Assessing EFA – The Implementation Context Today

- Modernization of management of public sector is ongoing in all countries
- Principle features directly relevant to education / EFA:
  1. decentralization
  2. new forms of program-based resource allocation to education
     - TBS (Targeted Budget Support)
     - SWAp (Sector Wide Approach)
  3. medium-term financial planning (MTEF)
- International commitments:
  - Education for All
  - Millennium Development Goals (MDG)
  - Poverty Reduction and Growth Strategies (PRGS)
- National education plans

Assessing EFA – Implementation Challenge: Financing

- Question 1: How to translate education policies into feasible and realistic education / EFA plans?
  - Assessing resource implications and financing gaps

- Question 2: How to translate education / EFA plans into action plans and budgets at decentralized levels?
  - Need for standardized approaches, methodologies and capacity building

- Question 3: How to implement national and decentralized education / EFA plans through the annual budget process?
  - Need for more effectively connecting EFA policy, EFA planning and budgeting and resource allocation.

Assessing EFA – EFA Financing and Budgets

- National Education Policy – Ministry of Education
  - Resources needed to implement EFA plans: long-term projections of resource requirements

- National Budget and Fiscal Framework
  - Appropriation Law governs annual budget and resource allocation process across sectors. Incremental budgeting for education / EFA.

- Routine Budget and Development Budget
  - EFA plans understood as development program budgets to guide external funding and not part of routine budget
  - EFA budget: adding up incremental annual budgets – and the plan?

Medium Term Expenditure Frameworks: a new paradigm to connect policy, planning and budgeting
**Components of Education MTEF**

- **MTEF comprises** **TWO** **principal components:**
  - **Component 1:** EFA programs designed to reach the goals and targets of the long-term EFA plan;
    - expressed in program form (content and objectives; targets; implementation modalities and management; performance indicators, benchmarks and policy “triggers”).
  - **Component 2:** (outline) annual budgets for the years covered by the medium-term plan;
    - expressed in budget categories and structured like an annual budget (chapters, sections, lines). A medium-term budget, greater flexibility in sectoral allocations, rolling budget; increased fiscal discipline.

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**Assessing EFA – EFA Finance and Budget**

**Some Conclusions:**

- Today EFA competes for financial resources with other sub-sectors. Allocations determined by budget process (annual, incremental) not aligned with EFA priorities and plans (multi-year, policy changes);
- Need to reflect the policy priority EFA in the national budget means better connection with annual budget process through MTEF and related integration of routine and development budgets;
- EFA Assessment: today changes in resource allocations unlikely because of the missing budget link.

**Information:**

UNESCO Bangkok regional program on institutional capacity building for education MTEF launched to address the budget and financing side. Effectively linking education policy – planning – budgeting a condition for implementing education reforms, national EFA goals and for SWAP.