Overview: Education Decentralisation in Lao PDR

by

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PRESENTATION OUTLINE

- Introduction
- Decentralisation Policies and Overview of central and provincial responsibilities
- Procedures for budget planning
- Allocation of Education Budget
- Challenges
- Measures to be taken to address challenges
COUNTRY LOCATION
COUNTRY PROFILE

★ Population: 6 million as of 2009
  ★ Urban: 25%;   Rural: 75%
★ GDP per capita: 975 USD as of 2010.
★ Economy: agriculture-based.
★ Source of revenue of provinces: 96% subsidied by central government.
★ Education system structure:
  ‣ Pre-school
  ‣ Primary education - five years, (compulsory)
  ‣ Lower-secondary education - four years: 3 streams
    • General upper secondary education
    • Upper vocational secondary education
    • Pure vocational education
  ‣ Post-secondary education -one to two years for high Diploma and three to seven years for tertiary education including higher technical and vocational education.
GOVERNMENT’S MAIN OBJECTIVES FOR EDUCATION

› To reform the national education system in general and to achieve education for all goals by 2015 in particular.

› To make efforts to radically eradicate the illiteracy of the population.

› To increase the net enrolment rate of primary education from 92% in 2010 to 95-98% in 2015

› To improve the national education system to be closer to the international standards.

› To build capacity of human resources.
DECENTRALISATION POLICIES

• Administrative Decentralisations: Province is strategic unit, District is planning and budgeting unit, and village is implementation unit.

• Education decentralisations: Ministry of Education is responsible for Technical and Higher Education. Provincial Education Service (PES) is responsible for secondary, vocational and teacher education. District Education Bureau (DEB) is responsible for Pre-school and primary schools.

• Education Budget Allocations and Financial managements: (i) The Ministry of Education allocates and manages central budgets for all line departments/centres, Technical Education, Teacher Education and Higher Education institutions and service delivery in general. And International Organizations and Development Partners provide funding for particular projects and activities.
(ii) The PES manage provincial budgets related to wage and non-wage, recurrent and investment as well as service delivery activities including upper secondary schools, vocational, non-formal centers, and teacher training centers.

(iii) The DEB manage district budgets for service delivery programmes (pre-school, primary, lower secondary and non-formal education)
ALLOCATION OF EDUCATION BUDGET

• After the national assembly approves the budget plan, the Ministry of Finance and Ministry of Planning and Investment announce the budget allocation to all provinces and line ministries.

• The provincial Governors and the District Governors have the authority for the allocation, authorization and revision of the budget allocation to the provincial education services and District Education Bureaus for further allocation to schools according to budget availability.
Education Budget as percentage of government budget
The distribution of Education budget by central / local level

- **2006/07**: Central budget, 800,000.00; Local budget, 600,000.00
- **2007/08**: Central budget, 600,000.00; Local budget, 500,000.00
- **2008/09**: Central budget, 700,000.00; Local budget, 800,000.00
- **2009/10**: Central budget, 800,000.00; Local budget, 800,000.00
CHALLENGES

• Government budget constraints.
• Most Provinces and Districts are deficited. Unequal distribution of resources across provinces and districts, and low staff salaries.
• There are insufficient resources for education (13.69% of total government budget mostly external funds)
• Lack of appropriate funds for operation at school and districts levels. The proportion of budgets is mostly devoted to personnel costs (currently over 90% in the provinces).
• Promoting increased participation for young people from poor families by reducing the direct costs of education.
• Big gap between the financing needs and available resources (ESDF)
MEASURE TO BE TAKEN TO ADDRESS CHALLENGES

• Revised Education law of 2007: determining education budget norms based-on unit costs per students

• Education is the responsibility of the whole society.

• Closer Linkage between planning, budgeting and monitoring for formulating MTEF, and implementing ESDF including EFA Fast Track Initiative – Catalytic Fund.

• Reducing cost barriers for education by introducing block grants or supplying operating costs for schools, scholarship for children from poorer families and provision primary school feeding program

• Clearly assign responsibilities between central and provincial levels, define clearly policies and implementation procedures.

• Promotion of public-private partnerships in financing the education sector

• Strengthen local government responsibilities.

• Mobilize ODA funds to fill the government financing gaps
Thank you