Global Campaign for Education Briefing Paper

Education for All Fast Track:

The No-Progress Report

(that they didn't want you to see)

The EFA Fast Track Initiative is a ground-breaking compact between rich and poor countries, which aims to close the education financing gap in countries that implement far-reaching reforms. In April 2003, the World Bank's Development Committee requested a progress report on the FTI in time for their meeting in Dubai. They will not get one, because there is no progress to report. Country by country and donor by donor, this GCE "No-progress Report" documents the systematic failure of donors to keep their promise to Southern governments. The report also outlines what must be done to make the FTI effective.

September 11, 2003

Brazilian National Campaign for the Right to Education

Executive summary

115 million children in the world are missing out on an education, and there are 860 million illiterate adults. A major step towards ending this crisis was taken at the World Bank Spring Meetings in 2002, with the launch of the Fast Track Initiative (FTI) -- a new compact between rich and poor countries to meet the Millennium Development Goal of achieving universal completion of primary education by 2015.

Eighteen months later, the FTI is in danger of grinding to an early halt. **In April the World Bank's Development Committee requested a progress report on the FTI in time for their meeting in Dubai. They will not get one -- because there is no progress to report.**

The chief responsibility for this embarrassing predicament rests with rich countries. Many of the first 18 countries invited to join the FTI have already committed to far-reaching and ambitious reform of their education systems in order to get every child into school. However, donors have failed to deliver convincing backing for these plans. Instead, they endorsed 10 of the plans, then insisted on drastic cutbacks, and finally declined to honour even the much-reduced financing requests that remained.

Rich countries have also refused to extend the FTI partnerships to any of the additional countries that have met the entry requirements (a comprehensive education sector plan nested in a Poverty Reduction Strategy) since the FTI's launch. In this way, what was intended as the foundation for a new global partnership risks being whittled down to a small club of 'donor favourites'.

This report examines in detail the progress that has been made against each of the crucial objectives that the Development Committee set out for the Fast Track: building a new development compact for basic education; closing the finance gap for countries that implement the right reforms; creating clear incentives for country action; and coordinating donor efforts in alignment with country plans. In all of these areas, the FTI has demonstrated impressive potential. Yet further progress has been blocked or curtailed by rich countries' failure to deliver the funds and political leadership needed to make the FTI function effectively.

Development and Finance Ministers can get the Fast Track back on track by acting on the following issues when they meet in Dubai:

1. Rich countries must close the outstanding financing gaps facing the first seven FTI countries with approved proposals, announce a full funding package for the three whose plans were endorsed in March 2003, and set a clear timeline for the steps leading to disbursement.

2. Donors must also clarify where the money for the remaining eight FTI countries will come from, and establish a timeline for approval of their plans.

3. Eligible countries, with a PRSP and an education sector plan in place, should be immediately invited to join the FTI partnership.

4. Donors should commit resources sufficient to close the financing gap for all low-income countries. Since current aid to basic education totals approximately US $1.45bn per year, an additional US $4bn per year will be needed. Once the first 10 FTI plans have been fully financed, money for the remaining countries should be set aside in the form of contingent resource commitments. These

commitments would be drawn down if and when countries produce education plans robust enough to satisfy the FTI criteria. They would be disbursed through existing bilateral and multilateral channels rather than through a central fund.

5. The Development Committee should request the Fast Track Secretariat to extend the FTI costings and analytic work to other EFA goals such as gender equality in primary and secondary education and adult literacy – as was promised in the EFA Action Plan last April.

6. The Development Committee should consider options for developing a stronger, more inclusive governance structure and institutional foundation for the FTI, in order to promote transparency and mutual accountability.

Education for All Fast Track:
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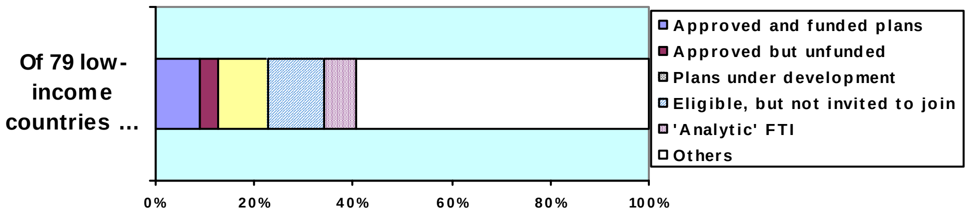
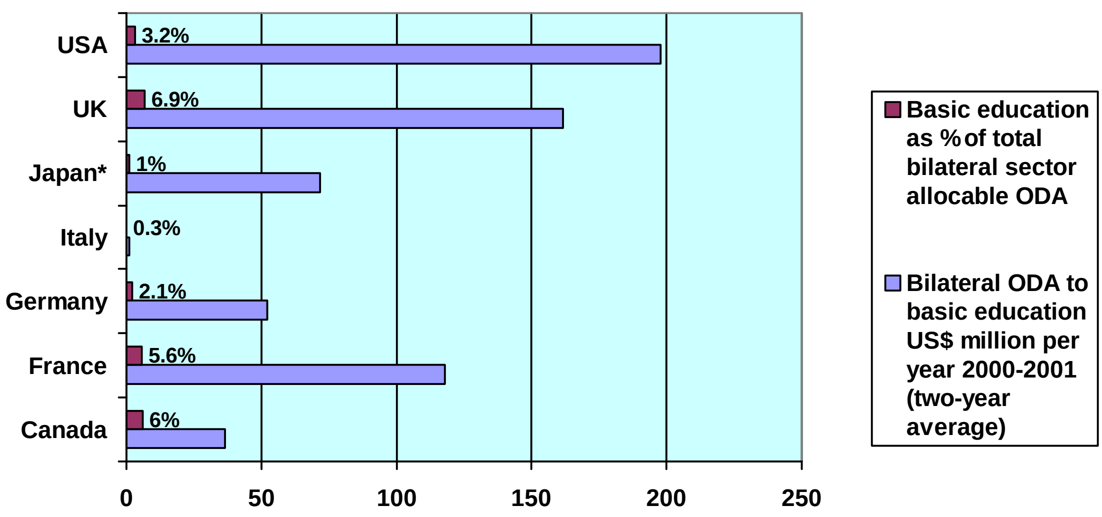
1. Building a new development compact

Progress gauge 1: Making inroads



Prior to the launch of the FTI, the international community was practically deadlocked over how to achieve the education MDGs. Donors complained of a shortage of good plans to back, while developing countries complained of a lack of guaranteed finance for educational expansion. Both sides were right. Only a handful of developing countries had produced credible, comprehensive strategies for getting all children into school. And G7 commitments to basic education in developing countries averaged only $542 million a year in 2000 and 2001[1], less than a tenth of the $5.6bn per year in aid that is actually needed to get all children into school.[2]

Figure 1: G7 aid for basic education (source: CRS and DAC statistics)



It was this miserable track record for conventional aid to education that last year led the Development Committee and the G8 to endorse "*a new development* *compact*" in which governments would "*demonstrate their commitment to education through efforts to radically transform their education systems*"[3], and external partners would unlock "*significantly increased resources*"[4] for those countries.

This compact – known as the Fast Track Initiative – was launched in June 2002. Eighteen developing countries, with a sound foundation for managing public expenditures effectively and a commitment to poverty reduction, were invited to become the first to join. Their side of the bargain was to adopt a tough agenda for reform. They had to expand their school systems faster and move aggressively to cut drop-outs and repetition, so that by 2015, every child in the country would be completing at least a primary education. They had to raise education spending to 20% of the national budget, reduce class sizes to less than 40 pupils per teacher, and abolish primary tuition fees. Donors' side of the bargain was to guarantee enough extra funding to make these ambitious reforms feasible. Donors undertook to cover any costs that could not be met out of the government's own 20% budgetary allocation.

This guarantee did indeed galvanize country action. By March 2003, 10 of the FTI partner countries had prepared technically robust strategies for achieving the education MDGs, which had received the joint approval of the FTI donor group.[1] Before the launch of the FTI, while a handful of countries had prepared 'EFA Plans', few of these were costed or comprehensive, and none had received unambiguous backing from the donor community. In this respect, the FTI has leveraged significant progress.

Table 2: Education outcomes with and without FTI

Country	% of children completing primary school now *Primary Completion Rate (PCR), 2001*	Sector plan/PRSP timeline for all children to enrol in primary school *Gross or Net Enrolment Ratio (GER or NER)**	Sector plan/PRSP timeline for all children to enter and complete primary school *(PCR)*	FTI timeline for all children to enter and complete primary school *(PCR)*
Ethiopia	**<20**	**65% GER by 2005**	**--**	**90% by 2015**
Mozambique	**23**	**88 GER by 2004**	**--**	**100% by 2015**
Niger	**24****	**74 GER by 2012**	**--**	**100% by 2015**
Yemen	**51**	**95 GER by 2015**	**--**	**100% by 2015**
Honduras	**69**	**96 NER by 2015**	**--**	**100% by 2015**

*Gross enrolment ratio = % of all children enrolled in school. Net enrolment ratio = % of all school-aged children enrolled in school. **Niger baseline is 2002. Source: FTI Secretariat, April 2003

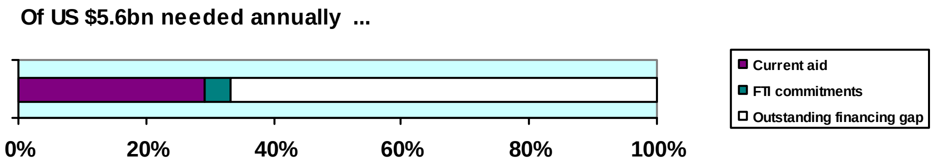
As Table 2 above shows, FTI proposals build on existing sector plans and PRSPs, but they also accelerate them. By unlocking more resources, the FTI enables

[1] Burkina Faso, Gambia, Guinea, Guyana, Honduras, Mauritania, Mozambique, Nicaragua, Niger, Yemen.

governments and donors to dramatically increase the pace of progress. This will not only help more children to get an education sooner, but will also build the success stories that are essential to invigorate and sustain the MDGs 'compact' at a global level.

2. Closing the finance gap

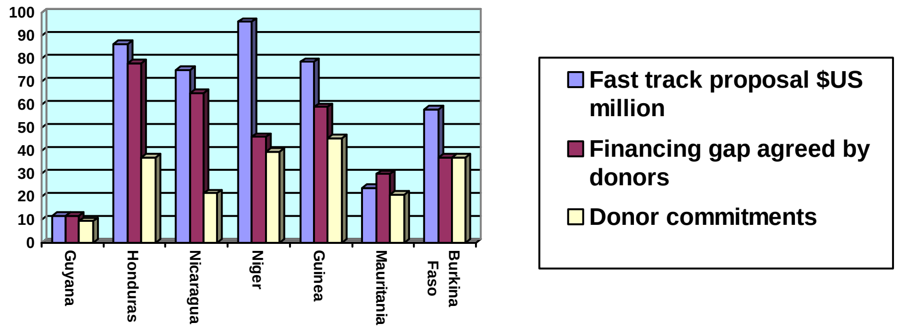
Progress gauge 2: Small change



The FTI compact demands substantial increases in both the volume and the efficiency of countries' own education spending. So, despite the scale and scope of the country plans, only a further $430m was asked from donors to finance the first three years of implementation in the first seven countries. But aid budgets for basic education are so miniscule that donors could not have raised even this modest sum without increasing total aid to the sector, or moving the FTI countries higher up their priority list.

Of course, 'increased aid, targeted at countries with good policies' was exactly what donors signed up for in Dakar, Monterrey and Kananaskis. But when the first FTI proposals came in, the donors found a cheaper way out. By slashing more than $100m from country financing requests – from US$429 million to US$326.4 million over three years -- they downsized the FTI to little more than a petty cash fund. Appendix 2 gives a detailed breakdown of the financing needs and individual donor country commitments for each of these seven countries.

Figure 2: Donor downsizing of country plans ($US million)



The reason given for cuts to country proposals was that governments could not absorb a major increase in financing. Of course, some countries would struggle to manage a rapid expansion in education finances. But for many of these countries, such as Niger (see Box 1 below), the final calculation of financing needs seems to have had much more to do with the willingness of donors to pay than the ability of countries to use the money effectively to get children into school.

What is worse, donors failed to honour even the new, downsized financing requests. To date the first ten FTI partner countries to meet the criteria for funding have received commitments totalling only US$207.7m over the next three years (see Table 3 below). This works out at about US $4.20 a year for every school-age child in these ten countries – enough to provide them each with a pencil-box, but hardly enough to guarantee them all a classroom and a teacher.

Table 3: Unkept promises – a donor by donor guide (millions of US$)

FTI implementation costs	2003	2004	2005	Total
FTI budgets submitted by countries	104.2	150.9	173.9	429.0
Expected FTI costs (after donor cuts)	54.7	122.3	149.4	326.4
Donor commitments				
France	***0.0***	***28.9***	***45.1***	***74.0***
Netherlands	***12.2***	***10.0***	***10.0***	***32.2***
Germany	***6.0***	***8.5***	***5.5***	***20.0***
Sweden	***6.0***	***6.0***	***5.0***	***17.0***
Japan	***10.5***	***4.5***	***0.0***	***15.0***
Belgium	***1.0***	***4.0***	***4.0***	***9.0***
Canada	***0.0***	***3.0***	***3.0***	***6.0***
USA	***5.0***	***0.0***	***0.0***	***5.0***
Norway	***3.0***	***0.0***	***0.0***	***3.0***
IDA Acceleration	***6.5***	***10.0***	***10.0***	***26.5***
All other bilateral and multilateral donors	***0.0***	***0.0***	***0.0***	***0.0***
TOTAL ALL COMMITMENTS	50.2	74.9	82.6	207.7
Unmet needs				
Unmet needs – based on country budgets	54	76	91.3	221.3
Unmet needs – after donor cuts to country budgets	4.5	47.4	66.8	118.7

Box 1: Niger – some children are worth more than others

Until recently few people outside Africa could point to Niger on a map, or name its capital, Niamey. All of that changed earlier this year, when Niger enjoyed a brief notoriety as the supposed supplier of 'yellow cake' uranium to Iraq. Sadly, throughout Niger's short spell on the front page, little attention was paid to the real needs of a country and a people desperate to break free from poverty.

Niger is one of the poorest peaceful countries in the world. Life for the country's children is brutal. An estimated 1.4 million children of primary school age are out of school. This is an astonishing figure given that the country's population is just 11 million. The government of Niger is committed to tackling this crisis as a way to strengthen a very young democracy and underpin development and poverty reduction.

Over the past five years the government has made clear progress. The enrolment rate in primary schools has risen from 34.1% to 41.7%. But Niger has far too few resources to complete the task.

Because of the Government's clear commitment to providing a quality basic education for all its children, Niger was invited to participate in the Fast Track initiative. Niger took this invitation at face value and developed a national Fast Track strategy, which identified an external financing need of US $96m over the first three years of implementation. The plan won the strong support of donor representatives in Niamey, and was duly endorsed by the FTI donor group at their meeting in November 2002. Donors stated that they would put together a financing package for Niger (and 6 other countries) by the time of their next meeting in late March 2003.

However, the Ministry of Basic Education then received a last-minute request to drastically cut the level of ambition of the Fast Track proposal because financing would not be available. Donor representatives in Niamey were clearly frustrated by the lack of willingness of their headquarters to find significant additional financing for education in Niger. One exasperated bilateral donor representative urged us to make a strong public case for Niger:

"Tell everyone that in Niger the donors are coordinated. Let everyone know that this is a strong guarantee and should give confidence. Let everyone know that the objectives [of Niger's Fast Track proposal] are reasonable"

But these appeals were not heeded. Landlocked, and surrounded by the Sahara desert, Niger is of little strategic and economic importance to rich countries. This is of no comfort to the millions of children who continue to be neglected. In March donors endorsed a drastically scaled down Fast Track proposal for Niger, with an estimated financing gap of just US$46 million over three years. They failed even to fully finance this scaled down version, signalling that rhetorical commitments to 'Education for All' are liable to get boiled down to 'education for some' when donor dollars are at stake.

Three of the countries (Yemen, Gambia and Mozambique), whose plans were approved six months ago, have yet to receive details about how much support they will receive or from what sources.

Not all donors are equally to blame for the FTI's empty pockets. France and the Netherlands have, on more than one occasion, stepped into the political void left by the apathy of other donors, and have backed their commitment with significant resources (US$74m and US$32.2m respectively, as shown in Table 3 above). On the other hand, despite their leadership in implementing the Monterrey consensus, both the US and the UK have failed to deliver strong financial support for the FTI.

Honduras (see box 2 below) and Nicaragua face an especially large shortfall between the budget that donors approved and the commitments that donors have actually made. Appendix 2 gives full details of each country's funding status.

Box 2. Honduras: Good policies, little support

In Honduras, donors have been given the chance to support a carefully constructed government strategy that puts quality and equity at the heart of a sustainable system of universal schooling. But despite extensive donor rhetoric on the importance of quality, they have failed to come through with the resources needed to make it happen in Honduras.

Honduras made excellent progress on enrolments in the 1990s, and no longer faces an overt access problem. But while most poor rural children enrol in school, they are far less likely to complete primary level, or progress to the next rung of the educational ladder. Turning this situation around is a central component of the Honduran government's poverty reduction strategy.

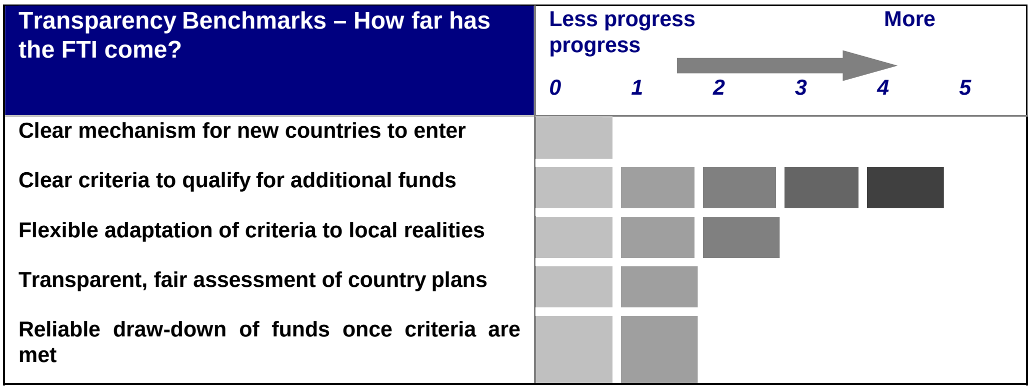
The Government is focusing on clear steps to improve quality, which will make schooling both more equitable and more efficient. The school calendar has been extended from 135 to 200 days. Additional teachers are being recruited for single-teacher schools, and community participation in managing schools is helping to improve accountability. The Government has an ambitious strategy to achieve universal graduation from sixth grade for all 12 year-old boys and girls by 2015, with a particular focus on ethnic and vulnerable groups.

But Honduras does not have adequate resources to deliver on this ambitious agenda, and will need significant additional external help. Income per capita is the third lowest in Latin America. The country was ravaged first by hurricane Mitch and then by the collapse of coffee prices, a crop on which large numbers in rural areas rely.

In November 2002 donors endorsed Honduras's Fast Track proposal, which the government stated would require an additional US$86.1 million in donor assistance over three years for effective implementation. Since then donors have reduced this estimate of financing needs to US$78 million over three years. Progress has been made towards developing a memorandum of understanding between donors and the Ministry of Education, focused on how donors will coordinate their efforts in support of the Government's plan. But so far donors have only committed a miserly $37 million dollars over three years, far short of what is required.

3. Setting clear incentives for country action

Progress gauge 3: In a muddle



Note: This graph is a visual summary of perspectives and views from government officials and Southern civil society organisations in FTI countries, collected in the course of recent research, seminars and field visits by the GCE and its members (including Oxfam, VSO, ActionAid, ANCEFA and Education International). It is intended as an illustration and not a statistical ranking.

Like the HIPC debt relief initiative before it, the FTI aims to create clear and powerful incentives for poor countries to make education a priority.

Achieving universal, good quality basic education is an expensive undertaking for governments, involving huge upfront costs. Yet, it is one that may take decades to pay off. Politicians are under constant pressure to spend money on short-term priorities. It is essential, therefore, that they know that their own education efforts will be reliably underwritten by significant levels of external support. Yemen (see box 3 below) illustrates a situation in which the potential to access expanded donor support has helped to leverage unprecedented government commitment to universal education.

Such an incentive approach has been used quite effectively in the debt relief initiative, where donors inspired action in poor countries by committing resources to debt relief in advance, but only disbursed those resources when countries had met agreed criteria.

No such criteria have ever before been agreed for the education sector. Producing consensus among donors on the core requirements for a 'good' education plan was a major hurdle in itself. The FTI has achieved a significant breakthrough by establishing a clear, simple set of benchmarks to be used in assessing country plans.

However, it is also crucial that criteria are implemented in a transparent, flexible and fair manner. Currently, FTI processes are being comprised by the following four problems.

First, incentives don't work unless governments are convinced that meeting the stated criteria will reliably trigger the promised release of funds. When some 'credible plans' are rewarded with full funding, but others, though equally credible, get only a trickle, governments begin to suspect that the agreed criteria are not the operative ones, and that donors are making decisions according to an agenda of their own. The result is confusion, disaffection and a rapid breakdown of communication.

> **Box 3: Yemen – a fragile democracy needs education now**
>
> The recent discovery of oil in Yemen has so far done little to transform its fortunes. Growing dependence on this notoriously fickle commodity has coincided with a long downturn in oil prices. Its only other source of revenue is the money sent home by Yemeni contract workers doing menial and dangerous jobs in other Gulf states. But when the oil price falls, this market, too, dries up.
>
> The government recognises that building human capital through education is the only way to diversify the economy and sustain the democratic reforms introduced in the mid-1990s. Educational attainment in Yemen is among the lowest in the world, while the gender gap is one of the largest. Only a third of Yemeni girls complete primary school and three-quarters of women are illiterate.
>
> With no real tradition of mass public education, sheer lack of classrooms and teachers is the first obstacle to be overcome. A school construction drive is significantly increasing year one intakes. Alongside this, education's share in national GDP has climbed sharply, from 5% in 1996 to almost 7% in 2002.
>
> Yemen's Ministry of Education freely admits, however, that it cannot achieve universal education on its own. FTI funding will build 14,000 more classrooms and train 25,000 new teachers – most of whom will be women. Community and satellite schools will be expanded, in-service training will be introduced and incentive programmes for girls will be launched. Yemen's FTI proposal was approved by donors in March 2003, but donors have yet to announce how much money will be made available, when or by whom.

Second, excessive secrecy about FTI decision-making to date, and the continuing lack of a clear governance structure that gives Southern governments some formal voice in FTI processes, make things worse.

Third, incentives for country action are also undermined when the benchmarks for reform are so narrowly interpreted that they become a rigid blueprint, and governments feel pressured to take steps that are impractical or politically damaging. The FTI norm on teachers' salaries[5] is one such flashpoint. Although some governments have been imaginative in how they respond to this and other parameters, others have found less room for manouevre. More technical support and encouragement is needed to empower ministries to develop a range of practical options for achieving the Education for All goals and, in consultation with national stakeholders, to choose the one(s) that best fit the country's values, needs and institutional realities.

Finally, the incentive power of the FTI is threatened by the continuing failure to invite any new countries to join the partnership, despite the fact that at least nine more, including Senegal (see box 4 below), have met the eligibility criteria since the FTI was first launched.

Without solid funding guarantees, the FTI begins to resemble a shell game run by donors, not a reliable compact between mutually accountable partners. In order to build a transparent and credible process for rewarding country action, solid funding guarantees are essential. Implementation problems would begin to dissolve once donors commit *ex ante*, callable resources to the FTI.

This does not mean giving money to a fund. Rather, most of the necessary resources could and should be channelled through existing bilateral and multilateral mechanisms -- so that FTI financing complements, rather than disrupting, in-country sector planning processes. However, a part of this contingent financing should be allocated to a flexible facility that could act as 'donor of last resort' when sufficient funds cannot be mobilised through existing bilateral arrangements (for example, in countries with a weak donor base).

Box 4: Senegal – Failing to back a winner

Until recently, Senegal was trapped in poverty by a series of development paradoxes. It had a fine heritage of scholarship and culture, but it had failed to teach three-quarters of its people to read or write. It had a good university system, but only a few were benefitting. It had a lively tradition of pluralist politics, but 40 years of rule by the same party had produced a hardening sclerosis of patronage and corruption. Despite healthy economic growth in the late 1990s, primary school completion rates were actually lower at the end of the decade than at the start.

However, Senegal has embarked on remarkable turn-around. Democracy has been revitalised since 2000, when free and fair elections brought a change of regime and led to constitutional reforms. The country has since become a major force in the development of the New Partnership for Africa's Development (NEPAD) – and has the potential to become a leader for EFA in Africa.

The new government sees education as the way to unravel the paradox of Senegal's poverty. One of the first countries to complete its action plan for achieving Education for All by 2015, it has opened many new primary and secondary schools in the past two years and enrolments are growing. Just as importantly, the rigidly academic schooling that Senegal inherited from its colonial rulers is being shaken up. Lower primary classes are now taught in local languages and the government has supported the development of a decentralised network of community schools that target out-of-school children.

With more than half a million children still excluded from education, Senegal will need US $40m per year in external support to get them all into primary school. In a country that long dedicated much of its budget to university scholarships for the elite, building a more equitable education system also has very real political costs. Recent strikes and protests suggest that opponents of reform will be quick to take advantage of any delays or difficulties in implementation. By failing to invite Senegal to join the Fast Track Initiative, the international community is failing to back a country that could be setting the pace for EFA in Francophone Africa.

4. Coordinating aid and aligning it with country strategies

There is a final area in which the international community has set ambitious goals for the Fast Track Initiative. As well as mobilising additional resources, it is intended to ensure those resources are used more effectively, by enabling "*better coordination and cooperation amongst development partners and … effective alignment of donor support with country strategies*".[6]

In particular, the Development Committee asked the Fast Track Initiative to bring donors together in a support of a single, government-led strategy; to make their resource commitments long-term, predictable, and transparent; to provide flexible budgetary support that can be used to finance recurrent costs such as salaries; and to reduce the transaction costs of aid for recipients and donors alike.

An important step forward was taken in March 2003 when it was agreed that the FTI must be a country-driven process, with the locus of activity and decision-making at the country level, and FTI proposals firmly based on an existing sector plan. Recent interviews and research by GCE members suggest that the FTI has already produced better donor coordination, and more intensive dialogue between donors and government, in at least some countries.

In others, however, the process has faced serious difficulties. In Ethiopia, both government officials and local donor staff said they did not know why two successive FTI proposals had been sent back unapproved, nor were they clear what additional resources, if any, the FTI plan could tap into.[7]

Some bilateral donors, notably the UK's Department for International Development, have expressed concern that the FTI's sectoral focus undermines progress towards budget support for integrated poverty reduction efforts. In a very small number of countries this is a valid concern, but for most countries (and most donors), the move towards coordinated support of a sector plan is a major step in the direction DFID favours.

A related concern is that distortion of country-led sector planning processes may result if FTI resources can only be used to finance formal primary schooling. Many governments, and many donor representatives, feel that balanced investment in all forms of basic education is crucial to ensure that the poorest and most marginalised groups have equitable access to learning. The EFA Action Plan presented to the Development Committee in April 2002 promised to extend the FTI costings and analytic work to other EFA goals such as gender equality in primary and secondary education and adult literacy "over the next few months". This work has not yet been done.

Since the first Fast Track dollar has yet to be disbursed, it is too early to assess progress against the objectives of coordination and coherence. However, once again it is clear that in this area as in others, the effectiveness of the FTI is likely to be compromised by the fundamental issue discussed in this paper: failure to deliver funding that is adequate or predictable, let alone long-term. Donors have been reluctant in practice to establish a reliable or transparent link between "greater responsibility from developing countries" and "greater contributions from developed countries", and this in turn is making it extremely difficult to establish a genuinely open and accountable partnership with governments. The

FTI needs a more robust institutional foundation and a more open governance structure to promote transparency and balance the legitimate interests of all stakeholders. But this will only come about if donors are willing to be held to account for keeping their promises.

Recommendations

The FTI has faced enormous obstacles, many of them put in its way by donors who appear reluctant to pay their fair share, or to coordinate their efforts with those of others. Nevertheless, it has succeeded in galvanising some of the world's poorest countries into action. They have made it a priority to get all their children into school, and have developed comprehensive, credible and carefully costed plans for doing just that. But these plans demand tough reforms and a heavy upfront investment. It is crucial for donors to follow through with the extra support they promised.

If this happens, the FTI has the potential to transform the lives of tens of millions of children across the globe. Development and Finance Ministers can get the Fast Track back on track by acting on the following issues when they meet in Dubai:

1. By the time of the next FTI donor group meeting in Oslo, rich countries must close the outstanding financing gaps facing the first seven FTI countries with approved proposals, announce a full funding package for the three whose plans were endorsed in March 2003, and set a clear timeline for the steps leading to disbursement.

2. Donors must also clarify where the money for the remaining 8 FTI countries will come from, and establish a timeline for approval of their plans.

3. All additional eligible countries, with a PRSP and an education sector plan in place, should be immediately invited to join the FTI partnership.

4. Donors should commit resources sufficient to close the financing gap for all low-income countries. Since current aid to basic education totals approximately US $1.45bn per year, an additional US $4bn per year will be needed. Once the first 10 FTI plans have been fully financed, money for the remaining countries should be set aside in the form of contingent resource commitments. These commitments would be drawn down if and when countries produce education plans robust enough to satisfy the FTI criteria. They would be disbursed through existing bilateral and multilateral channels rather than through a central fund.

5. The Development Committee should request World Bank staff and the Fast Track Secretariat to extend the FTI costings and analytic work to other EFA goals such as gender equality in primary and secondary education and adult literacy – as was promised in the EFA Action Plan last April.

6. The Development Committee should consider options for developing a stronger, more inclusive governance structure and institutional foundation for the FTI, in order to promote transparency and mutual accountability.

Appendix 1: Status of Countries within Fast Track Initiative

18 countries invited in June 2002 to develop credible education plans under fast track	5 countries identified in June 2002 as requiring an urgent focus under a parallel analytical fast track because of large out of school population	7 (of the 18) countries produced credible plans and qualified in November 2002 for additional donor financing	3 more (of the 18) produced credible plans and qualified in March 2003 for additional donor financing	8 remain (of the 18) scheduled to produce plans by November 2003	Several other countries are preparing credible education plans and should be rapidly included in the Fast Track initiative
Albania Bolivia Burkina Ethiopia Gambia Ghana Guinea Guyana Honduras Mauritania Mozambique Nicaragua Niger Tanzania Uganda Vietnam Yemen Zambia	Pakistan India Bangladesh DRC Nigeria	Burkina Guinea Guyana Honduras Mauritania Nicaragua Niger	Gambia Mozambique Yemen	Albania Bolivia Ethiopia Ghana Tanzania Uganda Vietnam Zambia	Senegal Tajikistan Kyrgyz Republic Kenya Rwanda Malawi Benin Cambodia Sri Lanka

Appendix 2 : Financing of country proposals within Fast Track initiative

Guyana

	2003	2004	2005	Total
Financing needs specified in FTI proposal	2.3	4.4	4.9	11.6
Financing needs adjusted by donors	2.3	4.4	4.9	11.6
Donor commitments:				
The Netherlands	2.2	0	0	2.2
Total	2.2	0	0	0
Financing gap using FTI proposal	**0.1**	**4.4**	**4.9**	**9.4**
Financing gap adjusted by donors	0.1	4.4	4.9	9.4

Honduras

	2003	2004	2005	Total
Financing needs specified in FTI proposal	21.5	34.4	30.1	86.1
Financing needs adjusted by donors	12	34	32	78
Donor commitments:				
Sweden	3.0	3.0	2.0	8.0
Germany	0	2.5	2.5	5.0
USA	2.0	0	0	2.0
Canada	0	3.0	3.0	6.0
Japan	0	1.0	0	1.0
IDA	5.0	5.0	5.0	15.0
Total	10.0	14.5	12.5	37.0
Financing gap using FTI proposal	**11.5**	**19.9**	**17.6**	**49.1**
Financing gap adjusted by donors	2.0	19.5	19.5	41.0

Nicaragua

	2003	2004	2005	Total
Financing needs specified in FTI proposal	17.9	25.1	32.1	75.1
Financing needs adjusted by donors	8	25	32	65
Donor commitments:				
USA	2.0	0	0	2.0
Japan	4.5	3.5	0	8.0
IDA	1.5	5.0	5.0	11.5
Total	8	8.5	5.0	21.5
Financing gap using FTI proposal	**9.9**	**16.6**	**27.1**	**53.6**
Financing needs adjusted by donors	0	16.5	27	43.5

Niger

	2003	2004	2005	Total
Financing needs specified in FTI proposal	28.5	31.6	36	96
Financing needs adjusted by donors	10	15	21	46
Donor commitments:				
Netherlands	5	5	5	15
Norway	1	0	0	1
France	0	4	13.6	17.6
Belgium	0	2	2	4
Japan	2	0	0	2
Total	8	11	20.6	39.6
Financing gap using FTI proposal	**20.5**	**16.6**	**15.4**	**52.5**
Financing gap adjusted by donors	2	4	0.4	6.4

Guinea

	2003	2004	2005	Total
Financing needs specified in FTI proposal	17.6	24.5	36.4	78.5
Financing needs adjusted by donors	12	16	31	59
Donor commitments:				
France	0	10	18.5	28.5
Germany	6	6	3	15
Norway	1	0	0	1
USA	1	0	0	1
Japan	4	0	0	4
Total	12	16	21.5	45.5
Financing gap using FTI proposal	**5.6**	**8.5**	**14.9**	**33**
Financing gap adjusted by donors	0	0	9.5	9.5

Mauritania

	2003	2004	2005	Total
Financing needs specified in FTI proposal	7.4	7.9	8.4	23.7
Financing needs adjusted by donors	5.4	11.9	12.5	29.8
Donor commitments:				
Netherlands	5.0	5.0	5.0	15.0
France	0	3.9	2.0	5.9
Total	5.0	8.9	7.0	20.9
Financing gap using FTI proposal	**2.4**	**0**	**1.4**	**2.8**
Financing gap adjusted by donors	0.4	3.0	5.5	8.9

Burkina Faso

	2003	2004	2005	Total
Financing needs specified in FTI proposal	9	23	26	58
Financing needs adjusted by donors	5	16	16	37
Donor commitments:				
Sweden	3	3	3	9
Belgium	1	2	2	5
Norway	1	0	0	1
France	0	11	11	22
Total	5	16	16	37
Financing gap using FTI proposal	**4**	**7**	**10**	**21**
Financing needs adjusted by donors	0	0	0	0

End notes

[1] Figure obtained from the Creditor Reporting System (CRS) online database.

[2] UNESCO EFA Global Monitoring Report 2002, chapter 4. UNESCO's estimate is closely based on the World Bank's cost simulations for 47 low income countries, but allows for slightly slower growth in public revenue, and higher spending on girls' education, HIV-AIDS orphans and emergencies.

[3] EFA Action Plan, endorsed by the Development Committee, April 2002.

[4] G8 Education Task Force Report, June 2002.

[5] FTI guidelines recommend that countries plan to adjust teachers' salaries to approximately 3.5 times average per capita GDP by 2015. For about half of the first 18 FTI countries this would require either salary cuts or the creation of a new 'second tier' of uncertified and lower-paid teachers. The GCE and Education International, representing 125 million teachers worldwide, believe that appropriate salary levels depend on a wide range of historical and structural factors that can only be reconciled through in-country wage negotiations.

[6] Development Committee communique, September 2002.

[7] Lucia Fry (VSO), personal communication, August 2003.

The Global Campaign for Education is a worldwide alliance of NGOs and trade unions active in more than 150 countries.

Members of the GCE's elected Board are: Actionaid Alliance, African Networks Campaign for Education for All (ANCEFA), Asia-Pacific Bureau for Adult Education (ASPBAE), Brazilian National Campaign for the Right to Education, Campaign for Popular Education (CAMPE Bangladesh), Education International, Global March Against Child Labour, Oxfam International, South African National NGO Coalition (SANGOCO).

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