



USAID
FROM THE AMERICAN PEOPLE

OFFICE OF EDUCATION



Lessons Learned and Good Practices

G2G Education Toolkit

Version: December 2013



G2G Education Toolkit

G2G Lessons Learned and Good Practices

The **Lessons Learned and Good Practices** provide a summary of effective practices to enhance understanding and application of government-to-government modalities in education sector development. Based on a review of 100 documents, this synthesis does not specifically address USAID's Education Strategy Goal I; rather offers a perspective on the use of government systems in education, with implications for use in reform of a system for improved student reading skills.

Education Office
Economic Growth, Education and Environment
December, 2013

FOREWORD

Government-to-government Education Toolkit

In line with the compelling policy guidance of USAID Forward, Agency education officers are currently exploring, developing and implementing new government-to-government (G2G) modalities in education projects. An immediate need exists for tools and training materials that will assist Education Teams as they design, implement, and monitor G2G activities to achieve USAID Education Strategy Goals.

Under the leadership of the Bureau for Economic Growth, Education and Environment's (E3) Education Office, the **G2G Education Toolkit** has been developed to provide this support. The Toolkit includes a literature review; an analysis of lessons learned and best practice; an analytic framework and roadmap; operational tools; and case studies. Additionally, sample G2G operational documents from Missions currently undertaking government-to-government activities will be available to guide field staff.

Introduction

The challenge for USAID Forward, government-to-government (G2G) assistance, and USAID's Education Strategy (2011a) is to enhance countries' institutional capacity to provide quality basic education for all children and youth, with a focus on improved reading skills. That much has been written about aid effectiveness using general and sector budget and financial support is no surprise; volumes have been produced on this topic in an attempt to learn from previous and ongoing initiatives. Drawing on this rich body of research and analysis, this extensive literature reviewed close to 100 documents, books, training manuals, policy statements, and peer-reviewed articles.¹ Each reference has been selected for its value to enhance understanding and application of lessons learned and good practices for education sector development using G2G modalities. This extensive literature does not specifically address USAID's Education Strategy Goal 1 since the improvement of early grade reading is a relatively new topic of focus in development programs. However, the summary does bring forth general findings on G2G that are relevant to improved early grade reading results.² This paper represents a distillation of the findings that are most often cited and based on strong evidence.

This document provides a summary of the literature review in the form of a user-friendly tool for current and future reference, presenting key findings in just a few pages. Of first note is the emphasis not on 'Best Practices' but rather on 'Lessons Learned and Good Practices.' While many of the sources refer to Lessons Learned in terms of what has not worked, this review places greater emphasis on successful results. In keeping with the focus on *what works and why*, the commonly used term 'Best Practices' is represented in the more accurate and reasonable phrase 'Good Practices.' The decision however as to which practice is best-suited to a particular context, program, or project is one that requires in-depth, on-the-ground knowledge of that context.

Many salient themes emerged from the review of the literature but the following themes had high frequency rates and are worth singling out for their relevance:

1. **Context matters:** prerequisite to G2G design, a sector and capacity assessment is needed that relates to the development objective of improved reading;
2. **National institutions need strengthening:** work through and build institutional capacity;

¹ See: *Education/G2G: An Analysis of Lessons Learned and Good Practices: Annotated Bibliography*.

² Research and analysis related to USAID Education Goal #3, expanded education opportunity in crisis and conflict environments, is briefly reviewed at the conclusion of this paper.

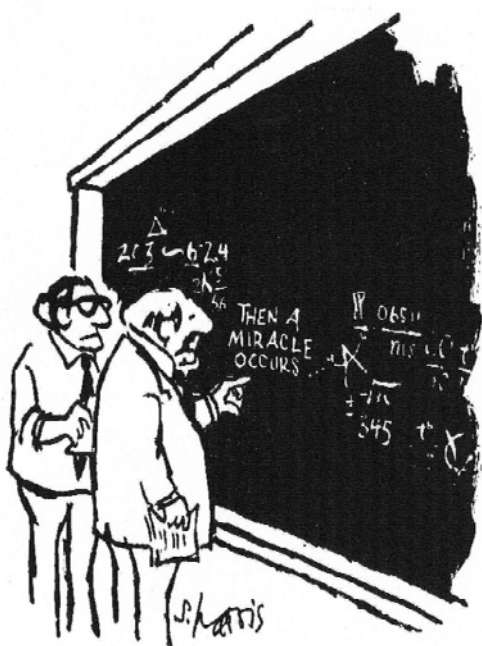
3. **G2G financing alone does not reform institutions:** additional financing will not buy the institutional reforms necessary to improve learning outcomes on a national scale;
4. **Effective and *durable* institutional reform is long term** and guided by monitoring and evaluation for results;
5. **Civil society is increasingly important in building country institutions;**
6. **Development agency capacity is challenged by the ambitious goals of AID** Forward, the Paris Declaration, the Accra Agenda for Action, and the Busan Conference.

In the following pages, greater detail is provided along with specific examples and references in the event that Education Officers would like to follow an idea to its original source. Numerous tools are also referenced; these are hyperlinked in blue text in the body of the document.

Lessons Learned and Good Practices with specific implications for Goal 1

USAID Forward, the Paris Declaration and the subsequent Accra Agenda for Action and Busan Conference all draw on decades of research about development and specifically on what does and what does not work in aid effectiveness. The Paris Declaration's five core principles: ownership, alignment, harmonization, results, and mutual accountability provide the foundation for this analysis ([OECD, 2013](#)). While in principle many development agencies and countries are committed to upholding the ideals of the Paris Declaration, the reality has been somewhat different. Working in a complex, interdependent world where new donors appear to emerge by the handful, gaining a comprehensive understanding of the intricate aid architecture undergirding today's aid decisions has become ever more important.

I. Context Matters: System Assessment



"I think you should be more explicit here in step two."

In the real world, seemingly nothing short of a 'miracle' (illustration at left) can explain some development outcomes. Indeed, sometimes the most prized outcomes might be those that were unplanned and unexpected. That being said, now more than ever planning is an essential, iterative process necessary to design effective development interventions. But planning is only as useful as the information that it draws upon. Overly ambitious plans risk 'overextending the state' and can drain capacity and political will (Boesen & Dievorts, 2007, p. 6, 21). Policy and programs must be based on a sound understanding of the capacity of the system for reform as well as the roadblocks that have thwarted previous efforts. This finding is particularly relevant in support of reform as complex as improving pupils' reading skills, which requires a transformation in teaching and learning within each classroom and school.

The literature is conclusive; successful initiatives begin with comprehensive assessments. Williamson and Dom (2010) emphasize the importance of systems and institutional assessments at the local level in order to take these lessons and incorporate them into sector budget support. Furthermore, the need for planning staff as well as development partners to get as close as possible to the most grounded point of intervention is essential. Comprehensive assessments must therefore incorporate enough time in the field to have an understanding of

the reality on the ground (Boesen & Dievorts, 2007). That reality, for USAID's Goal I, is within the classroom, school and community.

In carrying out an assessment of the conditions within classrooms, schools, and communities that shape early grade reading results, an inventory that catalogs front-line human resource issues and the management and supervision of front-line delivery is available (Williamson & Dom, 2010). This type of assessment allows for a feedback loop of information from the reality on the ground into the planning process, thus setting the stage for a more pragmatic understanding of the challenges faced in an implementation context. A set of tools that specifically support education sector assessment are located in the 2012 document from the International Institute for Educational Planning (IIEP), [Guidelines for Education Sector Plan Preparation and Appraisal](#).

Born out of the need to systematically review a country's human and institutional capacity, USAID has created a process to do just that. The [Human and Institutional Capacity Development](#) handbook provides operational guidance on how to conduct a systematic analysis of factors that affect institutional performance. This is accompanied by specific interventions that serve to address gaps between desired and actual institutional behaviors (USAID, 2011b).

Such an analysis of human and institutional capacity, relevant to the assessment of early grade reading, must include the technical elements, supported by research, that have an influence on students' ability to learn to read. These elements are the five Ts of early grade reading: teaching, time, text, tongue, and tests. These factors comprise the technical framework for the assessment of teachers, schools, and system capacity needed to support students when they are learning to read (RTI, 2011). More details on these specific elements of a sound reading program can be found in USAID's (2011c) briefing paper, [What Works to Improve Reading](#).

Conducting the analysis is just the first step however. Once capability is assessed, planning must align with partner country sectoral resource priorities and be based on a *constructive dialogue* with country partners (Riddell, 2007; SABER, 2013). As this relates to finance, time and again the literature underscores the importance of funding while asserting that education spending is necessary but not sufficient for achieving desired outcomes in education. This concept is further articulated in the forthcoming tool for [Assessing System Financing for Early Grade Reading](#) (*under development*).

The Systems Approach for Better Education Results (SABER) papers on [School Finance](#) (2013a) and the complementary [School Finance Rubric](#) (2013b) provide a framework, methodology, and detailed questionnaire for assessing education finance and expenditure as they relate to access, completion, and learning outcomes. Understanding how finance systems work is only the first

of a two-step process. Planners must understand what matters in school financing. “How resources are invested in education, both in terms of what is purchased as well as the incentives imbedded in financing instruments, is more significant than the absolute amount of resources invested.” (Hanushek, 1997 and Burtless, 1996, as cited in SABER, 2013, p. 8). This kind of in-depth assessment can help planners to create a design based on sound evidence and research.

2. Design: Strengthening national institutions

AID Forward clearly states that effective development must be conducted in alignment with a national government’s systems and policies in coordination with other donors. This makes the design phase particularly challenging as it increases the number of actors whose incentives, priorities, requirements, and flexibility may be significantly different. When choosing aid modalities, USAID must consider the great number and variety of initiatives happening within the country and how USAID can best leverage its contribution. These decisions need to be made based on a strategic plan for attaining long-term goals. Numerous studies have been undertaken which look at this particular issue, a brief summary of which is provided here.

The vision of aid helping countries to own and lead their development will not be realized by greater volumes of aid through weak systems, but by incrementally building government systems and capacities while increasing budget support that is targeted to specific, collectively agreed, development outcomes and indicators. (Booth et. al. 2008, p. ix).

One of USAID’s comparative advantages in education sector work is the current focus on early grade reading improvement, which provides a foundational and measurable outcome for education quality. The development agenda of achieving greater access to basic education for the most part only involves increased financing for additional classrooms, teachers and materials and can work through existing systems. In contrast, improvement of early grade reading requires reform of layers of institutions from classrooms to the central Education Ministry. It involves the transformation of curriculum, texts, teacher training, school instructional leadership and supervision, and assessments (USAID, 2011). Increased financing is necessary for these reforms, but equally vital is the reform and strengthening of institutional capacity for achieving results. The research on sector budgets demonstrates that increased financing through existing government institutions has not achieved this kind of system reform (ODI & Mokoro, 2010). However, increased financing has provided the occasion and the incentives to strengthen and reform those institutions responsible for managing the education process. The next section presents the Lessons Learned on what to avoid *and* Good Practices on what has worked for institutional reform and strengthening.

3. G2G financing alone does not reform management: Budgetary Support, System Reform, and Capacity Building

The modalities used to deliver aid must be based on a strategic direction that places emphasis on long-term goals and *durable* reform (Gilles et. al, 2010). Such reforms require the strengthening of domestic systems. There are a range of both project and non-project assistance modalities that can be used strategically to achieve these goals (Chapman & Dykstra, 2006; DeStefano, 2010). A [forthcoming tool](#) will draw on and synthesize the concepts and tools developed by Chapman & Dykstra (2006) and DeStefano (2010) (*under development*).

Unfortunately, to reduce the risks of direct budgetary support, donor agencies often impose derogations³ that overburden weak government institutions, or donors establish external accounts thereby reducing incentives to strengthen government financial systems. Support for country leadership and strengthening government institutions through sector budget support means taking necessary risks (USAID/AFR, 2002). While risk-avoidance is an important part of any design, it cannot be the primary motivation for decision-making in development assistance.

In order to strengthen domestic systems *and* aid agencies, the incentives imbedded in these systems must be modified (Williamson & Dom, 2010). Booth et. al. (2008) assert that current practice promotes risk aversion *through the use of particular modalities* as opposed to risk reduction through improved policy and practice by domestic institutions. An overreliance on derogation and building parallel systems has been found to weaken and distort government systems. These should only be used according to a strict timetable for phasing out the distortion (ODI & Mokoro, 2010). However, as previously discussed, modalities can also be used strategically to improve incentives and strengthen government institutions. Using non-traceable Sector Budgetary Support (SBS) is one programmatic approach that can strengthen domestic accountability and performance incentives (ODI & Mokoro, 2010). However, G2G modalities can only accomplish so much and in the end, success “depends more on the long-term development of robust national institutions than on particular aid modalities or on technical fixes.” (Gillies et. al, 2010, p. 3).

Such an approach is dependent upon an accompanying skill set and capacity that may not always be present in USAID country offices and domestic systems. Because of the capacity demands of budget support, management systems and human resources at both the central and decentralized level must be taken into account during planning processes (Gillies et. al, 2010). For example, when working with NGOs, grants must set forth realistic expectations for both financial accounting and performance. Otherwise they risk setting up NGOs for failure

³ Derogation here means the addition and/or modification of controls, regulations, and tracking of funding within national accounting systems required by a development agency providing budgetary assistance.

(Interaction, 2012). This same wisdom must be used when engaging national partners. Complex reform expectations or burdensome conditionalities can quickly set the stage for disappointment and failure (Booth et. al, 2008).

Although Lessons Learned pertaining to what *not* to do are well documented, there are also numerous cases of effective budgetary support coupled with institutional capacity building. These provide examples of Good Practice. Specific examples can be drawn from the report [Basic Education in Africa](#) (USAID/AFR/SC, 1995) which provides evidence that a complementary mix of project and non-project modalities can be highly effective. The document contains extensive discussion of lessons learned and guidance about the implementation of Education Sector Support (ESS). A more recent analysis, accompanied by tools for education sector finance reform, can be found in the previously mentioned paper on [School Finance](#) (SABER, 2013).

4. Effective and durable institutional reform is long term: guidance from monitoring and evaluation to achieve results

Quality education requires financial and resource systems to be in place to support early grade reading improvement. While inputs and the mechanics in educational programming can be addressed through program financial support, the evidence suggests that these inputs do not result in a change in the learning outcomes without a reform of what goes on in classrooms (Riddell, 2007). As the European Commission (EC) notes in a 2010 assessment, efforts to strengthen centralized financial systems did just that, but this in itself did not result in improved quality at the school level. In fact, even quality improvements in resources did not result in improved literacy and numeracy skills. Furthermore, the EC found that as enrollments expanded and the EFA goal of access was achieved, learning achievements deteriorated. In the context of these seemingly contradictory outcomes, the studies expose the false assumption that strengthening central systems alone will enhance the integrity of decentralized systems.

The ultimate objective should be not so much effective aid, but effective *development*.
(Boesen & Dietvorts, 2007, p. 5)

To be effective, space must be created to allow ‘service users to hold providers to account’ (Boesen & Dietvorts, 2007, p. 8). Downstream processes must be assessed, addressed, and then accounted for if reform is to be achieved at the ground level (ODI & Mokoro, 2010). However, overreliance on quantitative assessments of service delivery is problematic and this practice is connected to the shortcomings in both equity and quality of education (Williamson & Dom, 2010). Previous experience with Education Sector Support indicates that both rigorous monitoring of financial systems *and* attention to demand-side service delivery needs can lead to

success (USAID, 1995). ODI and Mokoro (2010) advise that Sector Budget Support must focus on ‘alleviating the critical constraints to service delivery’ by “identifying how funding, dialogue, conditionality and technical assistance/capacity building can support the strengthening of downstream processes, including the direct management of front-line service staff and delivery processes; human resources for service delivery, and incentives and accountability for service delivery” (p. 7). One example of effective downstream assessments in education is the development and use of [School Report Cards](#), described by the EQUIP 2 project.⁴ Such a comprehensive approach requires significant communication, dialogue, and harmonization amongst donors and domestic actors.

5. The importance and role of civil society: building country institutions

What about non-state actors? As advocated by the Busan Conference and many others over the years, civil society should be strategically engaged in the development process. The European Commission (2011) published a catalogue of ways in which donors can strategically engage non-state actors (NSA) in new aid modalities to maximize coordination efforts. Responding to debates at Busan, Glennie et. al. (2012) presented the concept of *localizing aid* to further build on the notion that working through local systems can strengthen local systems. Their four-quadrant formula for ‘systemic social change’ provides options in the use of aid modalities that support program-based approaches (p. 22). [Interaction](#) (2012) stresses the need for USAID to revisit the new Implementation and Procurement Reform (IPR) so as to link G2G with the capacity building expertise of non-state actors including international and national non-government organizations. The Interaction report provides a detailed list of recommendations.

6. Donor Agency Capacity: Relationships and Reform

In this period of *aid coordination*, communication lines must be kept open not only between donors and ministries, but also among donors themselves; an environment of transparency is essential (USAID, 2011). This level of dialogue necessitates corresponding skill sets in policy analysis, negotiation, and coordination within mission offices. When not present, Riddell (2007) suggests that agencies should be prepared to invest significant resources in training of these essential skills. Gillies et. al (2010) suggest that key elements for effective technical assistance include: relationships, trust, continuity, reliability, and confidence (p. 46). Booth et. al (2008) support this need for nuanced skills, adding that the Paris Declaration conversation does not fully address the extent to which political *and* institutional change is required by aid recipient countries. AID Forward acknowledges this challenge and argues that G2G requires engagement with political and institutional reform. G2G will require abilities of USAID Mission staffs in

⁴ See http://www.equip123.net/docs/e2-ReportCards_PolicyBrief.pdf

education sector assessment, planning and financing, and knowledge of the technical, policy and institutional requirements for improvement in reading results. Additionally, they will need to understand strategies for institutional reform and knowledge of financial control systems and oversight.

Goal 3: Education in Crisis and Conflict Environments

Working in crisis and conflict environments adds an additional layer of complexity to all of the topics covered thus far. Country systems in these situations are overwhelmed not only by war, corruption, and/or social disintegration but, because of their fragility, the aid context is additionally complex. Crisis and conflict environments may tempt donors to work independently of the state but in doing, effectiveness and sustainability of any such initiatives are in jeopardy (Riddell, 2007). However, when appropriate, support to basic state functions through G2G assistance can assist to build ‘systemic capacity...and legitimacy’ within governing institutions (Dom & Gordon, 2011, p. 82).

The weaker country systems in analysis, design, planning, organizing, managing and evaluating its development programs, the more there is proliferation of numbers and varieties of aid agencies modalities, conditions ...thereby overwhelming country systems. (World Bank Group, 2008, pp. 11-21)

Dom and Gordon caution donors to avoid pushing for overly complex policy reform and to focus instead on ‘**consensus policies**’ (p. 82). Lastly, they suggest being proactive in “assessing risk, opportunities and evolving needs; develop scenarios and instruments/mixes of instruments/graduated responses tailored to the various possibilities ahead of critical times/events” (p. 83). Just as strategic assessment, planning and design have been emphasized in previous sections, these components must also be an integral part of implementing aid modalities in fragile settings. The Global Partnership for Education [Guidelines](#) (2012) offer extensive strategies for financing the rehabilitation of education systems in post-conflict settings which are relevant to USAID Missions in these environments.

Conclusion

This summary has presented key findings from the literature on lessons learned and good practices related to financial assistance through national systems. The objective of this discussion is to inform USAID education officers as they face the challenge of designing and implementing G2G modalities particularly for Goal 1 of the USAID Education Strategy. The referenced literature was chosen for its value in enhancing understanding and application of good practices for education sector development using G2G modalities. To maximize the benefits of this summary, readers are strongly encouraged to follow up on areas of interest in

the annotated bibliography, a companion document to this one. Here will be found good practices and lessons learned in an easy-to-read format as well as the original research, analysis and tools from which information in this document has been synthesized (*available in the future*).

REFERENCES

Boesen, N., & Dietvorst, D. (2007). *SWAPs in motion Sector wide approaches: From an aid delivery to a sector development perspective Reflections from the Joint Learning Programme on Sector Wide Approaches, January 2006 to April 2007*. Joint Donors' Competence Development Network. Brussels: Train4Dev.net.

Booth, D. (2008). *Good governance, aid modalities and poverty reduction: From better theory to better practice*. CDD Ghana, Economic and Social Research Foundation, Overseas Development Institute, CHR Michelsen Institute. Limerick: The Advisory Board for Irish Aid.

Clarke, M. (2012). *What Matters Most for Student Assessment Systems*. The World Bank, Systems Approach for Better Education Results. Washington D.C.: The World Bank.

DeStefano, J. (2011). *Choosing the best way to provide assistance: The implications of project and non-project assistance modalities for aid effectiveness*. Academy for Educational Development. Washington D.C.: USAID.

DeStefano, J., Hartwell, A., & Tietjan, K. (1995). *Basic Education in Africa: USAID's Approach to Sustainable Reform in the 1990s*. Bureau for Africa, USAID: Washington, D.C.
http://pdf.usaid.gov/pdf_docs/PNABX005.pdf

Dom, C., & Gordon, A. (2011). *Budget Support in Fragile Situations*. Mokoro Ltd. . Boston: Oxfam.

European Commission. (2011). *Engaging Non-State Actors in New Aid Modalities: For better development outcomes and governance*. Luxemburg: European Union.

Gillies, J. (2010). *The Power of Persistence: Education System Reform and Aid Effectiveness: Case Studies in Long-Term Education Reform*. United States Agency for International Development. Washington D.C.: USAID.

Glennie, J., Ali, A., King, M., McKechnie, A., & Rabinowitz, G. (2012). *Localising aid: can using local actors strengthen them?* London: Overseas Development Institute.

Global Partnership for Education. (2012). *Global Partnership for Education Program Implementation Grant Guidelines*. Washington D.C.: Global Partnership for Education.

InterAction. (2012). *Procurement for Country Ownership and Better Results: Recommendations for Improving USAID's Implementation and Procurement Reform (IPR)*. Washington D.C.: InterAction.

Particip GmbH. (2010). *Thematic global evaluation of European Commission support to the education sector in partner countries (including basic and secondary education) Final Report Volume I*. Brussels: European Commission.

USAID. (2002). *Program Assistance and Africa: A Synthesis and Analysis of Africa Bureau Assessments*. Washington D.C.: United States Agency for International Development (USAID).

Williamson, T., & Dom, C. (2010). *Making sector budget support work for service delivery: good practice recommendations*. Overseas Development Institute, Mokoro. London: Overseas Development Institute.

Williamson, T., & Dom, C. (2010). *Sector Budget Support in Practice: Good Practice Note*. London: Overseas Development Institute & Mokoro .

World Bank Group (2008). *Aid Architecture: An Overview of the Main Trends in Official Development Assistance Flows*. Washington, D.C. Resource Mobilization Department, Concessional Finance and Global Partnerships (CFP).