

EDUCATION FOR ALL – FAST TRACK INITIATIVE (EFA-FTI)

BOARD UPDATE

NOVEMBER 30, 2007

ABBREVIATIONS AND ACRONYMS

| | |
|----------|---|
| CAS | Country Assistance Strategy |
| CF | Catalytic Fund |
| CSO | Civil Society Organization |
| EFA-FTI | Education for All – Fast Track Initiative |
| EPDF | Education Program Development Fund |
| IDA | International Development Association |
| HDN | Human Development Network |
| ODA | Official Development Assistance |
| OECD/DAC | Organization for Economic Cooperation and Development/Development Assistance Committee |
| OPCS | Operations Policy and Country Services |
| OPE | Overall Performance Evaluation |
| PER | Public Expenditure Review |
| PETS | Public Expenditure Tracking Survey |
| PISA | Program for International Student Assessment of OECD |
| PRS | Poverty Reduction Strategy |
| TIMMS | Trends in International Mathematics and Science Study |
| UNESCO | United Nations Educational, Scientific, and Cultural Organization |
| USAID | United States Agency for International Development |

**EDUCATION FOR ALL – FAST TRACK INITIATIVE (EFA-FTI)
BOARD UPDATE**

CONTENTS

| | |
|---|-----------|
| Executive Summary | iv |
| I. Introduction | 1 |
| II. Overview of FTI | 1 |
| III. Global Efforts on MDG2 | 3 |
| IV. Progress Achieved by FTI Partner Countries, 2006-2007 | 4 |
| V. Progress Achieved by FTI’s Donors, 2006-2007 | 7 |
| A. Enhanced Visibility | 8 |
| B. Resource Mobilization and Predictability | 8 |
| C. Capacity Development and the Education Program Development Fund | 10 |
| D. Progress in Implementing the Paris Declaration on Aid Effectiveness | 12 |
| VI. Emerging Challenges and Partnership Responses | 12 |
| A. Maintaining Momentum on Resource Mobilization | 12 |
| B. Reaching the Hardest to Reach | 13 |
| C. Strengthening Support for Fragile States | 13 |
| D. Strengthening the Quality of Country Programs | 14 |
| E. Quality Assurance of Education Sector Plans’ Design and Implementation | 14 |
| F. Strengthening Quality Assurance Process of Catalytic Fund | 15 |
| G. World Bank Efforts to Increase the Focus on Learning Outcomes | 16 |
| H. Strengthening Donor Harmonization | 18 |
| I. Next Steps for FTI and the Partnership | 19 |
| J. Next Steps for the Bank | 19 |
| K. Challenges for the Bank in Going Forward as an Effective Partner in FTI | 20 |
| | |
| Annexes | |
| Annex 1.1 Fast Track Initiative Country Partners with endorsed Education Sector Plans | 22 |
| Annex 1.2 FTI Donor Partners | 22 |
| Annex 1.3 FTI Civil Society Partners | 22 |
| Annex 2.1 Quality and Efficiency Indicators | 23 |
| Annex 2.2 Access Indicators | 25 |
| Annex 3 IDA Commitments to Primary Education, 2002-2007 | 27 |
| Annex 4.1 Commitments and Pledges to Catalytic Fund, 2004-2009 | 28 |
| Annex 4.2 Catalytic Fund Allocations, Commitments, and Disbursements, CY 2003-2009 | 29 |
| Annex 5.1 EPDF-Pledges by Donor 2005-2008 | 30 |
| Annex 5.2 EPDF Allocation and Disbursements, by World Bank Region, 2005-2007 | 30 |
| | |
| References | 31 |

EDUCATION FOR ALL – FAST TRACK INITIATIVE (EFA-FTI) BOARD UPDATE

EXECUTIVE SUMMARY

At the 2006 Annual Meetings, the Development Committee requested an update to the Bank's Board of Executive Directors on the Education for All – Fast Track Initiative (FTI) and on progress the Bank has made on learning outcomes. This update has been prepared in consultation with the FTI Partnership.

FTI is a global partnership launched by the World Bank and other partners in 2002 to help low-income countries meet the education Millennium Development Goal (MDG) and the EFA goal that by 2015 all primary school-aged children will be enrolled in school and able to complete the full cycle of primary education. FTI provides a platform for collaboration at the country level and at the global level. Developing countries participating in FTI commit to design, implement and monitor credible Education Sector Plans for accelerating their achievement of Education for All. Development partners commit to align their support around the countries' Education Sector Plans, and to mobilize additional financial and technical resources to help countries carry out their plans. The FTI framework supports the scaling up of bilateral and multilateral assistance to countries to implement their Education Sector Plans, particularly for the primary education subsector. Two Trust Funds managed by the World Bank, the Catalytic Fund (*US\$1.2 billion* in commitments for recipient executed programs) and the Education Program Development Fund (*US\$80 million* in commitments for technical assistance) have also been set up by a number of the FTI development partners to support countries' efforts to design and implement their Education Sector Plans. FTI activities at the global level are managed by a Steering Committee that includes representatives from 14 organizations, including the World Bank, UN organizations, bilateral donors, and civil society organizations. The Steering Committee is led by two co-chairs, representing one G8 and one non-G8 bilateral agency, and supported by the FTI Secretariat, which is housed in the Bank and managed jointly by HDNVP and FTI's two co-chairs. FTI ranks among the largest global partnerships in which the Bank is a player.

FTI is built on the principles of country ownership and local-level empowerment, as well as mutual accountability and donor harmonization rooted in the Monterrey Consensus and Paris Declaration principles. Its vision encompasses:

- country preparation of a PRSP and a credible Education Sector Plan that accelerates the country's attainment of universal primary education and that addresses their policy, capacity, data, and funding gaps;
- endorsement of the Plan by the FTI development partners to signal to bilateral and multilateral funding agencies that the plan is credible and investment-ready;
- alignment, harmonization, and scaling up of donor support for this country-owned Plan.

FTI's key objective is to help countries achieve the education MDG by 2015. The Partnership has pursued this objective by improving global and in-country processes to achieve universal primary education, emphasizing alignment, coordination, and harmonization. One of FTI's most significant contributions has been to strengthen partner countries' strategic planning and implementation efforts. This includes an adherence to common standards on the formulation of credible education sector plans, mobilization and use of scaled up domestic and external resources, improvement of implementation planning and program execution, informed dialogue with civil society and development partners, employment of agreed benchmarks and monitoring indicators, and capacity enhancement. In this way, FTI should be seen as a catalyst that stimulates or builds on efforts by donors and developing countries to improve sector policies and scale up programs that ensure a quality primary education for all by 2015.

FTI is widely regarded as a strong partnership with great promise to achieve development impact. It has strengthened harmonization at both the global and country level around country education plans. It has raised the political profile of education and deepened country commitment to reform: domestic resource allocation has increased, albeit unevenly across countries. FTI has also enhanced country capacity to plan and estimate the investment and recurrent costs of policy and program implementation across the entire education sector.

The momentum generated by FTI has helped accelerate progress on primary education: primary school enrollment grew by an annual average of 4.4 percent since 2000 and by 8.2 percent in the sub-Saharan African countries with FTI-endorsed plans. Gender parity also improved between 2000 and 2006. Education quality indicators show gains as well, with significant increases in primary completion rates.

| Status of FTI | | | |
|--|------------------------|-------------------------|---------------------------------------|
| | End of 2005 | October 2007 | End of 2008 (forecast) |
| Number of FTI-endorsed countries | 19 | 32 | 46 |
| Primary school-age population (millions) | 45.8 | 59.3 | 75.9 |
| Out-of-school children benefiting (millions) | 10.8 | 14.2 | 17.9 |
| Annual increase in primary enrollment (millions) | 1.5 | 2.1 | 2.6 |

Despite the progress stimulated by FTI and other efforts, substantial gaps in enrollment and educational quality remain for low-income countries. UNESCO's 2008 Global Monitoring Report on Education for All concludes that there are still 74 million primary school-age children in developing countries who are not enrolled in school. Moreover, in most low-income developing countries, even those making great strides in enrollment rates, learning outcomes are poor, measured by national, regional, or international assessments in language, mathematics and other subjects. In addition, there are very large shortfalls in external funding. Estimates of the external financing gap for achieving universal primary education in all low-income countries range from \$3.7 billion, a 2003 World Bank estimate, to \$9 billion, a 2007 UNESCO estimate. The FTI

Secretariat estimates an external annual financing gap of \$1 billion just for the current set of 32 FTI-endorsed countries to achieve universal primary education by 2015.

The Bank and FTI

The Bank has a significant role and stake in the FTI Partnership: it launched the partnership, in collaboration with other donors; it hosts the FTI Secretariat; and it serves as trustee and main supervising entity for FTI's two trust funds. The Bank's leading incubator role during the first four years has evolved into one of a strategic partner providing a delineated set of services to the partnership. The institutional response to this evolution offers lessons for addressing emerging issues in today's changing aid architecture. In particular, the proliferation of funding agencies at the country level and the increase in grant funding relative to loans has brought to the forefront the need for the Bank to review its partnership business model.

As the donors' voice grows, and as International Development Association's (IDA) lending for basic education diminishes in relative terms, the Bank is faced with new and evolving challenges. These challenges may call for the Bank to re-balance its role in client countries—focusing less on IDA financing, *per se*, and more on the technical aspects of sector dialogue, including economic work, sector analysis and integration of education into the country-wide program.

A key challenge in the evolving FTI partnership relates to the Bank's accountability in FTI—being accountable to donors looking for the Bank to deliver on its areas of comparative strength (fiduciary and safeguards aspects, macro-economic linkages, sector knowledge, and implementation know-how) while being pressed to relinquish critical decisions (such as choice of lending instrument and use of anticorruption measures) that affect the Bank's wherewithal to deliver on such accountability. The Bank has been carefully reviewing its roles and responsibilities and begun working actively with partners to address this issue.

The challenges posed by FTI are also prompting internal discussions of a strategic nature, to find solutions with relevance beyond FTI:

- **Simplification of Bank policies/procedures.** The Bank has been harmonizing its procedural frameworks and fiduciary requirements with those of other donors and of developing countries procurement and financial management (PFM) systems, except in countries or sectors where the use of such systems could pose fiduciary and reputational risks for the Bank or undermine the operational effectiveness of the program. The FTI context is clearly underscoring the need for the Bank to go further, to make Bank procedures more flexible without weakening the IDA or the Bank's accountability framework.
- **Developing new harmonization-friendly instruments.** The experience with FTI and in particular the Catalytic Fund is stimulating dialogue within the Bank on

new types of instruments that could be developed to promote more harmonized implementation of operations with multiple donors.

- **IDA's role in mobilizing funding for MDGs.** FTI has demonstrated that it is possible for countries to make faster progress on achieving the MDGs if sound policies and practices are supported by adequate, well aligned, and predictable resources. Given the large sum (an additional \$1 billion annually) needed to close the financing gap for countries that currently have FTI-endorsed education sector plans, and the Bank's acknowledged comparative advantage in resource mobilization, a matter being reviewed is how the Bank can better use its convening power to mobilize new funding for FTI-endorsed countries.
- **Bank budget funding in the absence of IDA operations.** In countries where external funding is adequately covered by other donors and the Bank has no presence in basic education, it is nevertheless important for the Bank to maintain active engagement both on the policy dialogue on broader sector and macroeconomic issues and to contribute to FTI as a partner and member of the local donor group.

EDUCATION FOR ALL – FAST TRACK INITIATIVE (EFA-FTI)

BOARD UPDATE

I. INTRODUCTION

1. Progress Reports on the Education for All-Fast Track Initiative (EFA-FTI) were prepared by World Bank staff for Development Committee Meetings of April 2003, 2004 and September 2006 (DC 2004-0002/1, DC2006-001). In its Communiqué of September 18, 2006, the Committee recognized FTI as a promising approach to donor harmonization, country ownership, and scaling up at the sectoral level. Further, it emphasized the importance of education quality and the measurement of learning outcomes; supported the expansion of the initiative to larger countries and fragile states; and called for predictable and long-term funding for the initiative (including from domestic sources). Additionally, the Development Committee requested that the World Bank's Board of Executive Directors be updated on progress.

2. This report responds to the Development Committee's request. It provides an update on FTI's progress since the last report to the Development Committee in September 2006. It was prepared in consultation and with contributions from the FTI Steering Committee and the FTI Secretariat. Section II provides a brief overview of the FTI. The acceleration in size and scope of the FTI Partnership is presented in sections III through V, which summarize country and development partner progress over the past year. Section VI outlines emerging challenges that FTI is facing as it continues to expand and adapt to emerging needs, and strategies that the FTI Partnership and the Bank have been developing to meet these challenges.

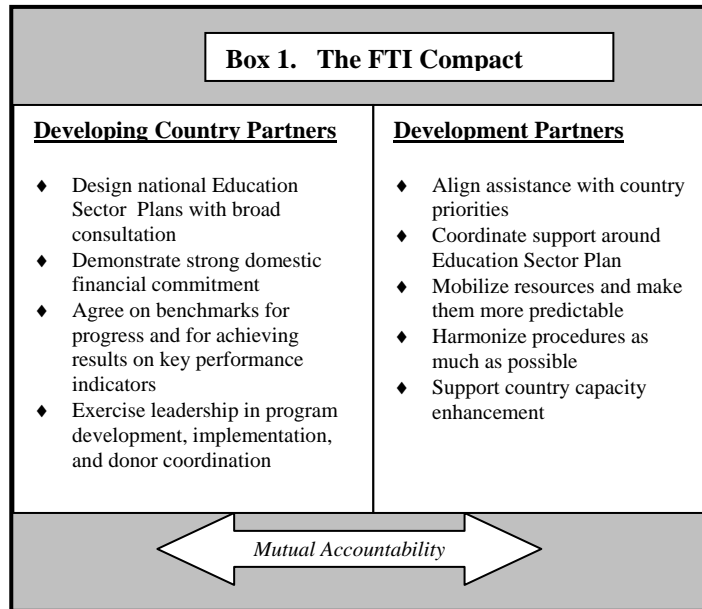
II. OVERVIEW OF FTI

3. **The Education for All - Fast Track Initiative (FTI) is a global partnership for education launched in 2002 by the World Bank, major bilateral donors, UNESCO and other United Nations agencies to help accelerate the efforts of the world's poorest countries to meet the MDG target of universal primary education by 2015.** It was the first initiative to implement the Monterrey consensus whereby countries that put in place good policies would be provided with additional external support. FTI was designed to help close the gaps in policy, financing, data, and capacity that constrain developing countries' ability to achieve the MDG. In pledging to fill these gaps, the World Bank and development partners committed to supporting countries that are farthest behind in the achievement of universal primary education. Annexes 1.1, 1.2 and 1.3 contain information, respectively, on the current set of FTI-endorsed countries, FTI donor partners, and FTI civil society partners.

4. **FTI is a framework for donors and developing countries to implement the Paris Declaration on Aid Effectiveness in the education sector.** It is based on an implicit "compact" in which IDA-eligible developing countries with an approved Poverty Reduction Strategy in place can exercise their leadership in designing and implementing their education sector plans (ownership), benchmarking and monitoring progress on

implementing these plans against output and outcome indicators (results focus). Development partners, in turn, commit to aligning their support to these sector plans (alignment), harmonizing their procedures as much as possible among themselves, and mobilizing predictable and long-term financing to help the countries implement their plans (harmonization) (see Box 1).

5. **FTI's key strength is at the country level.** One of the most important contributions of the Fast Track Initiative has been to provide a framework for eligible countries to develop their own technically sound and credible education sector plans in close dialogue with the local donor group, that is, the group of locally-resident representatives of international development partner agencies, including the World Bank. Once the local donor group completes its appraisal of the country's plan, it formally *endorses* the plan to



signal to the respective headquarters and other donors that the country's plan is ready for scaled up external funding. In particular, the endorsement of a country's education sector plan provides a firm basis for development partners to increase the alignment and raise the level of financial support they provide through existing channels of bilateral and multilateral aid to the country, including through IDA.

6. The FTI Partnership works with two trust funds that provide eligible countries with additional technical assistance and financial support to design and implement their plans. These two trust funds, which are managed by the Bank and financially supported by a number of the donors in the FTI Partnership, are (i) the Education Program Development Fund (EPDF) and (ii) the FTI Catalytic Fund (CF).

7. **The FTI Partnership strengthens developing countries' capacity to design credible education sector plans** through the provision of technical support by the individual development agencies, including the operational units of the World Bank, frequently with supplemental financing from the EPDF. In particular, the EPDF finances technical and analytical assistance that helps countries prepare viable and implementable education sector plans, supports knowledge generation and policy sharing around good practices, and promotes in-country policy dialogue to strengthen national education sector plans. Furthermore, EPDF finances capacity building efforts that are aligned with capacity strengthening activities supported by development partners, including core Bank analytic and advisory work such as education sector analysis, Public Expenditure Reviews (PER), Public Expenditure Tracking Surveys (PETS), operations, and the education programs provided by the World Bank Institute.

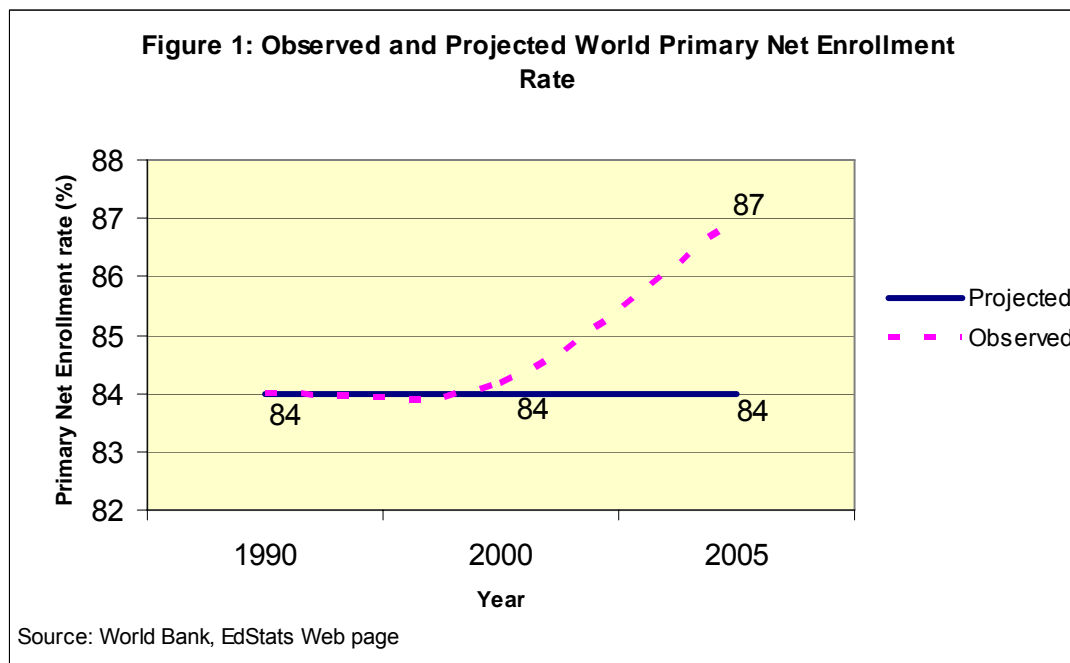
8. **The FTI Partnership mobilizes additional resources to help countries finance the implementation of their education sector plans.** FTI counts on four channels to scale up resources for primary education: (i) the government's own budget—FTI guidelines encourage countries to move towards a benchmark of 20 percent of government recurrent expenditure on education, (ii) funding from the development partners currently working in a particular country—through increased external financing or by better aligning their existing programs with countries' education sector plans, (iii) new funding from bilateral and multilateral donors not yet supporting education in that country but who may be willing to provide funding aligned with the endorsed education sector plan (including the private sector and foundations in the future), and (iv) the FTI Catalytic Fund.

III. GLOBAL EFFORTS ON MDG 2

9. **FTI's key objective is to help countries achieve the education MDG by 2015.** The Partnership has pursued this objective by improving global and in-country processes for donors and developing countries to achieve universal primary education, emphasizing alignment, coordination, and harmonization. One of FTI's most significant contributions has been to raise the bar on partner countries' strategic planning and implementation efforts. This includes an adherence to common standards on the formulation of credible education sector plans, mobilization and use of scaled up domestic and external resources, improvement of implementation planning and program execution, informed dialogue with civil society and development partners, employment of agreed benchmarks and monitoring indicators, and capacity enhancement. In this way, FTI should be seen as a catalyst that stimulates or helps to build on efforts by donors and developing countries to scale up efforts to ensure a quality primary education for all by 2015.

10. **Data suggest that most developing countries across the globe have indeed attained significant improvements in educational outcomes since 2000.** Primary enrollment rates globally have increased from 84 percent in 2000 to 87 percent in 2005 (Figure 1). Primary completion rates have likewise risen, from 84 percent in 2000 to 88 percent in 2005, globally. Moreover, the pace of annual improvement in primary completion rates has accelerated since 2000, especially in sub-Saharan Africa (from 50.7 percent to 60.8 percent), South Asia (from 71.9 percent to 83.5 percent), and the Middle East and North Africa (from 82.1 percent to 90.7 percent). The number of primary school-aged children not enrolled in school decreased from nearly 100 million in 2000 to 72 million in 2005, with 20 percent of this drop accounted for in the last three years (2002 to 2005).

11. **The number of countries across the globe that have achieved universal primary completion increased from 37 in 2000 to 52 in 2005.** Nine of the 10 countries making fastest progress globally are low-income countries in Africa, but given the low base these countries started from, most are still considered "off track" to reach the MDG by 2015. Of 38 African countries for which there are data, 33 are off track today. Globally, some 42 countries are still considered off track.



IV. PROGRESS ACHIEVED BY FTI PARTNER COUNTRIES, 2006-2007

12. **As of October 31, 2007, over 61 eligible developing countries have participated in the FTI Partnership-** mostly through EPDF-financed analytic support and knowledge sharing activities. Of these, 32 countries are full FTI Partners in that they have education sector plans that have been endorsed by the local donor group (see Annex 1.1 for the list of FTI country partners). The total number of FTI-endorsed countries was 19 in 2005 and 28 in 2006. These 32 countries represent 40 percent of all 81 low-income IDA countries. Of these FTI-endorsed countries, over half (18) are in the Africa region, five in Eastern Europe and Central Asia, four in East Asia, three in the Latin America and Caribbean region, and two in the Middle East and North Africa region. The FTI Secretariat projects that 10 countries are likely to join in 2008, which would bring 57 percent of all low-income countries into the FTI framework and enable a total of 17.9 million out-of-school children to enroll.

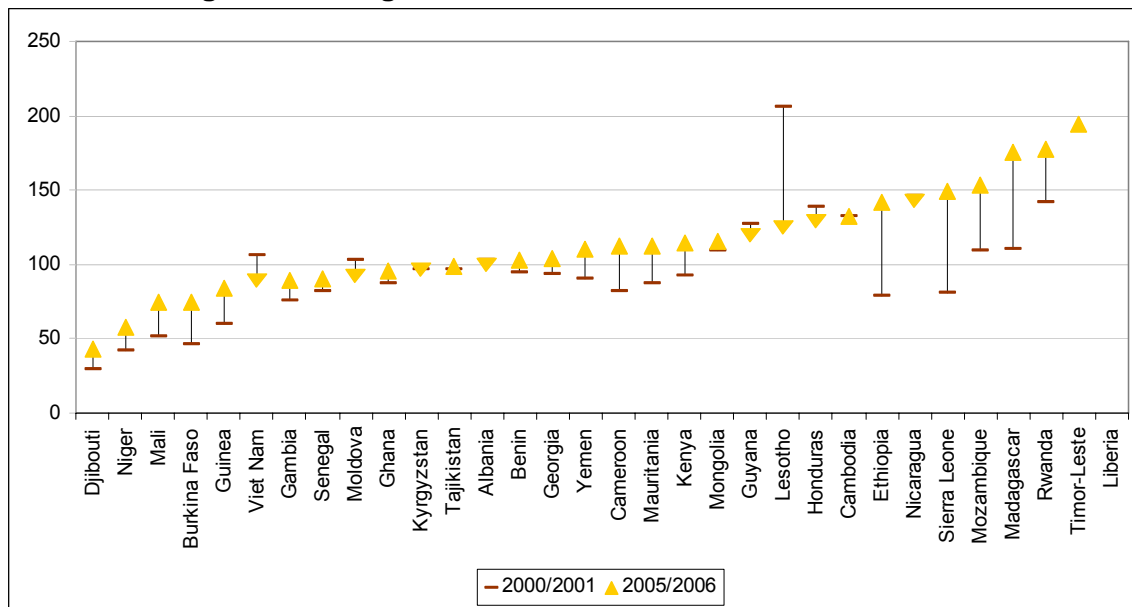
13. **Over the past year, countries with FTI-endorsed education sector plans have further accelerated their progress towards Education for All.** These countries' performance showed a continued upward trend, consistent with previous years, in increasing domestic resource mobilization; improving access to primary education, in particular for girls; and in improving education quality.

14. **FTI-endorsed countries have increased the amount of domestic budgetary resources they allocate to basic education,** although domestic effort varies across countries. On average, public expenditure on education in FTI-endorsed countries increased from 4.2 percent of GDP in 2000 to 4.5 percent of GDP in 2006, and primary education received 48 percent of domestic education budget resources. This level of

domestic effort is in line with FTI benchmarks.¹ Some FTI-endorsed countries have performed above these financing benchmarks, including Kenya and Yemen, whereas others have performed quite a bit below the benchmarks, including Benin, Cameroon, Ghana, Guyana, Mali, Mauritania, Moldova, Mongolia, and Rwanda ([Annex 2.1](#)).

15. **For FTI-endorsed countries, education results in terms of first grade intake², primary enrolments, primary completion rates³, and gender parity continued to improve in 2006** (Annexes 2.1 and 2.2). The overall trend in gross intake rates (first grade intake) for FTI-endorsed countries is very positive, with 25 of 32 countries having reached a gross intake rate of 98 percent or better in the most recent year, up from 13 countries in 2000 (Figure 2). The five countries with the lowest current Gross Intake Rates – Burkina Faso, Djibouti, Guinea, Mali, and Niger – are all showing notable improvements in their intake rates. Among these, Burkina Faso has made the largest increase, from 46 percent to 75 percent; the lowest increase, by Djibouti, was from 30 percent to 43 percent. Gross Intake Rates have declined for eight of the 32 FTI-endorsed countries. Because all of these declines occurred in countries at or above 100 percent Gross Intake Rate, they should not be seen as major setbacks.

Figure 2: Change in Gross Intake Rate, 2000-Most Recent.



16. FTI-endorsed countries have shown progress in their primary Gross Enrollment Rates (Figure 3). The most recent available data from the FTI Secretariat show 14 FTI-endorsed countries with GERs of 100 percent or better, and another nine countries with GERs between 90 percent and 100 percent. Among the eight countries with less than 90

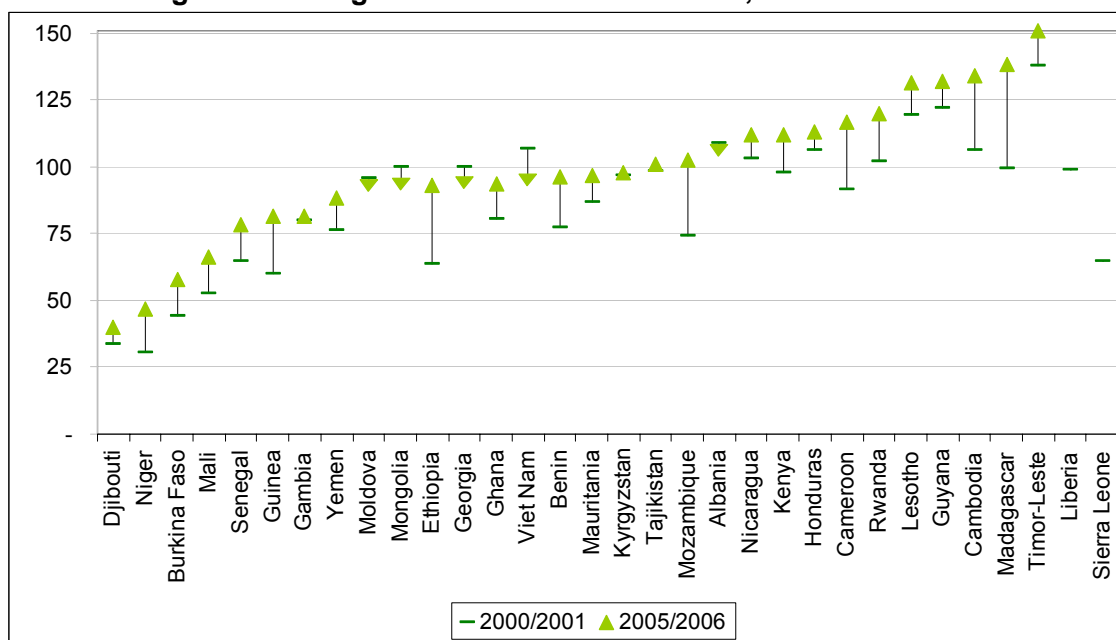
¹ The benchmarks are (i) 20 percent of total public recurrent discretionary spending allocated to education, and (ii) 50 percent of education recurrent spending allocated to primary education.

² Grade One Intake (Gross Intake Rate) definition: Total number of new entrants to the first grade of primary education, regardless of age, expressed as a percentage of the population at the official school entrance age for that grade.

³ Primary Completion Rate (or Gross Intake Rate to the last Grade of Primary) definition: Total number of new entrants to the last grade of primary education, regardless of age, expressed as a percentage of the population at the official age for that grade. The Primary Completion Rate is based on new entrants into the final grade rather than those who graduate from primary school because of the difficulty in obtaining accurate graduation data.

percent GER, six have improved their GERs by 12 to 21 percentage points. Current comprehensive data are missing for two of the FTI-endorsed countries, Liberia and Sierra Leone due to recent conflicts. All five countries that have experienced declines in GER since 2000 had a starting GER of 100 percent or greater.⁴

Figure 3: Change in Gross Enrollment Rate, 2000-Most Recent



17. **Though many FTI-endorsed countries are showing notable increases in primary completion rates (Figure 4), the ambitious goal of universal primary completion is yet to be attained in most cases.** In the most recent year for which data are available, two FTI-endorsed countries—Tajikistan and Guyana—had achieved primary completion rates of 100 percent. Four more—Kenya, Albania, Kyrgyzstan, and Mongolia—had rates of 95 percent or better. Numerous countries have made large improvements in this area. Mozambique, Guinea, Madagascar, and Ethiopia have shown improvements of between 20 and 25 percentage points, and Benin and Cambodia have shown improvements of 30 and 45 percentage points each, respectively. Overall, 22 of 32 countries have made improvements in their PCRs, while five have shown declines.⁵ Five countries have insufficient PCR data to draw any conclusions.

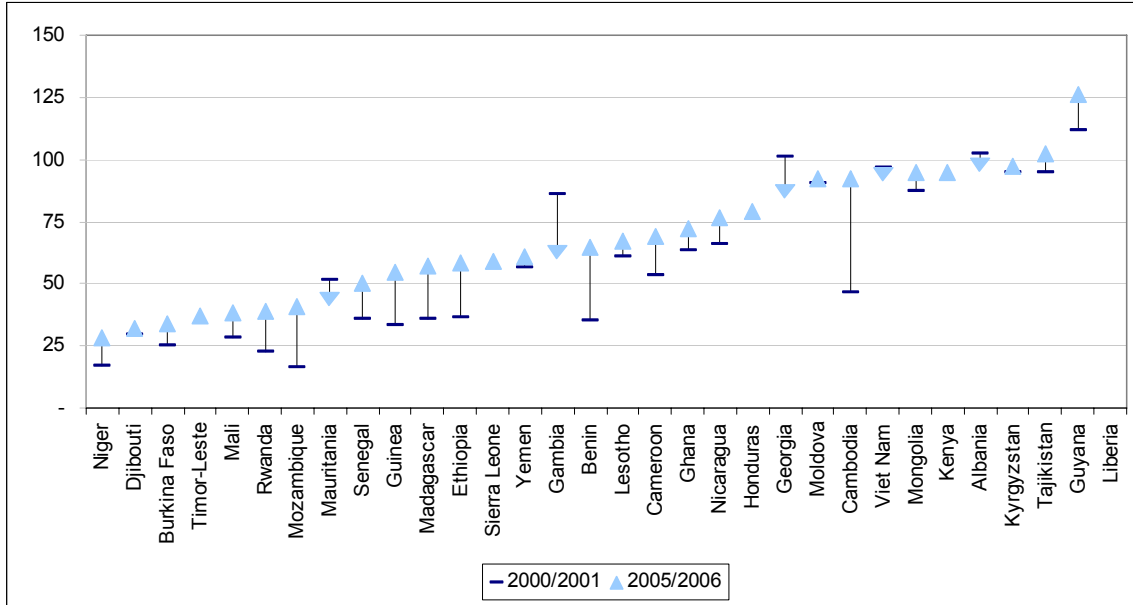
18. Gender parity in access to primary education also improved in FTI-endorsed countries, resulting in an upward movement of the average gender parity index from 0.87 to 0.92 between 2000 and 2006, and from 0.82 to 0.89 in sub-Saharan Africa among endorsed countries. Although girls benefited more than boys from the recent expansion of primary education, gender parity remains a challenge. Girls still comprise only 47 percent

⁴ As indicated in Section III, improvements in performance are not unique to FTI-endorsed countries. India and Pakistan, for example, showed increases of 10 percent in primary enrollment rates in the same period.

⁵ Declines may result from substantially increased enrollments at the lower grades, which result in a decrease in the proportion of students completing the final year of primary.

of primary school enrollment in FTI-endorsed countries and only 46 percent in sub-Saharan FTI-endorsed countries.

Figure 4: Change in Primary Completion Rate, 2000-Most Recent



19. The FTI Secretariat estimates that, by 2015, all 32 FTI-endorsed countries, with the exception of Djibouti and Mali, will enroll over 90 percent of their school-aged children in grade one. Despite their scaled-up efforts, due to the enormity of the access challenges some countries still face, combined with the challenges of keeping children in school, it is estimated that nine of the 32 FTI-endorsed countries will still fail to achieve over 90 percent primary completion by 2015. Burkina Faso, Djibouti, Mali, Mauritania and Niger are the most seriously at risk of not achieving the MDG target despite their exceptional efforts and achievements.

V. PROGRESS ACHIEVED BY FTI'S DONORS, 2006-2007

20. FTI development partners made significant progress in meeting their commitments, although substantial additional efforts are needed to maintain the momentum, particularly in resource mobilization. The Partnership was successful in enhancing the visibility of FTI, increasing resources for the Catalytic Fund to US\$1.2 billion, improving predictability of funding for FTI-endorsed countries, supporting capacity development, and strengthening donor harmonization and alignment. But large challenges remain, to sustain ODA for primary education.

A. Enhanced Visibility

21. **Over the past year, FTI supported development partners' efforts to elevate the education MDG on their political and policy agendas.** One important milestone was a high level event convened by the European Union, the UK Chancellor of the Exchequer, and the World Bank President. This event, "Keeping Our Promises on Education," which was hosted by the EC on May 2, 2007, reinforced political commitment to the education MDG and EFA goal of completing quality primary education for all children by 2015, recognized the FTI framework as an effective mechanism to support countries to accelerate progress towards achieving these goals, and underscored the need for more, better, faster, and more predictable long-term external aid to developing countries to scale up results on primary education. Although few additional financial pledges were made, the meeting was successful in raising the political profile for education and resulted in a new interest among private sector foundations and corporations.

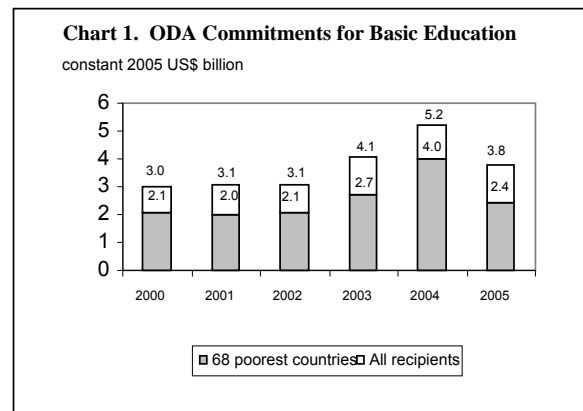
B. Resource Mobilization and Predictability

22. External resource mobilization involves increasing ODA through regular bilateral and multilateral channels, which constitute the bulk of the financing, as well as through the Education Program Development Fund (EPDF) for capacity development, and the FTI Catalytic Fund for country program implementation.

Bilateral and Multilateral Aid Channels

23. Despite the continuing efforts of development partners and civil society organizations to advocate for a boost in ODA to support primary education, actual pledges continue to fall short of developing country funding requests by about 50 percent. Estimates of the external financing gap, for achieving universal primary education in all low-income countries, range from \$3.7 billion (Bruns 2003) to \$9 billion (UNESCO 2007). Further, according to figures from the OECD/DAC, overall ODA commitments for primary education fell in real terms from a high of US\$5.2 billion in 2004 to US\$3.8 billion in 2005. The poorest countries, and countries in sub-Saharan Africa, bore the brunt of the downturn (Chart 1). In the absence of data for 2006, it is difficult to determine if the drop in primary education ODA in 2005 is an anomaly or part of a declining trend.

24. IDA commitments in FY2007 for education overall increased by approximately 50 percent, achieving an all-time high of approximately \$1.5 billion. Nonetheless, IDA commitments for primary education have declined. Three-year averages for the periods 2002-2004 and 2005-2007 show a 13 percent decline in IDA commitments for primary education in nominal terms (from an average of US\$550 million a year to US\$475 million), reflecting increased demand from IDA recipients for support to secondary and higher education initiatives. In



other words, while the amount of IDA allocated to projects in the education sector increased by 22 percent between these two periods, capturing 11 percent of total IDA, the share of IDA going to primary education dropped from 59 to 42 percent of that total. In sub-Saharan Africa, IDA commitments to primary education fell by 2 percent between these two periods while IDA commitments to other levels of education increased by 25 percent ([Annex 3](#)).

25. Since most external financing for partner country programs is expected to be mobilized through regular ODA channels, the decline in ODA for primary education since 2004 represents a significant challenge for the FTI Partnership. The FTI Secretariat estimates an external annual financing gap of \$1 billion just for the current set of 32 FTI-endorsed countries to achieve universal primary education by 2015.

The FTI Catalytic Fund

26. When the FTI Catalytic Fund (CF) was launched in 2003, it was conceived as an untied, multi-donor trust fund whose primary purpose was to provide bridge financing to countries with endorsed education sector plans but that faced exceptional limitations in financing due to an insufficient number of development partners. The CF provided transitional funding for a maximum of three years to enable countries with too few donor partners to scale up their education sector programs and establish a track record of results that would, in time, attract additional bilateral support.

27. Following four years of experience with this approach, evidence indicates that donors have not stepped in to increase and raise the predictability of their funding, despite the fact that they endorsed the investment-readiness of FTI-endorsed country education sector plans. As a result, in 2007, the CF contributors, with the approval of the full FTI Partnership, agreed to extend the CF to provide longer-term and more predictable financing to more FTI-endorsed countries. The effect of this decision is to expand country eligibility and extend the financing time-frame of the CF. These modifications of the Catalytic Fund are expected to become operational by the end of 2007, once the World Bank and contributing donors sign the revised administrative agreements.

28. ***CF Funding Levels.*** For the period 2003-2009, donors have committed and pledged contributions totaling US\$1.2 billion. In 2006, 11 donors committed US\$439 million to the CF, over three times the US\$129 million contributed during the previous two years combined. This increase was due in a large part to contributions from the Netherlands and UK and to several other bilateral donors contributing to the CF for the first time or increasing their contribution. In 2007, however, new commitments and pledges fell by 14 percent to US\$378 million, and pledges for 2008 currently stand at only US\$258 million ([Annex 4.1](#)).

29. The level of effort to date with respect to CF demonstrates a strong commitment on the part of numerous countries to EFA. Nonetheless, while significant, it will not be sufficient to meet the financing needs faced by low-income countries. The FTI Secretariat estimates that the annual external financing need for the 32 FTI endorsed countries is US\$1 billion. The G8 countries made a commitment in July to try to fill this gap through

their bilateral education programs or through increased contributions from multilateral channels.

30. ***CF Commitments and Disbursements.*** The increase in CF contributions in 2006 and 2007 enabled the Partnership to respond to an increased demand for financing. Over the past year, the number of CF recipients increased from 10 to 23 countries ([Annex 4.2](#)). CF allocations to these countries total US\$800 million over the period 2003-2009. In particular, 67 percent of the total US\$1.2 billion in donor pledges to date have been committed to recipient countries. Disbursement performance has been satisfactory for these country allocations from 2003 and 2006. Of the US\$238 million allocated during these years, 75 percent was allocated to recipient countries.

31. ***Funding Predictability.*** Several decisions were taken over the past year that will help improve the predictability of CF financing and other donor financing to help countries achieve the education MDG. First, was the decision by the Catalytic Fund donors to extend CF financing to countries with exceptional financing limitations over a longer time horizon. Second, other new funding sources are expected to provide external financing to low-income countries pursuing this objective. One is the European Community's new aid financing instrument, the MDG Contract, which is designed to commit a percentage of European Development Fund assistance to developing countries over a six-year time span. The other expected new funding source is the African Development Bank's proposal to long-term financing arrangements during its next replenishment discussions for the African Development Fund.

C. Capacity Development

32. **The main instruments the FTI Partnership promotes to enhance country capacity are the Education Program Development Fund (EPDF) and development partners' own institutional contributions**, reflecting their areas of strength and aligning their institutional work program priorities with the FTI Partnership goals. For example, World Bank education sector analysis, related economic and sector work, and country dialogue have been stepped up to focus on EFA in numerous countries, and the World Bank Institute has increased the provision of its two-week intensive course "Strategic Options for Education Reform," which was redesigned for low-income countries pursuing the EFA goals. Bilateral and multilateral development partner agencies have also been sending their staff from local donor groups to WBI programs to strengthen their capacity as contributors to the in-country dialogue on education reform.

33. **The EPDF, which was established in November 2004, provides rapid and flexible support to enhance country technical and institutional capacity.** EPDF works in three main areas: helping countries develop sound education policies and plans through broad-based consultation; helping improve the understanding of conditions under which reforms may be successful through better monitoring, evaluation, and knowledge sharing; and helping strengthen donor partnerships at the country level. While the World Bank is the executing agency of the Fund, requests for funding come through the local donor groups at the country level. Commitments and pledges to the EPDF for the period 2005-2008 total US\$81 million, for an average of about US\$20 million annually ([Annex 5.1](#)). The EPDF Committee (composed of the donors to this trust fund), in its September 2007

meeting, recognized the need to finance upstream fiduciary work from the EPDF and expects to extend support to analytical work in pre- and post-basic education, in response to requests from FTI-endorsed countries to help them develop more comprehensive, sector-wide approaches to achieving the EFA goals.

34. The use of the EPDF allocations varies by region. However, most regions direct resources towards two main pillars—demand-driven country-specific support, and cross-country or regional studies and exchanges of experience on specific policy or technical issues of relevance to the countries. A lower, but increasing amount is being directed to the third EPDF objective of strengthening donor harmonization and alignment at the country level. One example of this growing effort is EPDF's support for a series of regional workshops in the Africa Region designed to enhance donor cooperation and alignment (one was held in South Africa in June 2007, and one will be held in Tunisia in December 2007). In any case, EPDF has contributed to harmonization and complementarities in country level and regional capacity building efforts, and this has improved over the past year with the active complement of regional advisory groups.

35. Given the relatively high volume of resources contributed by donors to the EPDF, and its flexibility, the EPDF has become an important funding source for capacity development. In total, 60 countries in all six World Bank regions have received support from EPDF, including 10 fragile states, and 16 countries that have tapped into EPDF resources to support the preparation of education sector plans for subsequent endorsement by the FTI Partnership.

36. In addition to the EPDF are the regular channels for capacity development through bilateral, multilateral, and Civil Society Organizations (CSO) partners who undertake capacity development activities with their own budgets in support of the EFA goals. It is the expectation of the FTI Partnership that all partners contribute not only financially, but also to support technical work on priority policy issues in accordance with their comparative advantage. In this regard, the FTI Partnership has established several task teams led by different partner agencies – a capacity development team led by Germany, a task team on fragile states led by the UK, a team working on education quality issues led by Russia, a gender task team led by UNICEF, and a team focused on education and HIV/AIDS, which is led by Ireland. In addition, participating agencies are increasingly aligning their work program priorities to focus on these and other critical issues.

37. **As part of this institutional contribution, the World Bank has been placing greater focus on capacity development for better quality education systems through the assessment of student learning outcomes.** The Latin American and Caribbean region is providing technical support to regional networks to strengthen learning assessment systems, and has published a new report on learning outcomes in the region, summarizing the evidence of policy and program impact and policy options for raising learning achievement (World Bank 2007c). The Europe and Central Asia region is supporting countries to participate in the international Trends in International Mathematics and Science Study (TIMSS) assessment. The Human Development Network (HDN) is collaborating with USAID and the FTI quality task team on initiatives to

promote measurement instruments for early reading and other primary school outcomes, while with a Trust Fund established by Spain, the HD will be financing eight impact analyses to assess the impact of specific interventions on primary school enrollment and learning outcomes.

D. Progress in Implementing the Paris Declaration on Aid Effectiveness

38. **FTI is increasingly cited as an example of good practice in global programs for its integration of the goals of the Paris Declaration on Aid Effectiveness within its framework, objectives and processes.** The evidence is clear that the FTI Partnership has stimulated, and significantly advanced, the alignment of development partners to one country-led education development plan. There has been a significant increase in donor collaboration, and joint donor activities for analytic work in FTI-endorsed countries, as well as the use of common procedures for program monitoring and reporting. In several countries; such as Kenya, Madagascar, and Rwanda; a concerted effort is also being made to align funding with country partners' budget cycles.

39. Achieving greater harmonization of funding procedures among donors and their alignment with government systems, although advanced in some FTI-endorsed countries, is proceeding at a slower pace in others. While nine countries have adopted Joint Finance Agreements or pooled funding arrangements to streamline parallel procedures,⁶ in the majority of countries, coordinated but separate project financing remains the most common financing modality.

VI. EMERGING CHALLENGES AND PARTNERSHIP RESPONSES

40. As the FTI Partnership expands and gains experience, new challenges are emerging. The need to mobilize additional bi- and multilateral resources for primary education, including replenishment of the Catalytic Fund, requires urgent attention. The Partnership also faces new challenges as it steps up its aid to fragile states. Building on its implementation experience, the Partnership is strengthening quality assurance for country programs and processes, including those of the Catalytic Fund, increasing the focus on quality and learning outcomes, and working to strengthen donor harmonization.

A. Maintaining Momentum on Resource Mobilization

41. **As FTI expands to more countries, the mobilization of increased and longer-term financial commitments will remain a priority of the Partnership and a major challenge.** To keep the MDG and EFA goals for primary education at the top of country and development partner agendas over the coming years, the FTI Partnership will continue several efforts that are well under way. As a whole, the Partnership will strengthen its efforts to implement the Paris Declaration on Aid Effectiveness, in particular to harmonize donor support at the country level. This includes further efforts to

⁶ Burkina Faso, Ethiopia, Ghana, Honduras, Kenya, Mozambique, Niger, Vietnam, the Republic of Yemen

reduce transaction costs in project administration, to pool funding, and to strengthen/coordinate supervision and reporting. The FTI Partnership members also recognize that continued advocacy is needed and a concerted effort to attract additional donors, including the private sector. Several donor partners have also indicated that they are making efforts to increase their funding in support of the EFA – FTI goals.

42. With respect to the Catalytic Fund, the FTI Secretariat estimates that funding requests to the CF until the end of FY2008 will be in the order of US\$900 million; of this amount, US\$416 million is covered through existing pledges, which will be called shortly. This would leave the FTI-endorsed countries with funding requests of about US\$500 million for the period, which will need to be covered through additional bi-and multilateral donor funding or through additional contributions to the CF. The FTI Secretariat is preparing projections on the orders of magnitude of the resources that the FTI donor partners would need to mobilize over the next few years to meet the needs of the current FTI-endorsed countries.

B. Reaching the Hardest-to-Reach

43. **Multiple disadvantages make particular groups of poor students especially difficult to reach.** A recent study showed that nearly 75 percent of the 55 million girls who remained out of school in the developing world in 2000 were “doubly disadvantaged”—female and from excluded ethnic, religious, or caste groups.⁷ Achieving universal primary completion in these cases will require more than just building schools. It will also require actions to eliminate discriminatory policies, change teachers’ attitudes, provide compensatory preschool and in-school programs to help disadvantaged girls catch up, and tools such as targeted stipends to overcome parents’ reluctance to send girls to school and to compensate for the direct and opportunity costs of doing so. The encouraging fact is that many policies and efforts to reach the “doubly disadvantaged” in fact will benefit all disadvantaged students, and bring countries closer to the goals of Education for All.

C. Strengthening Support for Fragile States

44. **At present, eight of the 32 FTI-endorsed countries are characterized as fragile states using the criteria of a score of 3.2 or less on the World Bank Country Policy and Institutional Assessment ratings.** Six of the eight are receiving funding through the CF for a cumulative total of US\$124 million between 2003 and 2009. Looking forward to 2008 and beyond, fully half the remaining 45 low-income countries, not currently within the FTI framework, fall into this category of fragile states.

45. To facilitate support to this group of countries, three new initiatives were started during 2006 and 2007. First, the FTI fragile states task force is developing guidelines to implement a progressive approach to support fragile states and is exploring ways to create linkages between humanitarian aid and development assistance. Second, the Netherlands recently established a partnership with UNICEF to support education development in fragile states. Finally, consistent with the World Bank’s policy paper on

⁷ Lewis and Lockheed, 2007. *Inexcusable Absence*, Center for Global Development, Washington, DC.

fragile states (World Bank 2007b), by end 2007, the World Bank will complete identification of a "callable roster" of experienced staff and consultants able to effectively work in fragile states, and a field placement plan to bolster support for basic education.

D. Strengthening the Quality of Country Programs

46. **Several reviews conducted in 2007 on the quality of country programs suggest that the large majority of FTI-endorsed education sector plans are technically strong on education elements.** The plans are grounded in sector analyses, benchmarked against the FTI's indicative framework, include strategies to address gender and regional disparities as well as measures to improve education quality and expenditure efficiency. Areas for improvement cited in these studies included estimating financial requirements, integrating the plan into a country's Poverty Reduction Strategy (PRS) and medium-term expenditure framework, and strengthening the financial management and procurement systems and the diagnosis of implementation capacity constraints. The reviews also noted a need to more systematically develop policies and actions to combat HIV/AIDS.

47. Several FTI task forces have been constituted during the past year to address these needs for improvement, as well as to maintain momentum on the gender goals. The Capacity Development task team has piloted guidelines to facilitate the appraisal of country implementation capacity. A workshop, hosted by Germany in October 2007, agreed on guidelines that will be made available to country teams to guide the diagnosis of implementation capacity constraints. The HIV/AIDS task team commissioned a review of newly endorsed plans in 2006 and recommended mainstreaming HIV/AIDS issues into FTI processes, strengthening local donor capacity, providing specialized technical assistance and facilitating lesson learning. The gender task team strengthened the gender focus of the FTI appraisal guidelines. The quality of learning outcomes task team, led by Russia, has undertaken consultation with the donors and partners to formulate a consensual terms of reference for helping countries focus on improving learning outcomes through their education sector plans.

48. **The World Bank works to ensure financial analysis and linkages with the PRS and medium-term expenditure frameworks as part of the FTI Education Sector Plan appraisal process.** To further this objective, the World Bank is conducting consultations with the FTI development partners to determine how it can most effectively contribute its expertise to strengthen country plans and capacity in these areas.

E. Quality Assurance of Education Sector Plans' Design and Implementation

49. The main mechanisms utilized for quality assurance at the country level are the appraisal of the country's education sector plan by the local donor group, and joint annual reviews of plan implementation. The FTI is unique in its substantial delegation to the local donor group to play the quality assurance role. This approach has shown advantages and weaknesses. On the one hand, it has unquestionably stimulated and challenged donor collaboration and coordination in most countries. On the other hand, the approach is constrained by the technical expertise (including on both education and financial issues) and implementation experience of the members of the local donor group, as well as their

closeness to the client, which could affect their objectivity. As a result, program appraisals and annual reviews vary widely in scope and quality, according to studies carried out by the FTI Secretariat and by the World Bank.

50. FTI partners have formed a quality assurance task team on "Strengthening Country Level Processes," which is working on several initiatives to address these constraints. Their terms of reference include clarifying the role of the local donor group and the lead donor, strengthening technical expertise within the local donor group, supplementing capacity of the local donor group as needed, and expanding the FTI endorsement guidelines to include a plan for, and an assessment of, donor coordination mechanisms. Initial steps to strengthen upstream processes of plan preparation and assessment have recently been agreed by the Partnership. One of the main recommendations from the task team is to focus attention on improving the quality of education sector plans upstream, during the preparation of the plans. As far as possible; all issues relating to safeguards, financial management, procurement, and implementation planning, as well as education system issues should be addressed during the appraisal process and prior to endorsement. This would create benefits later in the process after endorsement and speed up execution and disbursements in the cases in which financing from the Catalytic Fund or scaled up support from other sources is awarded. Again, as far as possible, these issues should be addressed jointly by all the donors working with the government. Another recommendation was to seek agreement on a division of labor across the development partners in the local donor group in each country, taking into account the comparative advantages of each.

F. Strengthening Quality Assurance Processes of the Catalytic Fund

51. **Strengthening quality assurance in CF-financed operations has also been a top priority over the past year for the Partnership in general and the Bank in particular.** A World Bank review in 2007 of quality assurance processes for CF operations found uneven attention, across countries, to the quality of preparation, appraisal, and supervision of these operations. At the same time, the partners' decision to expand the CF has entailed a larger number of countries eligible for CF financing, larger allocations per country, and more predictable funding (longer duration). In response, and to help fulfill more effectively its role as CF Trustee, the Bank has launched a series of concurrent efforts to strengthen quality assurance of CF operations, in collaboration with the local donor group (country level) and CF donors (global level).

52. **Efforts to balance the objectives of "fast track," "light touch," and harmonization with those of fiduciary rigor and due diligence have led the Bank to address a number of significant challenges:**

- ensuring proper articulation of which activities the CF will fund, how they will be implemented, and how progress will be monitored;
- ensuring satisfactory completion of due diligence by obtaining all necessary Bank-wide clearances—including on financial management, procurement, and safeguards—and assurances with respect to institutional arrangements and readiness for implementation;

- ensuring involvement of the relevant Bank Country Director at critical decision points in the FTI process, to provide an institutional backing for decisions made by the World Bank Task Team Leader as a member of the local donor group;
- reaching a common understanding among partners of (i) the FTI process and (ii) relative roles and responsibilities in the Partnership, involving substantial accompanying work (preparation of a Partnership Review Note and substantive revision of constitutive documents underpinning FTI and CF governance);
- improving incentives for Bank staff working on FTI, including efforts to ensure adequate budget and recognition of CF operations as “Bank deliverables” on par with IDA operations; and
- more generally, integrating CF support into the Bank’s country work programs and Country Assistance Strategies, and monitoring CF grant implementation through the Bank’s project supervision system.

G. World Bank Efforts to Increase the Focus on Learning Outcomes

53. **Achievement of the education MDG also requires improvements in learning outcomes.** Indeed, the ultimate objective of any education system is to assure high levels of learning for all young people to reach their potential. Research evidence shows that it is learning outcomes, rather than years of school attendance alone, that ultimately generates economic growth (World Bank 2007a). In this regard, the quality of education, as measured in terms of learning outcomes, is a major challenge for most low-income countries, and lower enrollment rates often go hand in hand with lower levels of achievement (UNESCO 2006).

54. **FTI-endorsed countries are addressing the quality challenge by increasing both the quantity and quality of inputs, such as books and supplementary materials, curriculum and teachers, and by putting in place systems to measure learning outcomes and track progress in learning achievement over time.** With a few exceptions (i.e., several countries that have suffered from recent and prolonged conflicts), all FTI-endorsed countries have administered some form of learning assessment within the past five years. Many countries in sub-Saharan Africa also participate in cross regional educational assessment programs, such as the Southern and Eastern Africa Consortium on Monitoring Educational Quality and the *Programme d’analyse des systèmes éducatifs* in Francophone African countries. Similarly, almost every Latin American country participates in the regional learning assessment organized by the Latin American Laboratory for Assessment of the Quality of Education (UNESCO’s Laboratório). With regard to world class international assessments, such as the (TIMSS), the only FTI-endorsed countries that have participated are Ghana, Moldova, and Yemen.

55. **During the last two years, the World Bank has stepped up its efforts to help developing countries pursue and measure progress based not only on enrollments and inputs but also on learning outcomes.** How countries assess these outcomes and link them with policies, practices, and interventions to improve teaching and learning are growing priorities for the global development community.

56. **On the operational side, the Bank's stepped-up support to countries in this area resulted in a record 100 percent of the primary, secondary, and general education projects approved by the Board in FY07 addressing education quality and covering student learning assessments.** Among all of the quality areas supported under the FY2007 operations; which included support for teaching and learning, teacher professional development, assessment, education sector management, pedagogical materials, and other quality elements, 94 percent of the projects included components that were designed to evaluate and improve learning outcomes. The Bank's Quality Enhancement Reviews and peer reviews during FY2007 supported this effort by giving heightened attention to the learning outcomes in projects across the globe – including education operations in, *inter alia*, Bulgaria, Burundi, Georgia, Haiti, India (2 projects), Kenya, Namibia, Nigeria (2 projects), Pakistan (2 projects), Senegal, Tanzania, Timor-Leste, and Vietnam.

57. **On the analytic side, the Bank carried out a scaled-up program of sector work, publications, capacity building activities, and research programs in FY2007 designed to reinforce the efforts of countries and donors to pay more and better attention to raising learning outcomes.** The Bank's FY2007 Global Monitoring Report, approved by the Board in April 2007, emphasized to clients and donors alike the pivotal importance of learning outcomes in all education programs, and highlighted the importance of measuring and focusing on improving learning outcomes. In 2007, the Bank published a landmark study on "Education Quality and Economic Growth," demonstrating empirically the causal relationship between raising cognitive learning outcomes and increasing economic growth and productivity. In particular, the report shows that developing countries could boost their economic growth by 5 percent a year if they improve learning outcomes.⁸ According to the report, schooling in many developing countries has not delivered on its promise as the driver of economic success, and expanding school attainment, at the center of most development strategies, has not guaranteed better economic conditions. The report provides strong evidence that learning outcomes, rather than mere school enrollment, are powerfully related to individual earnings, to the distribution of income, and to economic growth, and that measuring education results only in terms of years in the classroom, while neglecting qualitative differences in knowledge, misses the core of what education is about.

58. **The Bank has been working to increase global attention to measuring learning outcomes and producing evidence on what works to raise learning outcomes in developing countries.** The Bank just published, in December 2007, a major guidebook, *Assessing National Achievement*, designed to assist developing countries in the design and implementation of effective, large scale education assessment systems, which are critical tools for improving learning outcomes. The Latin America and Caribbean Region released a flagship study entitled, *Raising Student Learning in Latin America*, which documents and disseminates evidence of what has actually worked to increase learning outcomes of students attending primary and secondary schools in the region. The Bank has also been working with some countries wishing to experiment with more accessible, low-cost forms of learning outcomes measurement and has helped them implement simple assessments of reading skills and progress in the early grades. The

⁸ The World Bank (2007). Education Quality and Economic Growth.

available results of these experimental surveys are sobering. Three countries in Africa, for instance, in testing conducted by their ministries of education over the past year, found that only three to eleven percent of children in second grade were able to read.⁹ These results highlight the need for systematic availability of information on learning outcomes and a need to balance the attention given to increasing access with attention to similar improvements in learning.

59. The World Bank Institute has also scaled up its efforts in building capacity in developing countries to measure learning outcomes and improve educational quality. It redesigned its core course, Policy Options for Education Reform, to meet the needs of low income countries, and FTI partner countries in particular. The program was so successful that bilateral and multilateral development agencies have been sending their own education staff to the WBI course to build their knowledge and skills. UNICEF, in particular, contracted WBI to provide intensive training to 200 of its education sector staff to build their capacity to help countries design effective programs to improve education quality. Finally, the Bank has undertaken a substantial effort to deploy randomized-trial impact evaluations to evaluate the effectiveness of interventions designed to improve learning outcomes. The interventions being evaluated include introducing school-based management initiatives to empower local stakeholders, providing school report cards to parents to improve accountability, and using conditional cash transfers as incentives for poor parents to send and keep their children in school. Finally, the Bank organized major conferences on education quality and learning outcomes for ministry, CSO, and private sector education stakeholders in South Asia and in Latin America.

H. Strengthening Donor Harmonization

60. While the FTI Partnership has made significant progress in aligning donor support with the country education sector plans, harmonization of implementation modalities at the country level is less advanced. Implementation experience shows three key constraints to achieving greater harmonization at the country level: (i) insufficient institutional incentives and support to country level staff to harmonize procedures, (ii) different concepts among donors of harmonized funding modalities such as pooled funding and sector budget support, and (iii) a general lack of expertise within education sector staff of FTI-endorsed countries and donors in strengthening country financial management and procurement systems. The recent agreement within the FTI Partnership to work on implementation readiness—i.e. assessments of procurement and financial management systems and safeguard requirements, joint implementation arrangements—upstream at the time of plan preparation, is an important step to strengthen donor harmonization. The FTI task team for strengthening country level processes is preparing additional proposals in this area. In terms of capacity building, regional seminars are planned for donor staff on fiduciary, safeguard, and implementation aspects. The FTI Secretariat is preparing a proposal of how to translate the general agreements of the Paris Declaration into a more formal education sector specific agreement, including indicators

⁹ Data available through FTI secretariat: The standard used was an Oral Reading Fluency test result of 45 words correct per minute—a widely agreed benchmark of early reading.

for measuring progress of donor harmonization. These proposals are expected to be discussed at the next FTI meeting in December 2007.

I. Next Steps for FTI and the Partnership

61. **For FTI, the key agenda items are to continue moving forward on efforts to expand the number of countries with endorsed education sector plans, further strengthening the country level processes, mobilizing additional resources for FTI-endorsed countries and helping countries improve the effectiveness of their use, and supporting capacity development in FTI-endorsed countries at all levels.** An external evaluation of FTI is being prepared at mid-course. The terms of reference for this evaluation are being finalized and agreed by the Partnership. The evaluation will focus on the impact that FTI is having in helping countries achieve universal primary education within the context of a broader sector plan. It will also examine FTI's uniqueness in the broader aid architecture. The World Bank's Independent Evaluation Group has agreed to advise the FTI task team responsible for managing this external evaluation.

J. Next Steps for the Bank

62. **For the Bank, efforts are underway to strengthen the links between IDA and FTI in order to ensure additionality and complementarity of donor resources, strengthen the IDA technical and operational infrastructure to support the CF, and align the CF funding to country performance- while recognizing the resource and capacity needs of the countries.** To achieve these objectives, the Bank is undertaking a number of actions to:

- Incorporate the FTI-endorsed programs into CASs, setting them in the context of the education sector and of relevant broader country programs. This would be consistent with ongoing discussions on taking account of other funding sources, including major Bank-implemented trust funds, in determining CAS strategies.
- Determine the most robust relationship between IDA and FTI CF financing for a given country, taking account of the clear expectation of CF donors for the CF to be additional (last resort funding) to IDA rather than a substitute for it. For example, CF programs could be designed to accompany IDA education sector-wide credits, PRSCs with an education component, joint IDA and CF financing of the same operation, or a complementary IDA credit to support secondary or higher education. Maintaining a strong IDA presence in education is desirable to ensure that education remains integrated into the wider country strategy and macroeconomic support plan and that adequate technical support is available to CF programs. Keeping primary education as an IDA priority would also help strengthen the case for IDA replenishment.
- Address incentives for Bank managers in IDA countries to support more IDA financing for education and to devote adequate staff resources – in quantity and quality – to provide technical leadership for upstream, in-country work on analysis, appraisal, and endorsement of countries' education sector plans. In cases

where IDA and CF operations cannot be aligned, the Bank is considering ways to ensure that CF operations be treated as fully equivalent to IDA operations, and factored into Work Program Agreements. A first step on this set of actions includes the creation of a new Activity Initiation Summary (AIS task code) for each FTI activity, including mechanisms to help Bank staff support education development in fragile or post-conflict states. The Bank is also working on the development of incentives regarding human resources management, including in OPEs, to reward good partnership and consensus-building in working with other donors and recipients. The latter applies to work on harmonization and alignment in general, and not just to FTI; OPCS has begun useful work on this topic.

K. Challenges for the Bank in Going Forward as an Effective Partner in FTI

63. **FTI is one of the most important vehicles for accelerating progress on the education MDG, and it is the first major global partnership to bring together principles underpinning the Monterrey Consensus and Paris Declaration.** With all major donors present, moreover, it is gaining influence in the global aid architecture for education. As such, it is a test of the Bank's commitment to achieving results through partnership.

64. **The Bank has a significant role and stake in the FTI Partnership:** it launched the partnership, in collaboration with other donors; it hosts the FTI Secretariat; and it serves as trustee and main supervising entity for FTI's two trust funds. The Bank's leading incubator role during the first four years has evolved into one of a strategic partner providing a delineated set of services to the partnership. The institutional response to this evolution offers lessons for addressing emerging issues in today's changing aid architecture. In particular, the proliferation of funding agencies at the country level and the increase in grant funding relative to loans has brought to the forefront the need for the Bank to review its partnership business model.

65. **As the donors' voice grows, and as International Development Association's (IDA) lending for basic education diminishes in relative terms, the Bank is faced with new and evolving challenges.** These challenges may call for the Bank to re-balance its role in client countries—focusing less on IDA financing, *per se*, and more on the technical aspects of sector dialogue, including economic work, sector analysis and integration of education into the country-wide program.

66. **A key challenge in the evolving FTI partnership relates to the Bank's accountability in FTI**—being accountable to donors looking for the Bank to deliver on its areas of comparative strength (fiduciary and safeguards aspects, macro-economic linkages, sector knowledge, and implementation know-how) while being pressed to relinquish critical decisions (such as choice of lending instrument and use of anticorruption measures) that affect the Bank's wherewithal to deliver on such accountability. The Bank has been carefully reviewing its roles and responsibilities and begun working actively with partners to address this issue.

67. The challenges posed by FTI are also prompting internal discussions of a strategic nature, to find solutions with relevance beyond FTI:

- **Simplification of Bank policies/procedures.** The Bank has been harmonizing its procedural frameworks and fiduciary requirements with those of other donors and of developing countries' procurement and financial management (PFM) systems, except in countries or sectors where the use of such systems could pose fiduciary and reputational risks for the Bank or undermine the operational effectiveness of the program. The FTI context is clearly underscoring the need for the Bank to go further, to make Bank procedures more flexible without weakening the IDA or the Bank's accountability framework.
- **Developing new harmonization-friendly instruments.** The experience with FTI and in particular the Catalytic Fund is stimulating dialogue within the Bank on new types of instruments that could be developed to promote more harmonized implementation of operations with multiple donors.
- **IDA's role in mobilizing funding for MDGs.** FTI has demonstrated that it is possible for countries to make faster progress on achieving the MDGs if sound policies and practices are supported by adequate, well aligned, and predictable resources. Given the large sum (an additional \$1 billion annually) needed to close the financing gap for countries that currently have FTI-endorsed education sector plans, and the Bank's acknowledged comparative advantage in resource mobilization, a matter being reviewed is how the Bank can better use its convening power to mobilize new funding for FTI-endorsed countries.
- **Bank budget funding in the absence of IDA operations.** In countries where external funding is adequately covered by other donors and the Bank has no presence in basic education, it is nevertheless important for the Bank to maintain active engagement both on the policy dialogue on broader sector and macroeconomic issues and to contribute to FTI as a partner and member of the local donor group.

Annex 1.1 Fast Track Initiative Country Partners, with endorsed Education Sector Plans

| 2003-2005 | 2006 | 2007 | Additional Projected 2007 | Projected 2008 |
|-----------------|--------------|----------------|---------------------------|--------------------------|
| 19 | 9 | 4 | 4 | 10 |
| Burkina Faso | Albania | Benin* | Bhutan | Central African Republic |
| Ethiopia | Cambodia * | Georgia | Burundi | Chad |
| Gambia, The* | Cameroon * | Liberia | Sao Tome&Prin. | Haiti |
| Ghana* | Djibouti * | Sierra Leone * | Zambia | Kiribati |
| Guinea | Kyrgyz Rep.* | | . | Malawi |
| Guyana* | Mali* | | | Papua New Guinea |
| Kenya* | Mongolia* | | | Solomon Islands |
| Lesotho* | Rwanda* | | | Tonga |
| Honduras | Senegal | | | Uganda |
| Madagascar* | | | . | Vanuatu |
| Mauritania* | | | | |
| Moldova* | | | | |
| Mozambique* | | | | |
| Nicaragua* | | | | |
| Niger* | | | | |
| Tajikistan* | | | | |
| Timor-Leste* | | | | |
| Vietnam | | | | |
| Yemen, Rep. of* | | | | |

Source: *EFA-FTI Status Report*, November 2006, with updates.

Notes: * denotes a Catalytic Fund recipient. Countries highlighted in bold are the most populous countries

Annex 1.2 FTI Donor Partners

| | | | |
|---------------------|---------|-------------|----------------|
| AFDB | Finland | Netherlands | UNDP |
| ADB | France | New Zealand | United Kingdom |
| Australia | Germany | Norway | UNAIDS |
| Austria | Greece | Portugal | UNESCO |
| Belgium | IADB | Russia | UNICEF |
| Canada | Ireland | Spain | United States |
| Denmark | Italy | Sweden | The World Bank |
| European Commission | Japan | Switzerland | |

Annex 1.3 FTI Civil Society Partners

| | |
|-------------------------|-------------------------------|
| Action Aid | DATA |
| Education International | Global Campaign for Education |
| Oxfam | Save the Children |

Annex 2.1 Quality and Efficiency Indicators

| | Primary Completion Rate | | | | Repetition Rate | | | Pupil :Teacher Ratio | | | Public Expenditure on Education as % of GDP | | Public Expenditure on Education as % of Total Expenditure | | Primary Education as % of Current Education Expenditure | |
|-----------------|-------------------------|---------|----|----------------|-----------------|----------------|-----|----------------------|----------------|-----|---|----------------|---|---------|---|----------------|
| | 2000 | 2005/06 | Δ | Projected 2015 | 2000 | 2005/06 or MRY | Δ | 2000 | 2005/06 or MRY | Δ | 2000 | 2005/06 or MRY | 2000 | 2005/06 | 2000 | 2005/06 or MRY |
| Albania | 102 | 97 | -5 | 84 | 4 | 2 | -2 | 23 | 22 | -1 | .. | .. | .. | .. | .. | .. |
| Benin | 35 | 65 | 30 | 125 | 20 | 17 | -3 | 53 | 47 | -6 | 3.1 | 3.5 | .. | 14.1 | .. | 49.5 |
| Burkina Faso | 25 | 31 | 6 | 42 | 17 | 12 | -5 | 49 | 47 | -2 | .. | 4.7 | .. | 16.6 | .. | 71.1 |
| Cambodia | 47 | 92 | 46 | 184 | 22 | 14 | -8 | 50 | 53 | 3 | 1.7 | 1.9 | 14.7 | .. | 61.7 | .. |
| Cameroon | 53 | 62 | 9 | 81 | 27 | 26 | -1 | 52 | 48 | -4 | 2.8 | 1.8 | 9.9 | 8.6 | .. | 68.1 |
| Djibouti | 29 | 32 | 3 | 37 | 14 | 9 | -5 | 32 | 35 | 3 | .. | 7.9 | .. | 27.3 | .. | 43.6 |
| Ethiopia | 37 | 58 | 22 | 91 | 13 | 7 | -6 | 64 | 72 | 9 | 4.0 | 6.1 | 11.3 | 17.5 | .. | 50.8 |
| Gambia, The | .. | .. | .. | .. | .. | .. | .. | 37 | .. | .. | 2.7 | 2.0 | 14.2 | .. | .. | .. |
| Georgia | 101 | 87 | .. | .. | 0 | 0 | 0 | 17 | .. | .. | 2.2 | 2.9 | 11.7 | 13.1 | .. | .. |
| Ghana | 63 | 72 | 9 | 90 | 5 | 6 | 1 | 34 | 35 | 2 | .. | 5.5 | .. | .. | .. | 34.4 |
| Guinea | 33 | 55 | 21 | 97 | 23 | 9 | -15 | 46 | 45 | -1 | 1.9 | 2.0 | 25.6 | .. | .. | .. |
| Guyana | 112 | 126 | 14 | 155 | 2 | 1 | -1 | 26 | 28 | 2 | 8.5 | 8.5 | 18.2 | 14.5 | .. | 34.1 |
| Honduras | .. | 79 | .. | .. | .. | 8 | .. | 34 | 33 | -1 | .. | .. | .. | .. | .. | .. |
| Kenya | .. | 95 | .. | .. | .. | 6 | .. | 34 | 40 | 5 | 5.2 | 6.7 | 25.8 | 29.2 | 68.3 | 62.9 |
| Kyrgyz Republic | 95 | 97 | 3 | 103 | 0 | 0 | 0 | 24 | 24 | 0 | 2.9 | .. | 18.7 | .. | .. | .. |
| Lesotho | 61 | 67 | 6 | 78 | 18 | 19 | 1 | 48 | 42 | -6 | 10.1 | 13.4 | 18.5 | 29.8 | 46.5 | 39.2 |
| Liberia | .. | .. | .. | .. | .. | .. | .. | 38 | .. | .. | .. | .. | .. | .. | .. | .. |
| Madagascar | 36 | 58 | 22 | 102 | 28 | 18 | -10 | 48 | 54 | 6 | 3.2 | 3.2 | .. | 25.3 | .. | 47.3 |
| Mali | 28 | 38 | 10 | 57 | 17 | 19 | 1 | 65 | 54 | -11 | .. | 4.3 | .. | 14.8 | .. | .. |
| Mauritania | 52 | 45 | -7 | 30 | 15 | 10 | -5 | 45 | 40 | -5 | .. | 2.3 | .. | 8.3 | .. | 62.0 |
| Moldova | 90 | 92 | 2 | 96 | 1 | 0 | -1 | 21 | 18 | -3 | 4.0 | 4.3 | 15.0 | 21.2 | 19.3 | 17.1 |
| Mongolia | 87 | 95 | 7 | 109 | 1 | 0 | 0 | 33 | 34 | 2 | 6.7 | 5.4 | .. | .. | .. | 24.3 |
| Mozambique | 16 | 41 | 25 | 90 | 24 | 10 | -13 | 64 | 66 | 2 | .. | 3.7 | .. | 19.5 | .. | 70.5 |
| Nicaragua | 66 | 76 | 10 | 97 | 5 | 10 | 5 | 36 | 34 | -2 | 3.9 | .. | 13.8 | .. | .. | .. |
| Niger | 17 | 28 | 11 | 51 | 12 | 5 | -7 | 41 | 44 | 3 | 2.8 | 2.3 | .. | .. | .. | .. |
| Rwanda | 22 | 39 | 17 | 72 | 33 | 19 | -14 | 54 | 62 | 8 | 2.8 | 3.8 | .. | 12.3 | .. | 53.9 |
| Senegal | 36 | 50 | 14 | 79 | 14 | 12 | -2 | 51 | 42 | -9 | 3.4 | 5.4 | .. | 18.9 | .. | 47.9 |

| | Primary Completion Rate | | | | Repetition Rate | | | Pupil :Teacher Ratio | | | Public Expenditure on Education as % of GDP | | Public Expenditure on Education as % of Total Expenditure | | Primary Education as % of Current Education Expenditure | |
|--------------------|-------------------------|-----------|-----------|----------------|-----------------|----------------|-----------|----------------------|----------------|-----------|---|----------------|---|-------------|---|----------------|
| | 2000 | 2005/06 | Δ | Projected 2015 | 2000 | 2005/06 or MRY | Δ | 2000 | 2005/06 or MRY | Δ | 2000 | 2005/06 or MRY | 2000 | 2005/06 | 2000 | 2005/06 or MRY |
| Sierra Leone | .. | .. | | .. | .. | .. | .. | .. | 67 | | 5.0 | 3.8 | .. | .. | .. | 52.3 |
| Tajikistan | 95 | 102 | 8 | 117 | 0 | 0 | 0 | 22 | 21 | -1 | 2.3 | 3.5 | .. | 18.0 | .. | 27.1 |
| Timor-Leste | .. | .. | | .. | .. | .. | .. | .. | 34 | | .. | .. | .. | .. | .. | .. |
| Vietnam | 96 | 94 | -3 | 88 | 3 | 1 | -2 | 30 | 22 | -8 | .. | .. | .. | .. | .. | .. |
| Yemen, Rep. | 56 | .. | | | 7 | 4 | -3 | 22 | .. | | 9.9 | .. | 32.8 | .. | .. | .. |
| Average | 57 | 69 | 12 | 90 | 13 | 9 | -4 | 40 | 42 | -1 | 4.2 | 4.5 | 17.7 | 18.2 | 49.0 | 47.6 |
| SSA FTI avg | 37 | 54 | 14 | 78 | 14 | 10 | -4 | 39 | 42 | 1 | 4.3 | 5.0 | 17.5 | 17.9 | 32.9 | 46.0 |
| SSA avg | 51 | 61 | 10 | | .. | 11 | .. | 47 | 50 | | | | | | | |
| IDA avg | 72 | 79 | 9 | 90 | .. | .. | .. | 36 | 35 | | | | | | | |

Annex 2.2 Access Indicators

| Country | Total Enrollment (million) | | Annual Enrollment Growth | Children out of school (million) | Grade 1 Intake Rate (% of 6 year olds) | | | Gross Enrollment Ratio | | Net Enrollment Ratio | | Gender Parity Index | |
|--------------|----------------------------|---------|--------------------------|----------------------------------|--|---------|----------|------------------------|---------|----------------------|---------|---------------------|---------|
| | 2000 | 2005/06 | 2000/06 | 2005 | 2000 | 2005/06 | Δ Change | 2000 | 2005/06 | 2000 | 2005/06 | 2000 | 2005/06 |
| Albania | 0.3 | 0.3 | | 0.01 | 103 | 99 | | 109 | 106 | 100 | .. | 0.99 | 0.99 |
| Benin | 0.9 | 1.3 | 7.2 | | 95 | 103 | 8 | 77 | 96 | 52 | 78 | 0.69 | 0.8 |
| Burkina Faso | 0.9 | 1.3 | 8.3 | 1.2 | 46 | 75 | 29 | 44 | 58 | 36 | 45 | 0.71 | 0.8 |
| Cambodia | 2.2 | 2.7 | 3.7 | 0.0 | 132 | 133 | 1 | 106 | 134 | 91 | 99 | 0.87 | 0.92 |
| Cameroon | 2.2 | 3.0 | 6.0 | | 82 | 112 | 31 | 92 | 117 | .. | .. | 0.85 | 0.85 |
| Djibouti | 0.0 | 0.1 | 5.8 | 0.1 | 30 | 43 | 13 | 33 | 40 | 28 | 33 | 0.73 | 0.82 |
| Ethiopia | 4.9 | 8.8 | 12.5 | 2.7 | 79 | 123 | 44 | 63 | 100 | 36 | 68 | 0.67 | 0.88 |
| Gambia, The | 0.2 | 0.2 | 2.5 | 0.0 | 76 | .. | | 80 | .. | 67 | .. | 0.85 | .. |
| Georgia | 0.3 | 0.3 | 2.5 | 0.0 | 93 | 104 | 10 | 100 | 94 | 93 | .. | 1 | 1.01 |
| Ghana | 2.6 | 3.1 | 4.1 | 1.0 | 87 | 110 | 23 | 80 | 94 | 61 | 69 | 0.93 | 0.98 |
| Guinea | 0.8 | 1.2 | 8.8 | 0.5 | 60 | 85 | 25 | 60 | 81 | 47 | 66 | 0.7 | 0.84 |
| Guyana | 0.1 | 0.1 | 1.4 | 0.0 | 127 | 119 | -8 | 122 | 132 | .. | .. | 0.97 | 0.98 |
| Honduras | 1.1 | 1.3 | 3.0 | 0.1 | 139 | 128 | -10 | 106 | 113 | 88 | 91 | 1.02 | 1 |
| Kenya | 5.0 | 6.1 | 3.8 | 1.1 | .. | 115 | | 98 | 112 | 67 | 79 | 0.99 | 0.96 |
| Kyrgyz Rep. | 0.5 | 0.4 | | 0.0 | 97 | 95 | -2 | 97 | 98 | 87 | 87 | 0.99 | 0.99 |
| Lesotho | 0.4 | 0.4 | 0.6 | 0.0 | 206 | 124 | | 120 | 132 | 82 | 87 | 1.04 | 1 |
| Liberia | 0.5 | .. | .. | | .. | .. | | 99 | .. | 66 | .. | 0.73 | .. |
| Madagascar | 2.2 | 3.6 | 10.3 | 0.2 | 110 | 179 | 69 | 100 | 138 | 65 | 92 | 0.96 | 0.96 |
| Mali | 1.0 | 1.5 | 8.2 | 1.1 | 52 | 64 | 12 | 53 | 66 | .. | 51 | 0.75 | 0.8 |
| Mauritania | 0.4 | 0.4 | 4.5 | 0.1 | 87 | 112 | 26 | 87 | 93 | 63 | 72 | 0.94 | 1.01 |
| Moldova | 0.3 | 0.2 | -6.1 | 0.0 | 103 | 92 | | 96 | 92 | 89 | 86 | 0.99 | 0.99 |
| Mongolia | 0.3 | 0.3 | -0.2 | 0.0 | 110 | 149 | 39 | 100 | 93 | 91 | 84 | 1.04 | 1.02 |
| Mozambique | 2.5 | 3.9 | 9.2 | 0.9 | 110 | 153 | 44 | 74 | 103 | 56 | 77 | 0.76 | 0.85 |
| Nicaragua | 0.8 | 0.9 | 2.4 | 0.1 | 146 | 142 | -4 | 103 | 112 | 80 | 87 | 1.01 | 0.97 |
| Niger | 0.6 | 1.1 | 12.9 | 1.4 | 42 | 58 | 16 | 30 | 47 | 25 | 40 | 0.69 | 0.73 |
| Rwanda | 1.4 | 1.7 | 3.8 | 0.4 | 142 | 177 | 36 | 102 | 120 | 72 | 74 | 0.97 | 1.02 |
| Senegal | 1.1 | 1.4 | 5.4 | 0.5 | 82 | 91 | 9 | 64 | 78 | 54 | 69 | 0.87 | 0.97 |

| Country | Total Enrollment (million) | | Annual Enrollment Growth | Children out of school (million) | Grade 1 Intake Rate (% of 6 year olds) | | | Gross Enrollment Ratio | | Net Enrollment Ratio | | Gender Parity Index | |
|------------------|----------------------------|--------------|--------------------------|----------------------------------|--|------------|-----------|------------------------|------------|----------------------|-----------|---------------------|-------------|
| | 2000 | 2005/06 | 2000/06 | 2005 | 2000 | 2005/06 | Δ Change | 2000 | 2005/06 | 2000 | 2005/06 | 2000 | 2005/06 |
| Sierra Leone | 0.4 | 1.3 | 23.9 | | 81 | .. | | 65 | 155 | .. | .. | 0.71 | 0.81 |
| Tajikistan | 0.7 | 0.7 | 0.0 | 0.0 | 97 | 99 | 2 | 98 | 101 | 96 | 97 | 0.93 | 0.96 |
| Timor-Leste | 0.2 | 0.2 | -1.2 | 0.0 | .. | 194 | | 138 | 151 | .. | 98 | .. | 0.92 |
| Vietnam | 10.1 | 7.8 | -5.0 | 1.0 | 107 | 88 | -18 | 107 | 95 | 95 | 88 | 0.94 | 0.94 |
| Yemen, Rep. | 2.5 | 3.2 | 5.5 | 0.9 | 90 | .. | | 76 | 89 | 60 | 75 | 0.63 | 0.74 |
| Total | 47.3 | 58.8 | 4.4 | 13.4 | 97 | 113 | 17 | 87 | 101 | 68 | 76 | 0.87 | 0.92 |
| SSA FTI | 28.0 | 40.4 | 8.2 | 35.4 | 90 | 112 | 29 | 77 | 99 | 56 | 69 | 0.82 | 0.89 |
| Total SSA | 87.4 | 113.4 | 5.3 | | .. | 110 | .. | 80 | 95 | 58 | 69 | | |
| Total IDA | .. | .. | .. | | 100 | 108 | 7 | 100 | 105 | 77 | 80 | | |

Annex 3 IDA Commitments to Primary Education, 2002-2007 (US\$ million)

| | 2002-2004 | 2005-2007 | Percentage Change |
|--------------------------|------------------|------------------|--------------------------|
| Primary Education | 549 | 476 | -13.4 |
| Total Education | 938 | 1,142 | 21.7 |
| Total IDA | 8,140 | 9,919 | 21.9 |
| sub-Saharan Africa | | | |
| Primary | 236 | 231 | -2.1 |
| Total Education | 416 | 469 | 12.7 |
| Percentage shares | | | Point Change |
| Education as % of IDA | 11.6 | 11.3 | -0.2 |
| Primary | | | |
| as % of IDA Education | 58.6 | 41.7 | -16.9 |
| as % of Total IDA | 6.8 | 4.8 | -2.0 |
| sub-Saharan Africa | | | |
| as % of IDA Education | 44.4 | 41.1 | -3.3 |

Annex 4.1 Commitments and Pledges to the Catalytic Fund, 2004-2009 (US\$ million)

| | Donor | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Totals | | |
|----|----------------|-------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|----------------|
| | | | | | | | | 2003-2006 | 2007-2009 | 2003-2009 |
| 1 | Belgium | 1.3 | 2.6 | 1.2 | 1.3 | - | - | 5.1 | 1.3 | 6.4 |
| 2 | Canada | - | - | 17.0 | - | - | - | 17.0 | 0.0 | 17.0 |
| 3 | Denmark | - | - | - | 4.5 | - | - | 0.0 | 4.5 | 4.5 |
| 4 | EC | - | - | 40.3 | 20.2 | 20.2 | - | 40.3 | 40.4 | 80.7 |
| 5 | France | - | - | - | 6.5 | 6.5 | 7.7 | 0.0 | 20.7 | 20.7 |
| 6 | Ireland | - | 1.5 | 4.5 | 11.8 | 19.2 | - | 6.0 | 31.0 | 37.0 |
| 7 | Japan | - | - | - | 1.2 | - | - | 0.0 | 1.2 | 1.2 |
| 8 | Germany | - | - | - | 3.9 | 2.6 | 3.9 | 0.0 | 10.4 | 10.4 |
| 9 | Italy | 2.4 | 2.4 | 1.3 | 3.9 | - | - | 6.1 | 3.9 | 10.0 |
| 10 | Netherlands | 39.5 | 54.3 | 185.0 | 185.0 | 185.0 | - | 278.8 | 370.0 | 648.8 |
| 11 | Norway | 6.0 | 8.1 | 40.6 | - | - | - | 54.7 | 0.0 | 54.7 |
| 12 | Russia | - | - | 1.0 | 2.0 | 1.0 | - | 1.0 | 3.0 | 4.0 |
| 13 | Spain | - | 6.0 | 9.0 | 13.0 | 6.5 | - | 15.0 | 19.5 | 34.5 |
| 14 | Sweden | - | 5.3 | 10.4 | - | - | - | 15.7 | 0.0 | 15.7 |
| 15 | United Kingdom | - | - | 129.1 | 124.4 | 16.8 | - | 129.1 | 141.2 | 270.3 |
| | TOTAL | 49.2 | 80.2 | 439.4 | 377.7 | 257.8 | 11.6 | 568.8 | 647.1 | 1,215.9 |

Source: EFA-FTI Secretariat

Annex 4.2 Catalytic Fund Allocations, Commitments and Disbursements, CY 2003-2009 (US\$ million)

| Country | Annual Allocations 2003-06 | | | | | | Total Allocations | | | Performance 2003-06 allocations | | |
|---------|----------------------------|-------------|-------------|--------------|--------------|--------------|-------------------|--------------|--------------|---------------------------------|--------------|--------------|
| | 2003-04 | 2005 | 2006 | 2007 | 2008 | 2009 | 2003-06 | 2007-09 | 2003-09 | Committed | Disbursed | |
| 1 | Benin | - | - | - | 25.4 | 25.4 | 25.3 | - | 76.1 | 76.1 | - | - |
| 2 | Cambodia | - | - | - | 19.1 | 19.1 | 19.2 | - | 57.4 | 57.4 | - | - |
| 3 | Cameroon | - | - | - | 22.5 | 24.8 | - | - | 47.3 | 47.3 | - | - |
| 4 | Djibouti | - | - | 6.0 | 2.0 | - | - | 6.0 | 2.0 | 8.0 | 6.0 | 3.0 |
| 5 | Gambia, The | 4.0 | 4.0 | 5.4 | - | - | - | 13.4 | - | 13.4 | 13.4 | 10.7 |
| 6 | Ghana | - | 8.0 | 11.0 | 14.2 | - | - | 19.0 | 14.2 | 33.2 | 19.0 | 14.0 |
| 7 | Guyana | 4.0 | 4.0 | 4.0 | - | - | - | 12.0 | - | 12.0 | 12.0 | 12.0 |
| 8 | Kenya | - | 24.2 | 48.4 | 48.4 | - | - | 72.6 | 48.4 | 121.0 | 72.6 | 48.4 |
| 9 | Kyrgyzstan | - | - | - | 9.0 | 6.0 | - | - | 15.0 | 15.0 | - | - |
| 10 | Lesotho | - | - | 7.2 | 4.7 | - | - | 7.2 | 4.7 | 11.9 | 7.2 | 1.8 |
| 11 | Madagascar | - | 10.0 | 25.0 | 25.0 | - | - | 35.0 | 25.0 | 60.0 | 27.0 | 27.0 |
| 12 | Mali | - | - | - | 4.3 | 4.4 | - | - | 8.7 | 8.7 | - | - |
| 13 | Mauritania | 7.0 | 2.0 | - | 7.0 | 7.0 | - | 9.0 | 14.0 | 23.0 | 9.0 | 9.0 |
| 14 | Moldova | - | - | 4.4 | 4.4 | - | - | 4.4 | 4.4 | 8.8 | 4.4 | 0.6 |
| 15 | Mongolia | - | - | - | 8.2 | 8.9 | 12.3 | - | 29.4 | 29.4 | 8.2 | 3.0 |
| 16 | Mozambique | - | - | - | - | 39.5 | 39.5 | - | 79.0 | 79.0 | - | - |
| 17 | Nicaragua | 7.0 | 7.0 | 10.0 | - | - | - | 24.0 | - | 24.0 | 14.0 | 10.5 |
| 18 | Niger | 13.0 | 8.0 | - | - | - | - | 21.0 | - | 21.0 | 13.0 | 9.0 |
| 19 | Rwanda | - | - | - | 26.0 | 44.0 | - | - | 70.0 | 70.0 | - | - |
| 20 | Sierra Leone | - | - | - | 4.6 | 4.6 | 4.7 | - | 13.9 | 13.9 | - | - |
| 21 | Tajikistan | - | - | 9.2 | 9.2 | - | - | 9.2 | 9.2 | 18.4 | 9.2 | 6.4 |
| 22 | Timor-Leste | - | - | 3.0 | 5.2 | - | - | 3.0 | 5.2 | 8.2 | 3.0 | 3.0 |
| 23 | Yemen | 10.0 | 10.0 | 20.0 | - | - | - | 40.0 | - | 40.0 | 20.0 | 20.0 |
| | Total | 45.0 | 77.2 | 153.6 | 239.2 | 183.7 | 101.0 | 275.8 | 523.9 | 799.7 | 238.0 | 178.5 |

Source: EFA-FTI Secretariat

a/ Commitments and disbursements are as of the end of August 2007.

Annex 5.1 EPDF –Pledges by Donor 2005-2008 (US\$ million)

| Donor | Commitments 2005-2006 | Pledges | | Total 2005-2008 |
|----------------|--------------------------|-------------|-------------|--------------------|
| | | 2007 | 2008 | |
| Canada | 3.4 | - | - | 3.4 |
| Ireland | 1.0 | 1.0 | 1.25 | 3.3 |
| France | 1.7 | 1.7 | 1.74 | 5.2 |
| Japan | - | 1.2 | - | 1.2 |
| Luxembourg | 1.3 | - | - | 1.3 |
| Netherlands | 1.5 | 6.0 | 6 | 13.5 |
| Norway | 34.9 | - | - | 34.9 |
| Russia | - | 1.2 | 2 | 3.2 |
| Sweden | 2.6 | - | - | 2.6 |
| United Kingdom | 5.9 | 5.4 | 1 | 12.3 |
| Total | 52.3 | 16.5 | 12.0 | 80.8 |

Source: FTI Secretariat, EPDF Interim Progress Report, May 2007

Annex 5.2 EPDF Allocations and Disbursements by World Bank Region, 2005-2007

| | Cumulative allocations (A) | Expenses to date(contracts) (B) | Actual disbursements (C) | Commitments Ratios (%) (B)/(A) | Disbursements Ratios (%) (C)/(A) |
|---------------------------|----------------------------------|---------------------------------------|--------------------------------|--------------------------------------|--|
| Africa | 12.94 | 8.80 | 3.70 | 68(11) | 29(6) |
| East Asia & Pacific | 2.40 | 2.01 | 0.80 | 84(22) | 33(18) |
| Europe & Central Asia | 0.90 | 0.60 | 0.37 | 67(19) | 42(9) |
| Latin America & Caribbean | 2.18 | 0.87 | 0.53 | 40(35) | 24(4) |
| MENA | 1.00 | 0.49 | 0.46 | 49(42) | 46(37) |
| South Asia | 5.28 | 2.67 | 1.92 | 51(33) | 36(25) |
| Total | 24.70 | 15.44 | 7.78 | 62(21) | 31(13) |

Source: FTI Secretariat, EPDF Interim Progress Report, May 2007

Note: Figures in parenthesis indicate ratios as of the end of November 2, 2006.

References

Bruns, Barbara, Alain Mingat, and Ramahatra Rakotomalala, 2003. *A Change for Every Child – Achieving Universal Primary Education by 2015*. Washington, DC: World Bank.

Burnett, Nicholas. 2007. “Education for All by 2015: increasing the momentum” presentation prepared on the Global Monitoring Report for the High Level Event Keeping Our Promises, Brussels, May 2.

EFA-FTI Secretariat. Status Report, Prepared for the EFA-FTI Partnership Meeting in Cairo, Egypt, November 2006.

<http://www.fasttrackinitiative.org/content.asp?contentid=959>

EFA-FTI Task Team on Capacity Development. Initial Country Level Questionnaire on the Role of “Capacity” in the FTI at the Country Level, November 2006.

European Commission. 2007. “Keeping Our Promises on Education,” High Level Event, May 2.

<http://ec.europa.eu/development/services/events/promises-edu/index.htm>

OECD. 2006. The Principles for Good International Engagement in Fragile States. November.

UNESCO. 2006. EFA Global Monitoring Report: Literacy for Life. Paris.

UNESCO. 2007. EFA Global Monitoring Report. Paris.

World Bank 2007a. Education Quality and Economic Growth

World Bank. 2007b. Strengthening the World Bank’s Rapid Response and Long-Term Engagement in Fragile States. OPCS, Fragile States Group, March 30.

World Bank. 2007c. Raising Student Learning in Latin America: The Challenge for the 21st Century.

World Bank. 2006. Progress Report for the Education for All-Fast Track Initiative. Development Committee Report No. DC2006-0015. September 7.

World Bank. 2004. Progress Report on the Education for All-Fast Track Initiative. Development Committee Report No. DC2006-0015, March 26.