (the FTI); an explanation of why the World Bank are proposing that the PRIDE project¹ be the vehicle to facilitate the participation of the Pacific island countries in the FTI; and information on how this proposal will be funded.

Recommendation

Ministers may wish to consider approving the proposal for the World Bank and its partner donors to explore how to establish the FTI in Pacific region via an association with the PRIDE project and its partners.

¹ The Pacific Regional Initiatives for the Delivery of Basic Education (PRIDE) project was established in 2003 to implement Pacific Forum Basic Education Action Plan (FBEAP). Its objectives are to enhance universal and equitable participation and to promote quality and improvement in outcomes. The project is implemented by the University of the South Pacific for the Forum Secretariat and focuses on three result areas: (i) development of strategic plans; (ii) the implementation of those plans; and (iii) strengthening regional capacity. EU funding for PRIDE is €8 million over 5 years and NZAID's funding totals NZ\$5 million over 3 years.

FORUM EDUCATION MINISTERS MEETING

The Education for All Fast Track Initiative

Establishing the Fast Track Initiative in the Pacific

Introduction

This note outlines a proposal for introduction of the Fast Track Initiative (the FTI) in the Pacific.

The proposed grant-based FTI program has two objectives: (i) to accelerate progress in each of the region's countries towards the Millennium Development Goal (MDG) of universal completion of a quality primary education by 2015; and (ii) to facilitate the optimal use of the resources available for the development of primary education in Pacific region.

Below is information on the extent to which Pacific island countries are progressing towards meeting the education MDG; information on the Fast Track Initiative; an explanation of why the World Bank is proposing that the PRIDE project² be the vehicle to facilitate the participation of the Pacific island countries in the FTI; and information on how this proposal will be funded.

The Challenge – Meeting the Education Development Goal of Universal Completion of Quality Primary Education by 2015

A closer look at the education MDG indicators (Attachment 1) shows that while many Pacific island countries have demonstrated high and sustained primary enrollment, others face difficulties in getting all children into school and most have problems with student retention and dropout. Several reports³ have indicated that these problems, especially when coupled with less than satisfactory achievement levels, decrease the chances of countries meeting their MDG and Education For All (EFA)⁴ targets.

Although enrollments and survival to grade 5 (see attachment 1) provides a proxy indicator of achievement of a minimum standard of primary education, student achievement scores provide a direct way to reveal whether they are learning or not. While there are several shortcomings in the available data such as lack of up-to-date assessment data⁵ inconsistencies and reliability

² The Pacific Regional Initiatives for the Delivery of Basic Education (PRIDE) project was established in 2003 to implement Pacific Forum Basic Education Action Plan (FBEAP). Its objectives are to enhance universal and equitable participation and to promote quality and improvement in outcomes. The project is implemented by the University of the South Pacific for the Forum Secretariat and focuses on three result areas: (i) development of strategic plans; (ii) the implementation of those plans; and (iii) strengthening regional capacity. EU funding for PRIDE is €8 million over 5 years and NZAID's funding totals NZ\$5 million over 3 years.

³ See for example: The Secretariat of the Pacific Community, "Pacific Islands Regional Millennium Development Goals Report 2004"; The World Bank, "Opportunities to Improve Social Services-Human Development in the Pacific Islands" 2006; and AusAID, "Pacific 2020-Challenges and Opportunities for Growth", 2006.

⁴ The six goals of EFA are concerned with (i) access to early childhood care and education; (ii) the provision of universal primary education; (iii) increased levels of youth and adult learning; (iv) literacy; (v) gender parity in all aspects of education and literacy; and (vi) quality of schooling.

⁵ The most recent data that could be compared is only available for 1998.

problems, objective measures of learning levels have been gathered under Pacific Islands Literacy Levels (PILL) program⁶.

In many countries of the region, student performance in national examinations or on PILL tests indicates a low level of learning in literacy and numeracy. For example, in English literacy tests during the mid 1990s, over 40 percent of students in several countries were found to be 'at risk' in Year 4 and by Year 6 the situation was even worse⁷. Although this data is dated, there is little evidence of improved outcomes. It is hoped that the current program of South Pacific Board for Educational Assessment (SPBEA) supported learning achievement tests in literacy and numeracy in Fiji, Kiribati, Nauru, Samoa, Solomon Islands, Tokelau, Tonga and Vanuatu will remedy this shortfall and allow us to speak with confidence on the current outcomes of schooling on these two measures.

In general terms, Pacific island countries appear to be faced with similar challenges:

- *Getting all children into school.* Marginalized populations still do not have adequate access to schooling (children with disabilities, children in very poor and/or remote areas, etc.). In cases where remote facilities and services do exist, they are frequently too few and are often not adequate to ensure the development of literacy, numeracy and essential life skills.
- *Improving the quality and relevance of schooling, reducing dropout and improving retention rates.* Providing universal primary education that effectively addresses both individual and societal needs remains a challenge. There is evidence from across the region that a large number of youth leave school without adequate life skills and as a consequence are unable to either further their education or gain employment. In addition to poor outcomes, identified problems include: difficulties posed by large distances and remote communities, which result in high service delivery costs; problems with the quality of service delivery, including staff shortages and the lack of adequate teacher training; competing demands from different sectors of education, and curricula that are not seen to be relevant to Pacific cultures.
- *Assessing performance and monitoring programs and outputs.* Although the capacity in the region to monitor programs and to assess system performance is increasing, there is scope for more focused attention on the assessment of student learning, the strengthening of education management information systems, and on the evaluation of program outcomes.
- *Planning strategically.* (A focal point of the PRIDE Project.) Some countries in the region have yet to develop a high quality, fully-costed sector strategy. Skill shortfalls in this respect most frequently reflect inexperience in medium term planning, costing policies and programs, and in identifying possible efficiency gains.
- *Improving financing policies.* While the region is generally well supported by donors, there are significant imbalances in respect to the financing of primary education *vis-a-vis* other sub-sectors. There is a need to identify and support innovative financing options for the sector as a whole that involve government, communities, the private sector, and donors.
- *Improving donor harmonization.* Donor resources are rarely optimized. Aid fragmentation has resulted in low returns on investments. Options to address this include Sector Wide Approaches (SWAs) and participating in regional or sub-regional initiatives.

⁶ PILL tests were developed in 1990 as a way of assessing students' performance levels at Year 4 and Year 6. Students in eleven Pacific Island Countries were tested in 1994 and 1998 in English and the local vernacular language, and numeracy.

⁷ Elley, W, "Trends in Pacific Island education outcomes," Background paper, Pacific Human Development Review (2004).

This paper proposes that the Pacific island countries, collectively and individually, utilize the Fast Track Initiative to access the additional assistance required to address these and related concerns so that they may progress more quickly towards universal primary completion by 2015.

The FTI can finance: assistance to strengthen member countries' capacities to develop, implement and monitor high quality, fully-costed sector strategies; high quality reviews of strategies and programs; assistance to strengthen program monitoring capacity; and assistance to strengthen capacity to perform high quality system and student performance assessments. The FTI can also provide access to and exposure to knowledge of international good practice. It can also assist low-income countries to finance their sector strategies⁸.

It is hoped that the proposed program could facilitate two to four Pacific island countries becoming full participants in the FTI each year starting in 2007. [Earlier in 2006, Vanuatu expressed its desire to participate in the FTI and PNG began the process of looking at the FTI as a potential partner in that country's proposed education SWAp.]

The Fast Track Initiative

The FTI is part of Education for All (EFA) and is conducted in close association with the UNESCO EFA program⁹. It is a global partnership of developing and donor countries and multi-lateral agencies that supports efforts to accelerate progress towards the universal completion of a quality primary education by 2015¹⁰. It is designed to assist countries to meet their stated education goals and to fill gaps in policy, financing, data, and capacity.

The FTI provides funding to any low-income country that demonstrates a serious commitment to accelerating progress on universal primary education – this assumes that a country's in-country donors endorse its sector strategy, agree that there is a need for additional financing of the primary education sector, and that the capacity exists (or can be developed) to adequately execute the sector strategy on schedule.

The FTI requires:

- Each participating country to develop a single multi-year sector strategy, to demonstrate results on key performance criteria, and to exercise leadership in developing, implementing, and monitoring their strategy.

⁸ "Low-income" countries refers to the classification utilized by the World Bank for determination of IDA eligibility. Six of the 14 Forum countries are IDA eligible (marked with an asterisk): Cook Islands, Federated States of Micronesia, Fiji, Kiribati*, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea*, Samoa*, Solomon Islands*, Tonga*, Tuvalu, and Vanuatu*.

⁹ UNESCO is an EFA-FTI partner and has a permanent seat on the EFA-FTI Steering Committee. It also provides annual statistics on progress towards the six EFA goals (see footnote 3) and related Millennium Development Goals through the UNESCO Institute for Statistics. At the global level, UNESCO was mandated at Dakar to monitor progress towards EFA and maintain the collective momentum of the EFA movement through its coordination role notably through the High-Level Group on EFA that meets every year. UNESCO is responsible for establishing linkages between the Working Group on EFA (WGEFA), the High Level Group on EFA, and EFA-FTI.

¹⁰ FTI was established in 2002 following an International Conference on Financing for Development in Monterrey. It is funded by about 30 bilateral, regional, and international agencies and development banks. The FTI Secretariat is based at the World Bank. As of August, 2006, some 20 countries are participating in the FTI. This number is expected to increase to 26 by October 1, 2006.

- Donors to assist each country to develop a high quality fully-costed sector strategy, to review and endorse that strategy, to align their programs with and to mobilize predictable resources for that strategy, and to harmonize their procedures.

The FTI is designed to serve as a catalyst to raise education spending so universal primary completion can be realized. It raises funds through various means, tailoring country circumstances with funding mechanisms and building commitment based on shared objectives between donors and multilateral development banks on the one hand, and country governments on the other.

The FTI provides two forms of grant-based financial support to its partner countries: the Catalytic Fund (CF) and the Education Program Development Fund (EPDF). Both are multi-donor financed Trust Funds managed by the World Bank¹¹. The EPDF supports counties as they prepare to participate in the FTI.

- The **Catalytic Fund** is a transitional grant paid to countries over two or three years to finance a scaling-up of the implementation of their primary education program in situations where a financing gap exists that can not be met by the country's own resources and those committed by donors. Currently it is accessible to only those low income countries with fewer than five bilateral partners that each provides in excess of US\$1m more per year to the primary education sector.
- The objectives of the **EPDF** are to: (i) increase the number of countries with sound and sustainable education sector strategies that prioritize universal primary completion and gender equity by 2015; (ii) strengthen governments' capacities to develop policies and education sector strategies capable of providing and sustaining a full cycle of primary schooling of acceptable quality for all children; (iii) improve understanding of the conditions under which certain policies and reforms may be successful through better monitoring and evaluation and thorough knowledge sharing across countries; and (iv) strengthen donor partnerships.

Becoming a participant in the FTI requires that a country has a poverty reduction strategy or the equivalent (a national development plan, for example) and a costed sector strategy that has been endorsed by the in-country donors.

Donors' endorsement of the sector strategy does not automatically lead to new funding - rather, it shows the way for existing donors to better align their priorities and existing funding with the partner country's own plan and agreed FTI targets.

In 2001, the Forum Education Ministers Meeting adopted the Forum Basic Education Action Plan (FBEAP). This confirmed their commitment to EFA and to the universal completion of a quality primary education. As this is also the goal of the FTI, linking the FTI to a regional

¹¹ Catalytic Fund commitments total about US\$ 681 million over 2003-2008, with receipts amounting to US\$ 230 million and \$99.2 million disbursed to date. Pledges to the Catalytic Fund, for this period, have been made by the following donors: Belgium (US\$ 6 million), Canada (US\$20 million), Italy (US\$ 6 million), the Netherlands (US\$ 234.8 million), Norway (US\$ 39.7 million), Russia (US\$ 4 million) Sweden (US\$ 15.7 million), the UK (US\$ 266.5 million), Spain (US\$ 6.1 million), the European Commission (US\$ 80.6 million) and Ireland (US\$ 1.5 million). EPDF commitments total about US\$ 46 million for the period 2005-2007, with pledges from the following donors: Canada (US \$4 million), Norway (US\$ 19.87 million), the United Kingdom (US\$ 8.14 million), Sweden (US\$ 2.6 million), Ireland (US\$ 0.31 million), Luxemburg (US\$1.3 million), Russia (US\$ 3.2 million) and the Netherlands (US\$ 7.2 million).

program that is already implementing the FBEAP offers a substantial opportunity to efficiently promote improved education outcomes.

The obvious synergy between the PRIDE project and the FTI causes the World Bank to anticipate that a well structured relationship between the two activities will add substantial value to each.

What makes FTI different from past education initiatives?

The FTI compact is built on a foundation of mutual commitment and trust. It explicitly links increased donor support for primary education to recipient countries' policies, performance and accountability for results. Donors agree to provide coordinated and increased financial and technical support in a transparent and predictable manner. Conversely, partner countries agree to put primary education at the forefront of their domestic efforts and develop sound national education strategies that accelerate achievement of universal primary education. In short, the very existence of the Fast Track Initiative represents a new step forward.

FTI in the Pacific – A Program to Benefit all Pacific Island Countries

Pacific island governments, the PRIDE project and the FTI all are dedicated to improving learning outcomes and to seeing all children complete a quality primary education. This proposal suggests that this goal can be partially realized by increasing capacity to develop and implement sector strategies, by better focusing of donor and government resources, by providing more predictability in respect to external resources, by applying results-based monitoring, and by reacting more quickly to monitoring and assessment findings.

Activities funded under this proposal would benefit all Pacific island countries and they should lead to these countries becoming FTI participants and beneficiaries. The first step on this journey is for countries to finalize high quality, fully-costed sector strategies and to facilitate the endorsement of those strategies by the country's locally based donors. The FTI EPDF and the World Bank managed Pacific Facility Trust Fund¹² can finance these activities and can be used to develop the capacity to better implement and monitor these strategies. Once countries have endorsed strategies they become full FTI participants, and those that qualify as low income are provided access to the FTI Catalytic Fund.

As FTI becomes established in the region, the World Bank anticipate that additional resources would come on-line to support the implementation of each country's endorsed sector strategy, regardless of whether it has low or middle income status. Currently, the World Bank is exploring means of complementing FTI funds with funds from other donors to meet this objective.

Supporting SWAPs

To improve its value to Pacific island countries, the FTI EPDF financed technical assistance would also assist countries that are moving towards, or are implementing, a Sector Wide

¹² The Pacific Facility Trust Fund supports the implementation of the World Bank's regional strategies (Pacific, PNG and Timor-Leste) and is financed by both Australia and New Zealand.

Approach (SWAp). Specifically, it could be used to foster the development of costed sector strategies and medium term rolling plans, result-oriented monitoring and evaluation (both regional and country-based systems could be supported as could student assessment programs), country ownership, donor harmonization, and regular exchanges of good practice through regional workshops and high-quality technical support.

Linking to Existing Programs

Key to the effectiveness of the FTI in the Pacific, and to its operation at a reasonable cost, is to link it closely with the existing regional architecture for sector support. The PRIDE project (and by extension, its partners - SPBEA, UNESCO and UNICEF, for example) offers such an opportunity.

Although the operational details of how the relationship between the FTI and the PRIDE project would be structured are yet to be determined, discussions thus far with the PRIDE project, the Pacific Islands Forum Secretariat, NZAID and the EU have been positive and there is a strong realization of the value of the proposed partnership among other donors. The concept of the World Bank seeking to add value to existing initiatives, rather than trying to create new ones, is particularly welcomed.

Why a PRIDE Project Based FTI?

Clearly the PRIDE project's focus on access to, and the improvement of, the quality of basic education is consistent with FTI objectives, as well as its focus on strategic planning. Importantly, as the PRIDE project is well established, has a core of support and a network of reform-minded education officials across the region, it offers a dynamic foundation upon which the FTI can become established in the region.

The promotion of the FTI through the PRIDE project and its partners, affords the Pacific island countries the opportunity to enhance the outcomes of their participation in the PRIDE project by being able to directly and collectively access the World Bank's expertise in capacity building, strategic planning, costing and financing, quality assurance, and outcome monitoring. Access to the Bank's knowledge resources would be an additional benefit. The FTI would also lend its support to the PRIDE project's efforts to improve aid effectiveness and donor coordination.

The recommendations of the PRIDE project's recent completed Mid-term Review¹³ provide a further indication of the value of an association between the FTI and the PRIDE project. The structure of the proposed association could be such that FTI financed inputs would directly and consistently strengthen the PRIDE project's efforts to assist countries develop high quality, fully-costed sector strategies; define appropriate, relevant and valid sector performance indicators; to develop and implement a gender strategies; and to develop relationships with other programs that are focusing on improved sector outcomes.

¹³ The review was completed for NZAID in August of 2006.

Proposed Activities (2006 though 2007)

Initially, the FTI related activities that are proposed are those concerned with establishing a regional FTI presence and an association with the PRIDE project. These will involve familiarizing government officials and donors with how the two programs will complement and support and each other, and what the advantages are of working towards the meeting of the education MDG and the EFA targets with the PRIDE-FTI partnership. These activities would be complete over the six month period January to June 2007.

Once the PRIDE-FTI partnership is established, a broader set of activities will be financed to support FTI activities across the region and to assist individual countries as they move towards FTI participation. Particular attention will be paid to providing support, on request, to governments that are preparing costed sector strategies, SWAp programs and sector strategy implementation plans, and, where appropriate, to supporting applications from low income countries to the Catalytic Fund.

Over the course of time, the range of activities supported could be expanded to include regional or country-specific EFA/FTI related research, study tours, conferences, and specific in-country priorities that would be tailored to the particular gaps in each country's program. This phase of FTI activity could easily overlap with the initial activities and could begin as early as January 2007.

In the latter part of 2007, a review of progress would identify how best to modify the program to provide a range of medium to long term FTI programs in the region.

Management

The World Bank will ensure that funds under its management are used for intended purposes, that there are synergies between activities, and that activities are well integrated into the overall PRIDE project and into individual country's education strategies.

Anticipated Outcome from the Forum Education Ministers' Meeting

Ministers may wish to consider approving the proposal for the World Bank and its partner donors to explore how to establish the FTI in Pacific region via an association with the PRIDE project and its partners.

Attachment 1

MDG Education Indicators, Recent Years

Countries	Net Enrollment Rate in primary grades	Grade 5 survival rate	Literacy Rate of 15-24 year olds
Cook Islands	92	<u>98</u>	<u>99</u>
Fiji	98	88	<u>93</u>
FSM	92	72	n.a.
Kiribati	95	86	n.a.
RMI	86	86	n.a.
Nauru	60	92	n.a.
Niue	90	<u>90</u>	<u>100</u>
Palau	88	n.a.	<u>91</u>
PNG	35 ¹	57	<u>62</u>
Samoa	98	97	<u>99</u>
Solomon Islands	56	85	n.a.
Tonga	99	84	<u>99</u>
Tuvalu	99	n.a.	n.a.
Vanuatu	74	91	n.a.

Sources: "Opportunities to Improve Social Services: Human Development in the Pacific Islands", The World Bank, 2006. "The Pacific Islands MDG Report", The Secretariat of the Pacific Community, 2004.

Underlined figures report data that do not precisely correspond to the MDG indicator.

¹ This figure represents current rough estimates of NER for PNG – the gross enrollment rate (GER) is estimated to be 77 percent.