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# Study on Governance Challenges for Education in Fragile Situations

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Cambodia Country  
Report

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## **Foreword and Acknowledgements**

The European Commission study management team, Brussels, consisted of representatives from the Social and Human Development and Migration Unit of DG, European Aid. The Study Reference Group consisted of representatives from the Inter-Agency Network for Education in Emergencies, Education and Training Foundation, DFID, GTZ, CIDA, IIEP UNESCO, World Bank, Ulster University and the European Commission.

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It is hoped that this analysis will be a useful contribution to the development of education in Cambodia in the coming years. It is also hoped that the analysis accurately reflects the views and analysis of those consulted and relevant documentation. The lead author of this report is Mr. Michael A. Ratcliffe, study team leader and designated consultant for the Cambodia case study. The Study and consultancy team has been managed by Euro-Trends.

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## Glossary of Terms and Acronyms

Acronym/Term	English
<b>ADB</b>	Asian Development Bank
<b>CAR</b>	Council for Administrative Reform
<b>CDC</b>	Council for Development of Cambodia
<b>EC</b>	European Commission
<b>EFA</b>	Education for All
<b>EFA FTI</b>	Education for All Fast Track Initiative
<b>ESP</b>	Education Strategic Plan
<b>ESSP</b>	Education Sector Support Program
<b>ESWG</b>	Education Sector Working Group
<b>IFAPER</b>	Integrated Fiduciary Assessment and Public Expenditure Review
<b>JICA</b>	Japan International Cooperation Agency
<b>MoEYS</b>	Ministry of Education, Youth and Sport
<b>MoEF</b>	Ministry of Economy and Finance
<b>MoP</b>	Ministry of Planning
<b>MTEF</b>	Medium Term Expenditure Framework
<b>NER</b>	Net Enrolment Rate
<b>NGO</b>	Non-Government Organization
<b>NPAR</b>	National Program for Administrative Reform
<b>PAP</b>	Priority Action Program
<b>PETS</b>	Public Expenditure Tracking and Service Delivery Survey
<b>PFM</b>	Public Finance Management
<b>RGoC</b>	Royal Government of Cambodia
<b>SEDP</b>	Socio Economic Development Plan
<b>Sida</b>	Swedish International Development Agency
<b>SWAp</b>	Sector Wide Approach
<b>UNESCO</b>	United Nations Educational Scientific and Cultural Organization
<b>UNICEF</b>	United Nations Children's Fund
<b>USAID</b>	United States Agency for International Development



# 1. Historical Perspectives: Sector Performance and Resilience

## 1.1 Analysis of Long-Term Sector Performance and Resilience

Cambodia is located in South-East Asia, bordered by Thailand, Lao PDR and Vietnam, with a geographical area of 181,000 km<sup>2</sup> and a population of around 14.5 million people. The administration consists of 24 provinces, 185 districts and 1621 commune councils (the latter with elected officials). An indicative 35% of population are below the official poverty line (urban 25%; rural 40%). The GDP per capita has risen from around KR 900 (US\$ 225) in 1993, to an indicative KR 1800 (US\$ 450) in 2008, primarily due to a growth in manufacturing and construction. The current political and administrative system is centralised with only limited deconcentrated and delegated authority to local authorities.

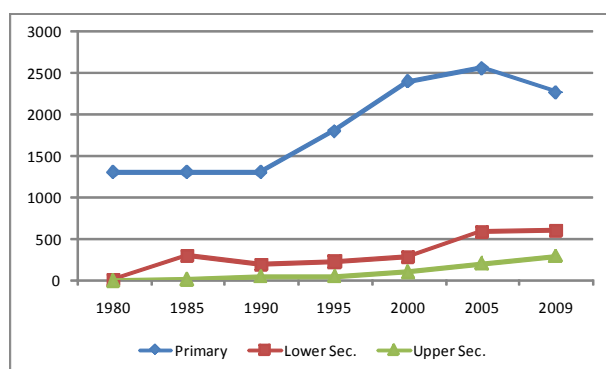
The organisation of the education system consists of discreet early childhood education, primary, junior secondary and senior secondary education, with some consolidated secondary schools. University education is a mix of public and growing fee paying private provision, mainly concentrated in the capital of Phnom Penh, although provincial based private university outreach is growing. Education is planned and managed through the central Ministry of Education Youth and Sport (MOEYS), with 24 provincial education and 185 district education offices, with an embryonic education presence on commune councils. There are currently 1800 pre-schools (for 4-5 year-olds), 6560 primary schools (for 6-11 year-olds) and 1470 junior/senior secondary schools. There are an estimated 57 higher education institutions (HEIs), 21 being public (6 under direct MOEYS management) and 36 private universities and colleges; provincial HEI presence is predominantly private.

The main source of fragility has been the political upheaval and genocide during the Khmer Rouge period in the seventies and a continued, though diminishing, Khmer Rouge presence until the late nineties. Cambodia education fragility status can be best characterised over three main periods i) post-severe conflict early recovery/reconstruction over 1979/1992; ii) limited conflict, consolidated reconstruction phase over 1992/1999; and iii) absence of conflict, accelerated reconstruction and more sustainable development phase over 2000/2009. In broad terms, sector development features correlate well with improving security, political and administrative/economic governance developments during these three phases.<sup>1</sup>

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<sup>1</sup> Conflict Research Unit, 2008. Governance Components in Peace Agreements

Figure 1: Enrolment Patterns, 1980 – 2009



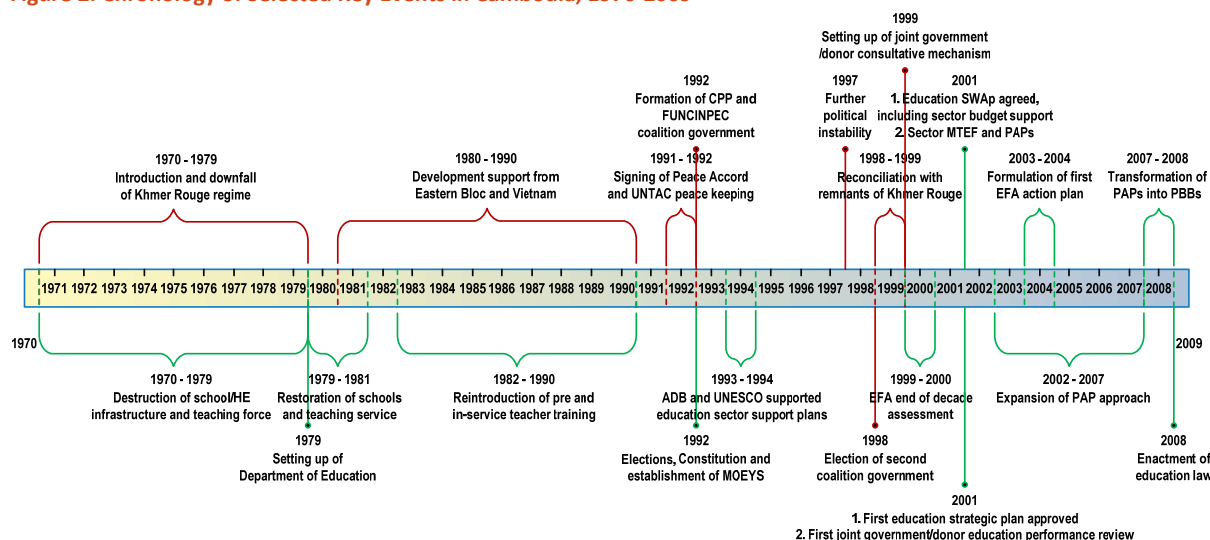
Enrolment patterns indicate sustained recovery and reconstruction over the last 30 years (see fig.1), increasingly affected by significantly declining population growth since 2000. School infrastructure and the teaching service were effectively destroyed during the Pol Pot regime, restored quickly through 3800 schools and 34,000 effectively volunteer teachers over 1979/1981. School enrolment, predominantly primary education, was restored from zero to around 1.3 million over these two years.

Up until the mid-nineties, more conflict-affected provinces (with continued Khmer Rouge presence) appear to have recovered more slowly, especially in Banteay Meanchey, Battambang, Otdar Meanchey, Pailin, Pursat, Siem Reap and Preah Vihear, as evidenced by lower primary/junior secondary enrolment rates. Some of these were characterised as reconciliation areas in 1998/1999, with discreet provincial administrations established. Over the period 2000/2005, all these provinces showed the highest rate of primary/junior secondary enrolment growth, as reconstruction accelerated. Nevertheless, it appears that poverty related factors (as opposed to conflict) have been at least an equal factor in system recovery/reconstruction, with the poorest provinces of Ratanakiri/ Mondulkiri showing 6-14 year-old participation rates of only 33% over 2000/2005, compared to a national average of 81% by 2005.<sup>2</sup>

## 1.2 Analysis of Factors Affecting Sector Resilience and Fragility

A chronology of key events related to security, political and economic/administrative governance over the three periods characterised above is shown in fig.2 below.

Figure 2: Chronology of Selected Key Events in Cambodia, 1970-2009



<sup>2</sup> UNICEF 2008, An Analysis of Out of School Children.



**Early Recovery/Restoration Period 1979/1991.** Education provision increased from 1.0 million students in 1979, to 1.6 million in 1991, with secondary enrolment rising from only 5000 students to 240,000 students over a decade. The number of schools rose from around 2500 to over 5000, recreating a nationwide system, alongside an extensive programme of accelerated learning and non-formal provision for older children. A network of pre/in-service teacher training colleges was recreated from scratch and a voluntary teaching service (receiving only rice from Government, in kind contributions from communities) was quickly transformed into a paid teaching force.

Sources of fragility included i) continued security governance concerns due to both Khmer Rouge and Vietnamese presence; ii) uncertain legitimacy of the Government of the People's Republic of Kampuchea; iii) under-developed economic governance, with state revenues only 1%-2% of GDP, mainly spent on defence/security; and iv) under-developed central and provincial administrative governance with embryonic ministries. Sources of resilience included i) high public value accorded to restoring education, as a perceived peace dividend; ii) strong sense of community participation and volunteerism, including informal contributions for school building/teacher payments; iii) highly committed group of education leaders who formed an embryonic Department of Education in 1979/1980; and iv) significant external assistance for education from Eastern Bloc countries and Vietnam.<sup>3</sup>

**Sector Reconstruction Period 1991/1999.** During this period, primary education enrolment grew from 1.4 million to 2.1 million, with secondary enrolment increasing from 230,000 to 340,000 students. The size of the teaching service, which was now being paid for by the state, rose from 56,000 in 1991/1992, to 73,000 by 1999, with particular growth in secondary school teachers. A key feature was the introduction of 12 years of education (6+3+3) from the previous 11 years (5+3+3) in 1996. National examinations were extensively revised, with the abolition of the primary school examinations in 1996, with end of year 9 and 12 examinations in place. Public universities were now fully operational with selective introduction of fee paying arrangements. Nevertheless, there was growing concerns that recovery/reconstruction efforts were beginning to stagnate.<sup>4</sup>

Sources of continued fragility included i) political instability within the coalition government, with hostilities in 1997/1998; ii) continued low level security instability from remnants of Khmer Rouge until 1998/1999 reconciliation; iii) limited public expenditure for education constituting only 9%-10% share, with growing level of informal payments by parents; iv) very limited support of under-served provinces from extensive external assistance programmes, due to security concerns;<sup>5</sup> and v) limited attention accorded to medium-term sector planning and capacity development within external assistance programmes.<sup>6</sup>

Nevertheless, potential sources of political/security governance resilience were becoming evident, especially i) formation of first coalition Government and elections after 1991 Peace Accord and 1992 UNTAC support; ii) establishment of legitimate education ministry and EFA education policy in new

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<sup>3</sup> UNESCO 2009. Opportunities for Change : Cambodia Case Study (by M. Ratcliffe, J. Lodge Patch, D. Quinn)

<sup>4</sup> Statement by Minister, H.E. Tol Lah, to the National Assembly and MOEYS/donor consultative group, October 1999

<sup>5</sup> MOEYS 1995. Analysis of Donor/NGO Assistance for Education, showed that less than 10% of external assistance was going to the ten provinces, with the lowest participation rates.

<sup>6</sup> ADB 2006. Joint Approaches to Capacity Development, by H.E. Pok Than et al, LENCDC Conference, Kenya

1992 Constitution; and iii) formal presence and establishment of international embassies and agencies, with first international conference on aid to Cambodia in 1992. For education, key features were i) growing and high level government commitment to education reform; v) embryonic strategic and investment planning through comprehensive sector reviews and investment plans in 1993/1994, resulting in establishing EFA national committee; ii) doubling of public resources for education from KR 51 million (US\$ 13 million) in 1994, to KR 125 million (US\$ 31 million) in 1999; iii) significant increases in levels of external assistance, including from multi-lateral agencies, reaching indicative US\$ 30 - 40 million; and iv) growing attention to macroeconomic, fiscal and sectoral financial reforms, including first general budget support operations<sup>7</sup> and education sectoral performance targets.

**Reconstruction/Development Transition Period, 2000/2009.** There has been extensive restructuring of education provision, with primary enrolment levelling off at around 2.3 million students (from a high of 2.7 million in 2003) and junior secondary enrolment growing from 0.2 million in 1999 to over 0.6 million in 2008. Upper secondary provision has increased from 0.1 million to 0.3 million over the same period, alongside rapid growth in higher education enrolment through public/private partnerships. The number of secondary schools has tripled from around 500 to over 1500 over the same period, with extensive external assistance for school infrastructure development.<sup>8</sup>

A number of key positive sector governance features have enabled these reforms, including i) the formulation of a government-led Education Strategic Plan (ESP) and Education Sector Support Programme (ESSP) in 2001;<sup>9</sup> ii) formulation of a sector medium-term expenditure framework (MTEF), as part of the ESP in 2001; iii) abolition of start of year basic education enrolment fees, alongside results oriented and recurrent budgeted priority action programmes (PAPs);<sup>10</sup> iv) greater predictability in government recurrent resources for education, with education recurrent budget share rising from around 11% in 1999 to around 18% in 2008;<sup>11</sup> v) introduction of an annual joint government/donor/NGO sector performance review process from 2001 onwards;<sup>12</sup> and vi) formal establishment of a MOEYS led donor/NGO consultation process, incorporating setting up a formal education sector working group of donors and NGO education partnership.<sup>13</sup>

This transition to more sustainable development has been enabled by a number of broader governance developments, including i) successful completion of national and commune council elections over 2002/8; ii) increased revenue generation, reaching around 10-11% of GDP, although

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<sup>7</sup> For example, the joint agreement between Government, IMF and World Bank for Structural Adjustment Credit (SAC)

<sup>8</sup> 2008, Directorate of General Education. Longitudinal Statistics 1979-2008

<sup>9</sup> 2008 and 2004, Ministry of Education, Youth and Sport. Updates of ESP and ESSP

<sup>10</sup> Priority Action Programmes have been subsequently replaced by programme-based budgeting designed in 2006 and implemented in 2007, as part of broader PFM reforms

<sup>11</sup> For example, the nominal recurrent budget was around Riels 200 billion in 2001/2, Riels 442 billion in 2006, Riels 622 billion in 2008, projected to rise to Riels 1090 billion by 2011. This constitutes a nominal annual increase of around 20% per annum

<sup>12</sup> MOEYS produce an annual sector performance report, supplemented by a donor performance report, as part of this process

<sup>13</sup> This is now formalized as a joint technical working group (education) under the broader aid effectiveness architecture managed by the Council for the Development of Cambodia (CDC) since 2005/6

direct taxation contributions still limited; iii) implementation of broader PFM reforms across the whole of government, replacing PAP piloting in education/health; iv) some movement on broader public administration reforms, including standardised staff incentive schemes; v) some movement on broader deconcentration and decentralisation reforms, including delegated authority for PFM to provincial level; and vi) strengthening of broader aid effectiveness architecture across government, as opposed to individual sector agency initiatives.

Nevertheless, some sources of sector fragility remain, including i) an insufficiently developed regulatory framework for education; ii) under-developed results orientation of key functions, especially for financial planning, personnel management and financial and performance audit; iii) limited attention to developing provincial, district and school level education management and accountability arrangements; iv) insufficiently developed quality assurance and compliance arrangements, especially for upper secondary and higher education; and v) limited development of independent watchdog and monitoring arrangements, especially within the National Assembly, supreme audit agencies and community councils.

**Box 1: MOEYS Capacity Development During Development Transition: Lessons Learned**

- High level leadership is critical, including MOF support, alongside a well-defined policy and institutional framework is vital.
- Frontloaded technical assistance for results-oriented sector planning can facilitate CD roadmap development.
- A SWAp type process can help but must be inclusive and not only about budget support.
- Signing up to CD frameworks can help joint approaches, but don't overload CD action plans and formulate them patiently.
- Harmonizing endogenous and exogenous accountability processes needs to be recognized.
- Role of TA becomes more complex and assessments of effectiveness differ widely, unless functions and outcomes are very clearly defined.
- Outlook is promising and a joint approach to implementing the new education law and regulations is key for sustainability.

**Source: ADB 2006, Joint Approaches to Capacity Development, Ministry of Education, Youth and Sport, Cambodia**



## 2. Education Sector Fragility Assessment: Status and Outlook

### 2.1 Key Features of Sector Resilience and Fragility

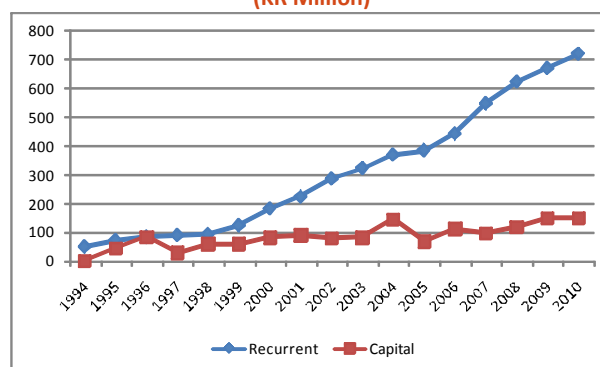
A number of features suggest that the education system in Cambodia has a significant degree of resilience. Despite the continued political and security instability over the period 1979/1999, supply of and demand for primary and secondary education continued to grow. This was in part due to growing political commitment to education (especially from 1994 onwards), the high value accorded to education by families (as a form of peace dividend) and a willingness of households to share the costs of education reconstruction. Until 1992, the recovery/reconstruction was largely a shared compact between communities and schools, alongside growing political visibility of the interim PRK Government and an embryonic education ministry.

Since 1999, the reconstruction phase has been consolidated and made more resilient. National revenues have grown, although public expenditures at around 13% of GDP (in 2007) remain low, with a wage bill of only

30% of recurrent expenditures. Education recurrent expenditure has increased fourteen-fold since 1994, with share increasing from 8% to around 18%-20%. Another factor has been the sustained and growing external assistance for education, averaging US\$ 30-40 million per annum in the nineties and an estimated allocation of US\$ 60-80 million per annum in the past decade (*see fig.3*).<sup>14</sup>

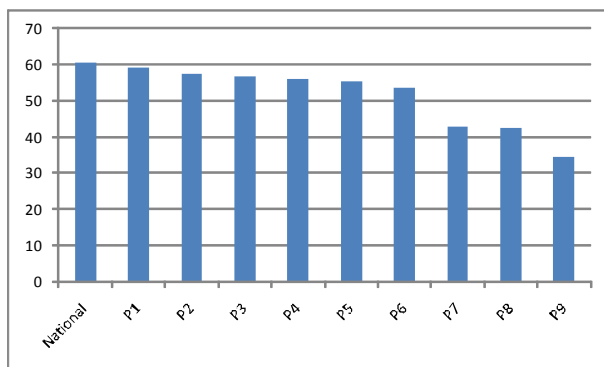
Other key positive resilience features have included i) a greater focus on medium-term sector and financing planning; ii) a growing legitimacy and authority of MOEYS leadership, with an elected single party since 2008; iii) a sustained non-salary spending share, amounting to around one-third of education recurrent spending; iv) a concerted effort to strengthen key central agency functions, especially strategic planning, financial planning/budgeting, personnel management, information systems and audit; and v) institution of annual joint MOEYS/donor consultative and sector performance review arrangements. Key milestones have been the introduction of the priority action programme (PAP), transformed into programme-based budgeting (PBB) in 2007/2008 and the enactment of an education law in 2008.

Figure 3: Education Expenditure Patterns, 1994-2009 (KR Million)



<sup>14</sup> Council for Development of Cambodia/UNDP 2008. Aid Effectiveness Report.

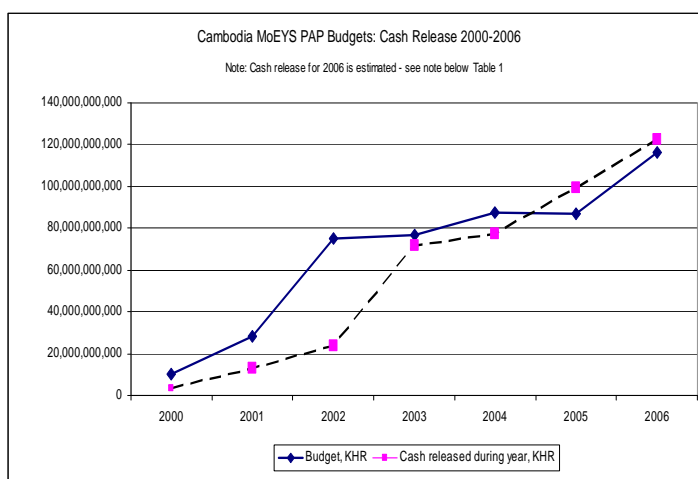
Figure 4: Senior Secondary Enrolment, Selected Provinces, 2005 (%)



Nevertheless, potential sources of fragility remain could constrain smooth transition from reconstruction to more sustained sector development. Significant provincial and district variations in poverty head-count rates constrains access to fee paying senior secondary education, despite increased senior secondary school infrastructure provision (see fig.4). These inequities, which are even greater for higher education, constitute a potential political risk with post-basic education provision having higher private economic returns.

## 2.2 Overall Education Fragility Status Assessment

The overall assessment is that the current security and political environments constitute a comparatively stable basis for accelerating the transition from late stage reconstruction, to more sustainable development. Similarly, the comparatively stable economic and fiscal environment (with GDP growth around 7% minimum in the last few years) is conducive to enabling this transition. The medium to long term prospects for assuring universal access to primary and secondary education are promising, as long as demand-side issues are addressed alongside currently expanding supply side measures. Another encouraging feature is the growing capacity of public financial management systems to absorb and disburse non-salary recurrent budget allocations (see fig.5 above).<sup>15</sup>



Nevertheless, a number of financial and governance constraints exist. Despite improvements, per student public expenditure amounts to only US\$ 50<sup>16</sup> (compared to US\$ 600 per student in Aceh), exacerbated by disappointing primary education internal efficiency (i.e. 9 years to complete a 6-year cycle). Limited progress on civil service reform and a comparatively low salary share of public expenditure, with teacher salaries still only less than an average of around US\$ 60-80 per month, is contributing to continuation of informal payments to teachers at the school level. Despite efforts to promulgate abolition of basic education fees and regulate post-basic education fee structures, progress has been limited by insufficiently robust regulatory compliance arrangements.

<sup>15</sup> Analysis provided by the EC education advisory team during the field mission by the consultant in June 2009

<sup>16</sup> Ranging between US\$ 27 for primary, US\$ 60 for lower secondary and US\$ 70 for upper secondary

### **2.3 Sectoral Fragility and Resilience Outlook, Opportunities and Risks**

As outlined above, key elements of sector governance, including sector planning, inclusive provision and sector performance monitoring are largely in place. The recent education law 2008 provides a further opportunity to underpin current sector policies by a robust regulatory and operational framework. Positive fiscal prospects, including likely oil revenues and growth in tourism, service and construction sectors, provide an opportunity to ensure education financing is sustainable.

Nevertheless, a number of potential risks, primarily ones of governance can be identified, especially i) insufficiently developed results orientation of sector performance monitoring and sector financing; ii) an over focus on supply-side issues, less so for demand-side reforms (e.g. informal fees, regulating age of entry, advocacy and information campaigns); and iii) overly centralised sector planning, management and monitoring, with only limited stakeholder participation in decision making. In particular, limited progress on decentralisation and deconcentration policy implementation means that accountability mechanisms at provincial, district and even school levels are under-developed. Insufficient regulation of national examinations and school performance monitoring, with only limited performance information dissemination is another potential source of long-term system fragility.



## 3. Education Sector Governance Assessment: Status and Outlook

### 3.1 Summary of Overall Macro and Sectoral Governance Environment

**Broad Political and Macroeconomic Features.** The political governance in Cambodia is highly centralised, with strong powers and authority residing in the Office of the Prime Minister and Council of Ministers.<sup>17</sup> The elected National Assembly (Parliament) is responsible for formulating and enacting legislation and maintaining the Constitution (which includes provision for universal basic education access). The National Assembly is responsible for passage of an annual budget law, with a national audit agency accountable to the Assembly for maintaining financial probity and accountability for sector ministry expenditures, although this is still embryonic. Traditional parliamentary select committees, acting as watchdogs, including for education, appear to play a limited role.<sup>18</sup> Similarly, civil society watchdogs (e.g. local NGOs) are limited.<sup>19</sup>

The Ministry of Economy and Finance (MOEF) is responsible for macroeconomic policy and leads the annual budget process and public financial management reform process (PFM). Recent PFM reform progress has focused on production of a medium-term fiscal framework (MTFF), medium term expenditure framework (MTEF), formulation of a credible state budget and improving the pro-poor focus of public expenditures and their disbursement. Overall, PFM reform progress has been encouraging.<sup>20</sup> The MOEYS has been the priority and lead ministry for piloting and implementing PFM reforms, as demonstrated by its commitment to implementing the priority action programme (PAP) over 2001/2006 and subsequent PBB initiative since 2007.

Various assessments suggest that education PFM reforms have been encouraging, demonstrated by i) increased central and district organisational capacity to disburse and account for PAP and PBB funding;<sup>21</sup> ii) non-salary recurrent expenditures have become more pro-poor, with around two-thirds of funding devoted to basic education;<sup>22</sup> iii) increased results orientation of PAP mechanisms, although potentially less so for the new PBB arrangement; and iv) encouraging levels of probity in use of education recurrent expenditures, with impropriety limited to an element of 'facilitation fee

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<sup>17</sup> ODI 2003. Understanding Pro-Poor Political Change, by C. Hughes and T. Conway

<sup>18</sup> Encouragingly the Report on the Annual Education Congress and Sector Performance Review is now presented to the National Assembly, as part of EC Sector Budget Support undertakings.

<sup>19</sup> For example, the NGO education partnership set up in 2002 tends to adopt a technical and consultative function, as opposed to a monitoring and watchdog role.

<sup>20</sup> MOEF 2009. Joint RGOC/Donor Progress Report on PFM and IFAPER Review

<sup>21</sup> EC 2009. Report on PAP/PBB Disbursement Trends

<sup>22</sup> World Bank/ADB 2003. Integrated Fiduciary Assessment and Public Expenditure Review

paying' at provincial/district levels.<sup>23</sup> Nevertheless, it is recognised that a priority is to strengthen central, provincial and district education office organisational capacity to undertake appropriate financial controls and accounting, alongside establishing robust internal audit within MOEYS.<sup>24 25</sup>

Provincial and district PFM capacities remain under-developed, although the response to PAP/PBB implementation has allowed some 'learning by doing' over the past 7-8 years. In the absence of clear delegated authority, lines of accountability are at the centre, against agreed MOEF defined operational guidelines. Formal performance and financial accountabilities at the service organisation level (i.e. schools) are insufficiently well-defined, due largely to the absence of clear powers and responsibilities for the school principal or school committee, or the commune council. Internal MOEYS audit coverage of PAP/PBB operations is improving, though reportedly constrained by limited technical experience and operational resources.

**National Education Governance Context.** Prior to 2008, in the absence of a formal education act, the sector governance arrangements have mainly consisted of technical operational guidelines (Prakas), depending on cooperation rather than compliance. A notable exception has been education PAP/PBB implementation, which is underpinned by specific financial legislation/regulations. The education act 2008 is best characterised as focusing on the authority of the centre and the responsibilities of parents, rather than establishing a means of mutual accountability.

Civil service reform, generally and specifically to education, has been limited. Efforts to implement performance-based pay and incentives (e.g. priority mission groups) have tended to meet resistance. MOEYS has tried to implement a limited range of reforms, including teacher incentives for additional vacation time classes (disbanded in 2003), specific incentives for school principals and for redeployment of teachers to more remote and under-served areas. The current system of salaries and allowances is complicated, insufficiently performance oriented and best characterised as a welfare approach.<sup>26</sup>

Progress in implementing education sector performance accountability and transparency arrangements, across central and lower levels organisation has been limited. There are no formal national standard setting and monitoring bodies, apart from national examinations administered by MOEYS, apart from an embryonic National Council for Higher Education Quality Assurance (under the Council of Ministers). Limited progress has been made in setting school performance standards and monitoring/compliance arrangements and/or formal accreditation of schools and higher education institutions.

Public dissemination of comparative national, provincial, district and school performance results is limited, although the necessary information is readily available. However, the annual joint MOEYS/donor/NGO performance review has become a fixture since 2002. Notwithstanding, its role

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<sup>23</sup> World Bank 2005. Public Expenditure Tracking Survey

<sup>24</sup> EC 2007. Technical and Financial Audit Report on Targeted EC Support for Education

<sup>25</sup> MOEYS was the first ministry to establish an internal audit function in 2003 and has benefited from subsequent extensive EC and UNICEF technical support.

<sup>26</sup> EC 2009. Education Advisory Team Technical Report on Personnel, Staffing Issues (unpublished).



as a basis for robust review of education policies, strategies and targets, has been disappointing and best characterised a routine exercise. More positively, the recent consolidation of the joint review with the annual National Education Congress, which has historical and some political legitimacy, offers promise.

### **3.2 Analysis of Stakeholder Participation and Interests**

The national development planning process, which began in 1992, with the first Socio Economic Development Plan (SEDP), is led by the Ministry of Planning (MOP). The process has become increasingly participatory over the last 15-20 years through i) increased linkage with medium-term expenditure frameworks, led by MOEF; ii) use of sectoral task forces and improved linkage with sectoral plans, especially for education; iii) extensive consultation with the donor community, increasingly through standing sector working groups, organised through the Council for Development of Cambodia (CDC); and iv) growing consultation with the private sector and business community through manufacturing associations. Involvement of civil society groups, provincial administrations (through the provincial governor) is more limited and oversight/approval arrangements by the National Assembly are ill-defined.<sup>27</sup>

The inclusiveness of the education sector planning processes are uneven, with a number of notable features i) extensive internal MOEYS involvement through a number of technical groups; ii) extensive consultation with the donor and NGO community, who participate in robust plan appraisal processes; iii) uneven involvement of key central agencies such as MOEF, MOI, MOP and Council for Administrative Reform; iv) limited involvement of a growing private higher education sub-sector, provincial and district education offices and commune councils, with a declining focus on alignment between national and provincial/district education plans; and v) ill-defined oversight and approval arrangements by both central agencies and National Assembly.<sup>28</sup> As a result, although the sector plans are technically robust, harmonisation and alignment with broader Government reforms needs to be strengthened.

Governance arrangements for sector resource planning and management are strengthening through i) better alignment with MOEF led medium-term budget envelopes and expenditure frameworks; ii) a gradually growing parental voice in school level operational budget planning decisions; iii) increased attention to the needs of potentially excluded groups (e.g. scholarships for the poor); and iv) better defined MOEYS departmental accountabilities through the various sub-sectoral and crosscutting PAP/PBB driven programmes; and v) improved information on medium-term donor/NGO assistance envelopes, through the education sector working groups and CDC led aid effectiveness groups. Notwithstanding, the voice of parents and the private higher education sector is limited and their financial contributions are insufficiently transparent in sector resource budget planning.

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<sup>27</sup> The implementation of SEDP is jointly monitored by Government and international community through regular consultative group meetings held in Cambodia

<sup>28</sup> Derived from analysis of education strategic plan (ESP) and education sector support programme (ESSP) documents over 2001/2009.

Governance arrangements for sector performance monitoring and information sharing have become more inclusive and participatory in the last decade since the first education sector performance review in 2002.<sup>29</sup> Key features include i) an increasingly MOEYS led process for collation and analysis of sector performance information; ii) consolidation of a joint MOEYS, donor and NGO annual sector performance review process, including production of a donor performance report; iv) institutionalisation of NGO involvement through the formal establishment and role of the NGO Education Partnership; and v) potentially growing legitimacy and authority for the annual performance review process, through satisfactory progress being part of some donors support modalities (e.g. EC, EFA FTI). Nevertheless, key limitations are the limited availability and dissemination of disaggregated provincial/district performance information and a limited independent watchdog role (e.g. through National Assembly, audit authorities).

More broadly, formal organisational arrangements for other potential interest groups to participate in sector reform planning and monitoring are under-developed. For example, formal national professional associations of provincial/district education officers, head-teachers and school/parent committees and specialist teaching groups are not in place. Similarly, the organisation of private education sector providers to have a voice is only limited. The association of commune councils, which have a formal role in education monitoring, is also only embryonic. The scope and benefit of transforming the NGO education partnership into a more formal watchdog has yet to be fully explored.

### 3.3 Education Sector Governance Outlook, Opportunities and Risks

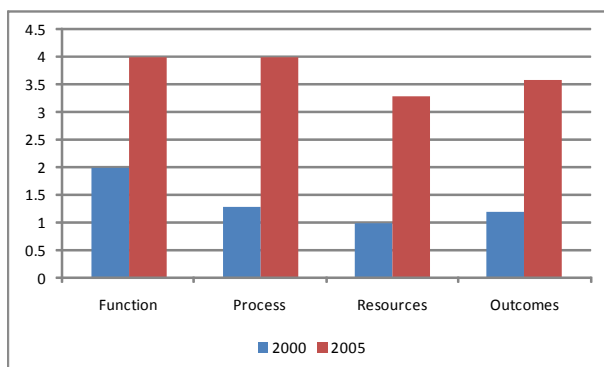
The annual review of the Cambodia ESP/ESSP and targets provides the best opportunity for more systematic governance development. Potential opportunities include i) more explicit specification of education governance outcomes and targets (e.g. implementation of regulations, frequency of publication of financial reports/accounts; ii) involvement of a wider range of stakeholders in the monitoring process (e.g. private sector, school committees); iii) more systematic monitoring of whether excluded and disadvantaged groups are beneficiaries of education strategy/programmes; iv) official publication of provincial and district disaggregated education sector performance reports and their incorporation into the annual review process; v) more transparent publication of PAP/PBB financial reports and performance audits, alongside promoting independent assessments from civil society groups (e.g. possibly the NEP); and vi) holding parliamentary and public debates on sector performance and financial performance, as part of greater mutual accountability.

Another opportunity is to consolidate and extend current efforts to improve the results orientation of various MOEYS organisations. Significant progress has been made in strengthening management information systems for finance/ budget, personnel and strategic planning/monitoring (*see fig. 6*). The role of MOEYS information functions has also become more strategic and externally client oriented (e.g. annual enrolment campaigns, public information on school financing policy).

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<sup>29</sup> An initial sector performance and investment plan review took place in late 1994, through a formal Round Table, followed by informal MOEYS/donor consultations over 1995/1996. The process was disbanded until formulation of the first ESP in 2001/2002.

Figure 6: Results Orientation of Key MOEYS Organizations



Ratings: 1 = virtually nonexistent, 3 = operating with difficulties, 5 = operating very well

In particular, these information systems need to be better aligned with the monitoring of key ESP/ESSP governance targets. There may also be an opportunity to consider setting up more autonomous and semi-independent bodies for key governance areas such as regulatory compliance (e.g. extending internal audit role, greater engagement of national audit agency) and school/university standards compliance (e.g. through a more independent examinations board or accreditation body).

Another opportunity is to make greater use of disaggregated provincial, district and school performance information. This could strengthen governance in a number of ways, especially i) moving towards equalisation and performance based block grants to help reduce current performance inequities; ii) use of such information as a vehicle for greater consultation within provincial/district administrations, civil society groups and school committees; and iii) promoting the role of the National Assembly and its local parliamentarians and establishment of other independent watchdogs. There is a risk that unless sector governance issues are addressed, current sector planning/ monitoring and financing processes will become routine.

This risk could be mitigated through greater transparency in assessing strategy effectiveness/impact during the annual review. Similarly, there is a risk that limited transparency in monitoring key governance targets (e.g. regulatory compliance, abolition of informal payments) could constrain transition to sustainable development. This risk could be mitigated through incorporation of these governance targets in donor programme designs and conditionalities.



## 4. Main Findings: Scope and Diversity of Local and Donor Supported Initiatives

### 4.1 Summary of Findings: Local Initiatives

**Early Recovery/Reconstruction Phase, 1979/1992.** The key local initiatives during the early recovery phase over 1979/1992 were community mobilisation of school infrastructure rehabilitation, community contributions to the running costs of schools and payment of teachers, restoration of primary and secondary education for very mixed age groups, expansion of accelerated learning programmes, non-formal education provision and restoration of a teaching service (with only limited attention to qualifications).

An important finding is that these initiatives helped the system to recover quickly. Other key findings were i) education service delivery growth was in response to communities valuing education and pent-up demand since 1969; ii) stimulation of committed leadership of sector restoration by a small number of key individuals under an embryonic education department (including the current Minister); and iii) facilitation of the crowding in of community contributions, through voluntary school rehabilitation and teaching staff in the absence of assured state revenues for education.

A key finding is a number of positive legacies of this period, including i) existence of a network of key individuals at central, provincial, district and school levels, dating back to 1979, as a basis for semi-formal consultation, planning and organisation of system reforms; ii) a tradition of school/community cooperation in school development planning, incorporating recognition of the importance of school committee representation in decision making; and iii) continued willingness of communities and parents to contribute to the costs of education, including both formal and informal school fees and other contributions. However, there were a number of less positive lessons learned will be addressed in Section 5.

**Early Reconstruction Phase, 1993/1999.** The local initiatives over this period included i) establishment of a functioning education ministry from 1993 onwards; ii) measures to put in place a functioning management information system; iii) efforts to build up the capacity of provincial and district education offices and school development planning and management systems; iv) a shift from in-service to pre-service teacher training, with more selective trainee recruitment; v) a concerted effort to improve the supply and quality of instructional materials, including the capacity of the MOEYS publishing house; and vi) introduction of more community based and market-oriented school development programmes. There was significant external assistance to these initiatives.

Important findings include i) these programmes were largely successful in dealing with many of the supply-side issues of the early reconstruction phase; ii) these initiatives were insufficiently well

harmonised or aligned with priorities due to the absence of a coherent sector plan; iii) insufficient attention was paid to dealing with key central MOEYS capacities, especially strategic and financial planning, personnel management and information systems; iv) a notable success was the reestablishment of a functioning central education statistical information system; v) the undertaking of the first EFA end of decade assessment, with disappointing findings on progress, was a key impetus for subsequent reform. The overall finding is that key sector capacity building received insufficient attention compared to ensuring more inclusive education provision and visible quick wins. Support for MOEYS leadership by donors/NGOs was uneven, due in part to the coalition government arrangements.<sup>30</sup>

**Reconstruction/Development Phase, 1999/2009.** The key local activities over this period have been i) the institutionalisation of a regular sector planning and performance monitoring process; ii) a greater focus on building up key finance/budget, personnel, strategic planning and information systems; and iii) introduction of the various school/organisation operational block grant systems, through PAP/PBB mechanisms.

The introduction and consolidation of the education strategic plan (ESP) and education sector support programme (ESSP) process since 2001 has been a key local initiative. Important findings and positive legacies of this development include i) acting as a stimulus for MOEYS ownership and leadership of sector development and donor/NGO engagement; ii) the impetus for ESP/ESSP has been concerns over uneven sector performance and development effectiveness of aid (e.g. through EFA EDA 1999 and EFA MDA 2007); iii) acting as a stimulus for collaborative sector performance analysis within key central MOEYS agencies, especially for strategic planning, MIS, PFM and performance assessment functions; iv) acting as a stimulus for district and provincial reporting on financial performance assessment (e.g. for PAP and PBB); v) providing a basis for joint annual sector performance review and aid harmonisation discussions, including moving forward on EFA FTI submission in 2005/6; and vi) in recent years, enabling the broadening of stakeholder participation in sector performance monitoring, through harmonisation of the annual joint review with the MOEYS national education congress. Less positive features and lessons learned will be outlined in Section 5.

Another local initiative, in part, driven by PAP reforms has been a greater focus on policy led organisational development, including measures to inform the public about abolition of start of the year school registration fees in 2001/2002. Key outcomes of these initiatives included i) rationalisation of planning and aid management functions; ii) establishment of a Finance Office for Provincial Services, linked to a discreet internal audit function; iv) setting up of a discreet Department of Information; and v) strengthening personnel management functions and information systems.

Key findings related to these initiatives include i) the results focus of these key organisations was enhanced significantly, less so for the more traditional implementing agencies within MOEYS; ii) the success of these organisational reforms was due to strong MOEYS leadership and committed

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<sup>30</sup> For example, the various education sector reviews over 1993/1994 and the Education Investment Plan (EIP) 1994/1999 had only limited influence on alignment and harmonisation of government and donor/NGO resources.

leadership within the individual organisations; iii) a key incentive for the organisational reform was the opportunity to pilot the PAP reforms and also meet organisational reform conditionalities in some donor sector support programmes (e.g. UNICEF, ADB, EC); and iv) these organisational reforms have been largely sustained due to continuity of the respective organisational leaders.

Another key initiative has been the introduction of the priority action programmes from 2001/2006 and their subsequent transformation into the programme based budgeting arrangement over 2007/2009. The number of PAP programmes rose from only 2 in 2001/2002 (for primary and higher education), to 12 programmes in 2003/2004. These now have been rationalised into a smaller number of PBBs since 2006/2007.<sup>31</sup>

A number of key findings are i) the impetus for PAP was greater political stability and growing state revenues for education allowed increased state non-salary recurrent budget allocations for education;<sup>32</sup> ii) a second impetus was growing commitment to implement PFM reforms through government systems, as opposed to parallel ones supported by donor agencies; iii) promoted better alignment between sector policies, results and programme budgets, including greater accountability for central MOEYS departments in results monitoring and budget planning;<sup>33</sup> iv) guidelines for school operational budgets promoted transparency in use of PAP funds and joint budget decision making by school directors and school committees; v) provided impetus for putting in place provincial and district PAP financial reporting and accounting/audit systems, allowing easier transition to current PBB processes; and vi) provided a focus for key capacity building in central/provincial education agencies, especially finance/budget, information and audit functions. Less positive lessons learned will be addressed in Section 5.

## 4.2 Summary of Findings: Donor Supported Initiatives

**Early Recovery/Reconstruction Phase, 1979/1992.** External assistance was limited to some support from Eastern Bloc countries and Vietnam, with an early UNESCO presence. A positive finding is reported value of some technical advisory support and assistance with restoring some school infrastructure and textbook availability. Less positive legacies were a focus on traditional centrally planned human resource development and skills training, which took many years to overcome and a lingering debate over the interpretation of Cambodian history in textbooks. One positive legacy of the early UNESCO presence was its value as a trusted partner in leading the education sector working group over most of the last 15 years and still retaining the secretariat role.

**Early Reconstruction Phase, 1993/1999.** External assistance from a wide range of bilateral, multi-lateral and NGO agencies grew extensively over this period, reaching an estimated US\$ 30 million per annum by 1996/1997. It is best characterised as more traditional project operations. The key features of this assistance were i) a strong focus on quality oriented supply-side support, especially

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<sup>31</sup> PBBs are recurrent budget programmes using Government financial channelling and PFM systems covering general education (5 sub-programmes), higher education (1), youth and sports (2), good governance (3) and management support to education services (5). In 2009, these programmes amount to KR 127 million (US\$ 32 million).

<sup>32</sup> Non salary education spending has been consistently around one-third of overall sector spending, despite increases in teacher salary levels

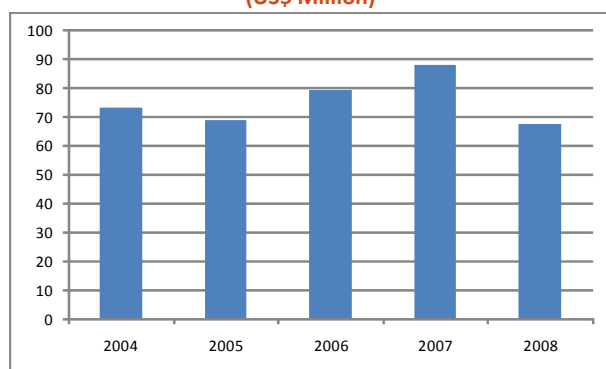
<sup>33</sup> For example, school operational budgets were used to offset continuation of informal payments by parents, as part of movement towards free basic education

teacher training and textbooks; ii) limited support for school infrastructure development, apart from the flood relief programme in the mid-nineties; iii) limited support for sector governance capacity building, apart from central EMIS and textbook publishing operations; and iv) limited support for strengthening provincial and district education planning and management capacity, although school management strengthening was accorded some priority.

The overall finding is that in the absence of a coherent sector plan, much of this aid planning was largely donor-driven, with some donor resistance to adopting even embryonic MOEYS aid management procedures.<sup>34</sup> Another important finding, evidenced through the EFA end of decade assessment in 2000, was that the development effectiveness and impact over 1991/2000 was disappointing and being undermined by lack of attention to fundamental governance issues (e.g. informal payments by parents, high repetition rates, limited regulation of teacher deployment post-training). More positively, EFA MDA findings provided the main source of impetus for more robust MOEYS leadership of the aid agenda over the next five years.<sup>35</sup>

**Reconstruction/Development Phase, 1999/2009.** Since 2000, there have been a number of important aid planning developments, including i) the adoption of a sector wide approach (SWAp), focused around the ESP/ESSP, embryonic sector MTEF and annual sector performance review; ii) setting up and consolidating MOEYS/donor consultative arrangements through the education sector working group and aid effectiveness groups; iii) a shift towards a mixture of school infrastructure projects (e.g. ADB, World Bank); iv) institutional and organisational capacity technical assistance (e.g. EC, ADB, UNICEF); v) other quality oriented projects/programmes, especially for teacher training (e.g. Japan, ADB, World Bank); vi) policy and governance-led sector budget support (e.g. from EC, ADB); and vii) general budget support with significant PFM and sectoral policy implications (e.g. World Bank Structural Adjustment Credit). An important finding is that the volume of external assistance for education has been on an upward trend over the past decade (*see fig.7*).

**Figure 7: CDC Aid Effectiveness Reports, 2007/2008 (US\$ Million)**



A key finding is a number of positive legacies from this period, including i) strong evidence of stakeholder participation (e.g. provinces, districts, communities) in planning and implementing external assistance, especially UNICEF and EC education support; ii) timely introduction of more policy and results oriented sector development support over 2001/4 (e.g. ADB, EC sector budget support), as a means of promoting key sector reforms and processes (e.g. ESP/ESSP formulation, sector MTEF, PAP); iii) a shift in external

assistance towards expansion of secondary education opportunities, especially for infrastructure and teacher development; iv) establishing an effective mix of nationwide programmes, alongside more

<sup>34</sup> ADB 2000. Final Report of Secondary Investment Planning TA, indicates MOEYS set up an aid management unit in 1994, reporting to the Minister and Secretaries of State, which was at best a mixed success

<sup>35</sup> Ibid 33. For example, the Minister, MOEYS, used the EFA EDA findings as a basis for arguing for increased education resources within the Council of Ministers and National Assembly in 1999 and 2000.

targeted support in under performing provinces and districts (e.g. Belgium, NGOs); and v) a growing focus on system capacity development, especially related to implementing sector PFM reforms and strengthening accountability mechanisms (e.g. UNICEF, ADB, EC).

Another key finding is a number of less positive legacies from this period and beyond, including i) insufficient attention to using school/community participation in school infrastructure development, as part of school/community governance development; ii) insufficient attention to strengthening critical capacities within MOEYS, especially personnel, finance/budget, performance monitoring and externally oriented information/ communication systems; iii) only late attention to promoting and supporting legislative and regulatory reforms, including developing district and school level accountability mechanisms; iv) only recent attention to strengthening mechanisms for monitoring the quality of service provision and student learning achievement; and v) only recent attention to promoting robust upper secondary, TVET and higher education policies, financing and institutional/organisational reforms.

Another related finding is that there appears to have been a shift in the balance of modalities for donor support away from sector budget support towards more supply-side projects. The track record of projects enabling implementation of institutional, organisational and governance reforms is at best mixed. This is in contrast to the recognition within the donor community that sectoral governance reforms (e.g. sectoral capacity development strategy), sector financial reforms (e.g. PFM, informal payments) and better linkage with decentralisation/deconcentration and civil service reforms are growing priorities.<sup>36</sup> In this regard, the very large EFA FTI support programme, which is best characterised as a very traditional supply-side project (e.g. primary school infrastructure makes up two-thirds of the funding of US\$ 57 million), possibly constitutes an opportunity missed.

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<sup>36</sup> CDC 2009. Recommendations of joint technical working group for education on the evaluation of aid effectiveness.





## 5. Main Findings: Lessons Learned and Good Practice

### 5.1 Analysis of Local Initiatives: Lessons Learned

**Early Recovery Capacity Building Strategies Leave Potential Positive and Negative Legacies.** A key lesson learned is that the early recovery phase helped build up a network of trust and loyalties amongst individuals that undoubtedly helped speed up the recovery and early reconstruction phases for the education sector. Much of this network remains in place even today, with many of the senior policy makers and managers at central, provincial and district levels still in place. Equally, the early tradition of community contributions to school operations and individual teachers remains in place.

However, a number of potentially less positive legacies from this period are i) difficulties in shifting from networking to establishment of more formal organisational structures and responsibilities, especially in the context of still embryonic deconcentration and decentralisation policies; ii) difficulties in delineating and implementing cost sharing responsibilities with parents at different levels of education, including for eliminating informal payments at basic education levels and only embryonic upper secondary and higher education financing policies (e.g. formal school fees and their recording, merit-driven scholarships for the poor); and iii) very immediate needs to introduce succession planning and staff development as a large number of senior education staff are due for retirement in the next five years.

**Sector Planning/Monitoring Processes Have Been a Mixed Success.** One lesson learned is that the absence of a coherent sector plan in the nineties contributed to fragmentation of aid and undermined aid effectiveness and impact for a number of years. The 1994 education investment plan that never gained traction within MOEYS or donors constitutes an opportunity missed. A related lesson learned is that legitimate and transparent aid impact monitoring (e.g. through the EFA EDA 2000) can provide impetus for more coherent sector planning. The acceleration of sector planning and joint sector performance monitoring over 2001/2009 appears to have helped mobilise a joint MOEYS/donor/NGO partnership and improved aid harmonisation and alignment efforts.

A number of less positive lessons learned are evident, including i) even today, there is uneven participation of stakeholders, largely restricted to central sector agencies and donors and NGOs, with limited provincial/district/other stakeholder involvement; ii) sector plans demonstrate only limited alignment between broader civil service and decentralisation reforms, although better for PFM reforms; iii) a reported tendency for the ESP/ESSP annual review process to become routinised, with limited review of the effectiveness of programme strategies and realignment of external assistance; iv) limited attention to institutional, organisational and capacity development reforms and targets; and v) a continued tendency for discreet donor project/programme supervision and

monitoring missions, as opposed to using the ESSP annual review as a point of harmonisation (e.g. EFA FTI monitoring).

**PAP/PBB Has Been a PFM Success, Less So for Governance Reform.** The PAP/PBB programme has enabled a wide range of sector PFM reforms, including i) improved sector financial planning and programming; ii) strengthened central, provincial and district/school financial management, accounting and reporting procedures; iii) central organisational reforms for PFM, especially through the MOEYS finance department; and iv) providing impetus for various audit reforms, including establishing a discreet MOEYS internal audit unit and organising various external audits and public expenditure tracking studies.

However, there are a number of less positive lessons to be learned, including i) insufficient attention accorded to review of the effectiveness of PAP/PBB programme strategies (see Box 2); ii) tendency for fragmentation of programme strategies in order to provide individual departments with operating budgets; iii) the PAP allowed significant school discretion in budget allocations, while the revised PBB arrangement is less so; iv) insufficient early attention paid to strengthening school/district financial accounting capacity, which remains a significant constraint; and v) insufficient attention paid to quality oriented results, especially monitoring the impact of PAP/PBB on service quality and learning outcomes and district/school performance variations.

**Box 2: Regulating School Internal Efficiency Can Make a Positive Difference**

In 2001/2002, MOEYS introduced a PAP, which consisted of i) regulating primary grade promotion rates to 95% of the age cohort; ii) providing funding for two months vacation classes for under-performing students; and iii) an end of vacation class examination to ensure appropriate standards for grade progression.

The programme was a significant success with previously 20%-30% student repetition rates, especially in grades 1 - 3 being drastically reduced, with significant direct cost savings to Government and parents, in terms of reducing school places that needed to be created and other costs. Demand was high with even students not required to attend, taking the opportunity of additional instructional hours being available. It was found that those students required to take the vacation programme, rarely had to repeat the subsequent grade.

Opposition to the programme was largely related to concerns over what amounted to almost automatic promotion, with concerns about quality. The programme was disbanded in 2003/2004 and repetition rates have crept up and remain stubbornly high.

**Addressing Demand-Side Access Issues is Critical.** For the past decade, MOEYS has instituted an extensive school infrastructure programme at primary and secondary levels. Initially the impact on improved access from primary school infrastructure development was disappointing due to continuation of informal payments, which poor families were unable to afford. The impact began to improve when demand side issues were addressed through i) abolition of start of year registration fees; ii) incentives to schools to reduce/abolish informal payments, offset by PAP supported school operational budgets; and iii) information and monitoring programmes to inform parents of their rights and responsibilities. A further lesson learned is that unless compliance measures are sustained, these informal payments can creep back in, thereby undermining development programme effectiveness.

**Box 3: Evidence of the Importance of Demand-Side Approaches**

In 2002, MOEYS abolished the start of year registration fee (amounting to US\$ 0.5 per annum) for primary and junior secondary schools. Parents were informed that school operational budgets would ensure that schools had sufficient running costs. A parallel nationwide information campaign reminded parents that there was no need to pay this traditional fee. The impact of the programme was immediate with primary and junior secondary enrolment rising by around 25% over one year.

## 5.2 Analysis of Donor Supported Initiatives: Lessons Learned

Over the period 1992/2001, donors provided extensive assistance for various forms of governance and capacity development, focusing mainly on technical assistance, staff training and various forms of infrastructure support. Since 2001, with the advent of a more coherent sector planning and monitoring process and the introduction of the PAP/PBB process, it is acknowledged that capacity development initiatives, supported by donors, is beginning to have a more positive impact. A number of lessons can be learned.

**Sector and Central Agency Cooperation is Critical.** A key lesson learned is that joint sector and central agencies leadership, in this case, MOEYS and the MOF, is critical for successful CD reforms. A related lesson learned is that incorporating specific CD reforms and targets within Government sector policies and strategies leads to a much greater commitment to support CD reforms from both Government and donor and NGO sources. Measures that ensure these CD reforms are led at the Ministerial and Secretary of State levels within MOEYS and the Ministry of Economy and Finance, including public forums that make Ministers fully accountable for progress on CD reform is a necessary condition for success.

A related lesson learned is that a coherent institutional framework for capacity/governance reform is essential. For example, the absence of an education law and associated regulations between 1979 and 2002, meaning an absence of clear MOEYS powers, authority and responsibilities, undermined the commitment to CD and governance development. The process of formulating legislation and/or regulations over 2002–2004 did in itself provide impetus and commitment to CD as the rules of the game became clearer. A related lesson learned is that simultaneously introducing policies and strategies that show immediate improvement in sector performance (in this case, abolition of start-of-year fees immediately increased enrolment by 20%), alongside very substantial education budget increases by government, help reinforce a strong dynamic for change.

**Harmonisation of Different Aid Modalities for CD/Governance Development is Helpful.** A key lesson learned is that a selective approach to governance priorities set out in the sector plan can help harmonise external assistance. For example, the MOEYS decision to ensure that a SWAp type sector reform process was inclusive and promoting the concept that budget support, projects and discreet TA from various donors were all valued, was critical. An associated lesson learned is that budget support is particularly helpful in supporting implementation of institutional aspects of governance development but more traditional projects, especially focused on organizational change, can play an important role. Another lesson learned is that the formal signing off on the annual joint performance review process, including specific CD assessments by joint MOEYS, donor, NGO teams,

can help reinforce a joint approach to achieving CD outcomes and targets. The joint support from UNICEF, ADB and EC over 2002/2006, against an agreed joint policy action matrix which included significant governance reforms, is an example of good practice.

***Focusing on Implementing the Education Law Constitutes an Opportunity.*** A key lesson learned is that the extensive donor support for district and school level management development has been a mixed success, due to the absence of a clear legislative and regulatory framework. The enactment of the education law and associated regulations constitutes a key opportunity to consolidate and extend joint approaches. The new legislation, for the first time, sets out clear powers, authority, obligations and responsibilities for MOEYS, parents and other stakeholders. A collaborative implementation work plan, between MOEYS and donors would help to ensure effective implementation of the law and regulations, incorporating development of additional key capacities. Currently, this kind of collaboration is only embryonic.

A key focus of any collaborative support should be ensure that MOEYS organizations, especially at provincial, district and school and community levels have the confidence and technical capacity to exercise their new powers and assume additional responsibilities effectively. In particular, clarifying the regulations regarding school, community and commune council powers and obligations would help better define any school management and governance development priorities and provide an effective framework for harmonised donor support.



## 6. Country Report: Summary of Conclusions and Recommendations

### 6.1 Conclusions and Key Issues

A key conclusion is that the Cambodian education system has proved resilient in sustaining improved education services during the last 30 years of post-conflict recovery and reconstruction. A key factor has been the growing legitimacy and authority of the central government and education ministry, alongside increased state capacity to finance the education service. The early visibility of the education department from the early eighties and its subsequent transformation into an education ministry has helped sustain a compact between government, service providers and community groups.

Another conclusion is that Cambodia is on an upward path to achieving Education for All (EFA) and expanding senior secondary and higher education opportunities. A key factor has been the development and adjustment of the medium term education strategic plan and targets, given legitimacy and authority by its adoption by the Council of Ministers, MOF and CDC, as a basis for sector expenditure planning. Nevertheless, the effective implementation of sector plans will increasingly require addressing fundamental governance issues, especially related to regulating parental contributions.

Another conclusion is that post-conflict restoration and reconstruction can create operational legacies that take time to overcome, including informal payments by parents to teachers and schools and high cost project interventions that may not be sustainable. A key factor in overcoming these constraints will be to strengthen education ministry programme appraisal and poverty impact monitoring capabilities.

A further conclusion is that existing provincial and district disparities in education service, especially at senior secondary and higher education levels, may undermine public confidence in education reforms. Insufficient attention is being paid in formulating sector strategies and financing measures in different province/district contexts and the limited accountability of districts means there are few incentives for under-performing districts to improve. A related conclusion is that the combination of sector budget support and targeted technical assistance did help accelerate a focus on sector governance planning and implementation.

Another conclusion is that the post-conflict reconstruction and transition is accelerated when sector reforms are clearly located within broader public financial management and civil service reforms. MOEYS has been broadly successful, through implementing PAP/PBB, on the PFM front. A priority is

to work with the civil service reform agencies to formulate an effective, but financially sustainable teaching service remuneration and management strategy.

Another conclusion is that though the PAP/PBB process has undoubtedly improved the level of resources for schools and other public education providers, the results orientation of PBB is under developed and carries the risk of becoming routine rather than development expenditure. This risk could be mitigated through rigorous PBB impact reviews, as part of ESP/ESSP mid-term reviews and regular adjustment to PBB strategies and eligible expenditures against well-defined sector results.

A further conclusion is that comparative results information between provinces and districts (e.g. exam results, enrolment rates, financial provision), though available, is insufficiently disseminated to provincial/district administrations, local parliamentary representatives, commune council representatives and households. This constitutes a missed opportunity in building up local parliamentary and civil society capacity to engage in sector dialogue and strengthen accountabilities between education providers and clients.

A further conclusion is that governance arrangements for quality standard setting are inward looking and supply-side driven, as opposed to being more client oriented and outcome-driven. This applies to both school and higher education organisation standards. Consideration could be given to making standard setting and monitoring organisations more autonomous, including setting up an examinations board and school accreditation boards, alongside the existing one for higher accreditation.

In the context of the above, a final conclusion is that the current sector strategy and plan pays insufficient attention to well-defined sector governance targets. As a result, current donor support cannot be sufficiently harmonised and aligned with important sector governance reforms. To some extent, the EFA FTI appraisal process and subsequent programme constitutes a missed opportunity. The EFA end of decade assessment in 2010 and related EFA FTI and sector performance reviews are an opportunity to set out a more coherent sector governance development framework and targets.

## **6.2 Key Recommendations: Improved Education Programme Planning / Design**

Specific recommendations to the MOEYS in Cambodia would be:

- i) To use the EFA end of decade assessment, joint ESP and EFA FTI review processes to conduct a comprehensive progress review of the ESP 2006/2010 strategies and targets, focusing on a) the extent to which ESP targets have been met and the need for strategy review; b) setting of more specific sector governance targets, in the context of PFM, civil service and decentralisation/ deconcentration reforms; c) design specific measures to address disparities in district sector performance and service provision; d) consider measures to set up more autonomous organisations for education standards setting, monitoring and quality assurance; and e) the need for additional strategies to expand formal and non-formal skills training opportunities for youth and the current work-force.

- ii)** As part of this review, to examine the long-term financing strategy and its sustainability, especially related to a) measures that strengthen the transparency and accountability of various sources of education financing, including from Government, parents and the private sector; b) measures to better define the anticipated results from education PBB programmes and regularly review the effectiveness of PBB related strategies and expenditures; c) review options for more performance oriented remuneration structures for education personnel and teachers; and d) consider the scope for introduction of provincial/district performance related block grants in addition to the current PBB programme.
- iii)** To undertake a comprehensive provincial and district education organisation capacity assessment and formulate forward action plan, especially for a) upgrading strategic/ financial planning and results oriented monitoring systems; and b) upgrading school management, school supervision and school governance capabilities.
- iv)** To prepare comparative provincial/district results information tables for key indicators for the Cambodia ESP and disseminate this information nationwide, especially targeting local parliamentary representatives of the National Assembly, provincial governors, commune council representatives and civil society groups, possibly through a sequence of local education policy forums.
- v)** To maintain a mixture of donor support modalities, including a governance-led sector and general budget support arrangement, linked to targeted capacity development technical assistance, which could include specific incentives for provincial/district/school governance development.

### **6.3 Key Recommendations: Enabling Aid Effectiveness and Sector Governance**

Specific recommendations to the international education donor community in Cambodia would be:

- i)** To provide harmonised technical assistance, through the Cambodia ESWG and joint technical working group, to support the proposed EFA end of decade assessment and joint ESP/ESSP and EFA FTI performance review and support a set of wide ranging consultations within government and other stakeholder groups on the findings and recommendations.
- ii)** To provide specific technical assistance from one or a number of donors, to help implement recommendations 6.2 (ii), 6.2 (iii) and 6.2 (iv), specified above. This support could be harmonised with ongoing EC/other donor ESSP advisory support, which focuses on similar areas. The findings of the proposed Cambodia ESP/ESSP review and subsequent ESP 2009/2013 could form the basis for follow-up harmonised support.
- iii)** To support more in-depth reviews of specific aspects of Cambodia's post conflict recovery reconstruction and transition to sustainable development, especially related to the potentially negative legacies of early recovery/reconstruction and the responses of donors during these periods, as part of feeding into EFA FTI fragile states knowledge management systems.

- iv)** To continue to provide a mixture of modalities of sector support, including selectively sustaining governance-led general/sector budget support with well aligned technical advisory support, including an increased focus on provincial, district and school level governance development.



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