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Geopolicity is an established international management consultancy group specializing in the provision of world-class services to government, international organizations and the private sector to reform and restructure economies, markets and institutions. Through our in house staff and leading associates we provide independent advisory and management services in the areas of political and economic intelligence, public and private sector governance, business and corporate development and emerging market and investment analysis.

2009



IRAQ EDUCATION SECTOR SCOPING STUDY

Public Sector Management

1 Vision, Leadership and Policy

Development: The country's leaders' vision, political will and commitment to education sector modernization need to be focused and mobilized to achieve significant improvement in the sector's operations.

2 National Education Strategy

Development: The National Education Strategy (NES) must urgently focus on investing in functional system strengthening, efficiency and effectiveness, through linking new policy, planning and budgeting approaches to improve service delivery effectiveness

Geopolicity Inc.

This Education Sector Scoping report provides a broad and generic overview of the core reform and modernization challenges facing the Government of Iraq, including the Regional Government of Kurdistan, in meeting constitutional and national development strategy objectives. It does not seek to duplicate existing and ongoing efforts – such as the work of the Education Reform Technical Assistance Project - to support the strengthening of education service delivery; rather it seeks to build on such work and to broad-brush – within one report – all key education system issues as an input to the Government of Iraq (GoI) Public Sector Modernisation (I-PSM) Program. As a result, this report focuses on policy, institutional, administrative and fiscal management concerns with regards to the existing service delivery model for primary, secondary and tertiary education; the entire education system.

See inside for more....

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Currency Equivalents (As of November 2009)

US\$ 1 = 1169 Iraqi Dinars

Government Fiscal Year

January 1 to December 31

Note:

This sector scoping study is provided for comment to stimulate discussion in relation to the reform and modernization of the education system (general and higher education) in Iraq. The aim is to identify entry-points for improved service delivery that can then be considered by competent authorities in due course, as part of the I-PSM Program.

For information related to this report please email info@geopolicy.com or visit our website on www.geopolicy.com.

ABBREVIATIONS AND ACRONYMS

| | |
|--------|--|
| CFFA | Country Financial Accountability |
| COR | Council of Representatives (Parliament) |
| COSIT | Central Organization for Statistics and Information Technology |
| DFI | Development Fund for Iraq |
| DOE | Directorate of Education |
| FPSC | Federal Public Service Council |
| GER | General Enrolment Rate |
| GOI | Government of Iraq |
| HR | Human Resources |
| I-PSM | Iraqi Public Sector Modernisation Program |
| ICI | International Compact for Iraq |
| ICT | Information Communication Technology |
| IFMIS | Iraq Financial Management Information System |
| IHSES | Iraq Household Socio Economic Survey |
| IRRF | Iraq Relief and Reconstruction Fund |
| ITF | Iraq Trust Fund |
| KRG | Kurdistan Regional Government |
| MMOPDC | Ministry of Planning & Development Co-operation |
| MOA | Ministry of Agriculture |
| MOE | Ministry of Education |
| MOF | Ministry of Finance |
| MOHC | Ministry of Housing & Construction |
| MOHESR | Ministry of Higher Education and Scientific Research |
| NDS | Nation Development Strategy |
| NES | National Education Strategy |
| PCSC | Provincial Civil Service Council |
| PFM | Public Financial Management |
| PFMAP | Public Finance Management Action Plan |
| PMAC | Prime Minister's Advisory Committee |
| SES | Senior Executive Service |
| SOE | State-Owned Enterprises |
| SWAP | Sector Wide Approach |
| UNDP | United Nations Development Program |
| UNESCO | United Nations Educational, Scientific & Cultural Organization |
| UNICEF | United Nations International Children's Emergency Fund |
| WB | World Bank |
| WHO | World Health Organisation |

EXECUTIVE SUMMARY

INTRODUCTION

This Education Sector Scoping report provides a broad and generic overview of the core reform and modernization challenges facing the Government of Iraq, including the Regional Government of Kurdistan, in meeting constitutional and national development strategy objectives. It does not seek to duplicate existing and ongoing efforts – such as the work of the Education Reform Technical Assistance Project - to support the strengthening of education service delivery; rather it seeks to build on such work and to broad-brush – within one report – all key education system issues as an input to the Government of Iraq (GoI) Public Sector Modernisation (I-PSM) Program. As a result, this report focuses on policy, institutional, administrative and fiscal management concerns with regards to the existing service delivery model for primary, secondary and tertiary education; the entire education system.

Scope and Purpose (See Part I): The purpose of this study is to provide a broad assessment of the education system in Iraq, including its current legal, policy and strategy framework; sector priorities in primary, secondary and higher education; existing functional, civil service and expenditure management processes; and a description of the existing service delivery model with a view to proposing reform and modernization options for consideration by Government. The scoping review covers the entire education system, and is broadly applicable to Iraq, the Region of Kurdistan and Baghdad Municipality as well as the Ministry of Education (MoE) and the Ministry of Higher Education and Scientific Research (MoHESR). Key questions to be addressed include:

- What are the major reform and modernization challenges to improved education service delivery in Iraq;
- What is the impact in the current overall framework on service delivery performance;
- What are the major entry points for improving both policy and institutional governance; and,
- What practical recommendations can be made to support the GoI in addressing the urgent reform and modernization needs of the sector?

The Rise and fall of Iraq’s Education System: Few countries have been through the rise and fall of education capacity that characterises modern day Iraq. Prior to 1980, Iraq’s educational system was generally recognised as the most progressive in the region, reflective of strong national vision and strident and idealistic leadership at the time. As a result, Iraq achieved universal access to education over a fourteen-year period, beginning in 1976 when primary education became free and compulsory. However, the Iran-Iraq War of 1980-1988 and the First and Second Gulf Wars, 13 years of international sanctions, alongside internal conflict and strife, placed a massive challenge at the feet of the Government of Prime Minister Nouri Al-Malaki; appalling enrolment rates, decrepit infrastructure, lack of financial (particularly as a result of sanctions), human and other education resources, low teacher salaries, problematic teacher-student ratios, an outmoded national curriculum, weak examination authorities and lack of basic material such as text books. Moreover, libraries, teacher’s guides, computers and laboratory equipment were missing or outmoded.

The (Coalition Provisional) Authority abolished the national education curriculum by a decree of 7 July 2003. This took place shortly after the United Nations Security Council agreed on 27 June 2003 to fund a programme for revising and rewriting school curricula. A

team of Authority-appointed Iraqi educators, supervised by international personnel, started to revise textbooks. It is hoped that this will lead to a new national curriculum in time, alongside other enabling measures. According to the Office of the United Nations Humanitarian Coordinator for Iraq (2003), the task of rebuilding Iraqi education to an internationally satisfactory level will take many years and great resources, even as “it must be up to the Iraqis themselves to set the attainment targets for this work and decide structure and contents of their future education system”.

However, and in spite of these severe challenges, the government has not only been able to preserve the legacy of the educational system, it has also managed to see a massive return to school (approximately 6 million students) and in many cases a substantial impact on enrolment, student-teacher and student-school ratios, including improvements in male and female and urban and rural balance. In this case this persistence is an asset – the system’s recent deterioration can, therefore, perhaps be seen as a temporary departure from a long-established trajectory of growth and achievement. However, on the negative side and in spite of efforts to the contrary, and whilst focusing on improving basic and essential services, policy, institutional, fiscal and human resource management, curriculum and quality service challenges continue to impede a return to its former status.

The current report provides scope for cautious optimism (See Part II, IV, V and VI). The main storyline for the sector reflects one of a massive improvement in service delivery from a low base in 2003-2005, yet with plenty of headroom for improving primary, secondary and tertiary education as part of the national re-development process. Spending on education has increased from 7.4% in 2007 to 9.6% in 2010 of the national budget, which reflects the centrality of education as a core function of government. The proposed budget for 2010 for the MOE is US\$4.2 billion for recurrent spending and US\$420 million for capital spending, totalling US\$4.7 billion. MOHESR has been allocated a budget of US\$1.8 billion for recurrent spending and US\$294 million for capital spending, totalling US\$2.1 billion. The MOE employs a total of 556,164 people across all grades and MOHESR employs a total of 94,884 bringing the staffing total to approximately 650,000.

In the recently approved National Plan for Education (2010-2014), the government forecasts that a total of 133,000 children will be enrolled in kindergarten, with 989,088 children in primary school and 1,847,112 students in secondary school. As a result the shortage in school buildings has in fact increased from 25% to 30% since 2004, not decreased. To meet such demands, double and even triple shifts are used, with approximately 35.8% of primary schools, 42.1% of secondary schools, 23.5% of vocational training schools working double-shifts, and with 4.5%, 3.4% and 1.5% for primary, secondary and vocational training schools providing triple-shifts respectively. Currently, Iraq is 12,522 school buildings short of current requirements and this gap is growing. There are 656 mud schools in the provinces and 3,076 schools require substantial rehabilitation. In spite of these challenges the education system in Iraq both continues to function, and to improve delivery. Actions by government, and supported by UNICEF, UNESCO, the World Bank and other cooperation partners, have led to 3600 schools being rehabilitated, 120,000 new teachers recruited, a strong focus on girls’ education, curriculum reform, increased provision and access to learning resources, including distance learning programs for out of school children (i.e. in Syria) and work to strengthen national educational strategy.

The Existing Service Delivery Model Urgently Needs Renewal (See Part III, IX): The existing service delivery model within Iraq, the Region of Kurdistan and Baghdad Municipality

remains highly centralised, in spite of efforts to decentralise certain functions to the governorates as a result of the 2005 Constitution, 2008 Provincial Powers Act and 2009 and 2010 budget laws. The Ministry of Education is responsible for pre-school through to secondary school and vocational education, whilst the MOHESR is in charge of tertiary education (colleges, universities and training institutes) and research centers. The Ministry of Education exercises direct administrative control over the systems under its jurisdiction, as does the MoE in the Region of Kurdistan, while the institutions managed by MOHESR have a variety of administrative arrangements – some operate relatively independently of Ministry control. However, in terms of day-to-day delivery 20 directorates that serve Iraq and Baghdad, and the Ministries that serve Iraq (including those in Kurdistan) maintain the main responsibility for delivery, although there are exceptions to this rule, and all directorates are, therefore, effectively out-posted departments of the parent Ministries. However, large parts of the policy, delivery and fiscal processes are conducted in coordination with other entities such as the Ministry of Finance (MoF) and Ministry of Planning and Development Cooperation (MoPDC) amongst others. The study explores options for progressive decentralisation where warranted and justified – as a process not an objective – cognizant of the risks that decentralization might bring with it.

Major Policy, Institutional and Delivery Challenges Remain (See Part VIII, IX and X): There is as yet no comprehensive National Education Policy, the existing sector strategy, therefore, has little overarching or long-term vision and is hampered by lack of administrative, civil service, management and fiscal reforms, including weak procurement and public finance management procedures. Existing education laws (e.g. No 34/1998 amended by law 28/2005) and administrative structures reflect the legacy of the 1980-1990s and whilst significant improvements are being registered, the old legacy system is struggling to address new and emerging challenges. Education service delivery, while improving, faces major challenges (curriculum reforms, quality of education, buildings and infrastructure capacities, multiple shifts etc.) and there is an urgent need to strengthen linkages between education delivery and actual and employment futures. Iraq already has a lost generation, and consolidating early gains and quick (visible) wins needs to be achieved whilst longer-term systemic reforms are urgently required to put Iraq's education system back on a path to meet the development and stabilization challenges of the future. Worrying trends include declining rates of enrolment, drop out rates in higher grades (particularly for girls), the slow rate of infrastructural improvement, weak teacher competencies and continued dependency on delivery through existing (legacy) service delivery systems and models rather than through new models and structures that might be the best way to address the educational challenges of the future. Undertaking such reforms, to be shaped by a National Education Policy, would also seek to encourage wider private sector involvement and improved sub-national participation.

Options for Reform and Modernization (See Part XI): The report outlines the need for an overall sector modernization strategy (which includes policy, institutional and functional restructuring around a new service delivery model) comprising the following major investment areas:

- Improving institutional governance, management and administrative systems; .i
- The creation of sustained capacity for policy, planning and budget; .ii
- Improving “client” service delivery in all areas of its mandate; .iii
- Improving the allocation and utilization of financial, human and other resources; and, .iv

Developing staff, management capabilities and competencies for core and generic functions. .v

It is, therefore, suggested that in addition to the continued focus on strengthening the national education sector strategy, the Gol I-PSM program will need to focus on structural reforms; an outline of which is provided for discussion:

- Improved Sector Governance** – to meet national development and employment objectives;
- Improved Administrative Efficiency** – to maximise the rates of education returns to public spending;
- Sector Ministry Re-organisation** – to improve functional alignment to meet policy goals;
- Human Resource Management Reforms** – to improve quality education and terms of service;
- Decentralize Certain Service Delivery Functions** – to broaden the base and improve accountability;
- Strengthened Financial/Procurement Management** – improve operational efficiencies;
- Enhance Outcome and Impact Monitoring** – to reinforce the focus on service delivery improvement.

PART I BACKGROUND

INTRODUCTION

1. **This study presents a broad review of the entire education sector in Iraq – as an interconnected system – based on an assessment of its constitutional mandate.** The Constitution states that *‘Education as a fundamental factor for the progress of society and as a right guaranteed by the state. Primary education is mandatory and the state guarantees that it shall combat illiteracy. Free education in all its stages is a right for all Iraqi citizens. The State shall encourage scientific research for peaceful purpose that serves humanity in support of excellence, creativity, invention, and different aspects of ingenuity.’* In undertaking the objective of the study, the report analyses the current legal, policy and strategy framework, the current service delivery model, administrative structure (MoE and MoHESR) and general sector management practices in relation to governance. The study seeks to acknowledge the strengths of the sector, its structural shortcomings as well as a set of entry points for reform and modernization for consideration by the Council of Ministers to support decision-making in relation to reform and modernization.

2. **This Education Scoping Study is part of a set of sector studies which include (i) Water and Sanitation (ii) Health (iii) Water Resource Management and, (iv) a Civil Service Reform Road Map.** These studies are all outputs of the Preparatory Phase of the GoI Iraq Public Sector Modernization (I-PSM) Program being financed by UNDP with the financial assistance, under project C9-24, of the Government of Spain. This report was prepared in close coordination with UNICEF, UNESCO and UNDP. This sector study, therefore, lays the foundation for the next phase of the I-PSM program which includes collaborative discussion between government and donors to identify a reform and modernization road map for the sector, conducting functional reviews as required, to be implemented over the course of the term of the next Iraqi administration.

3. **This scoping study, which is the result of two months field based study in Iraq and Jordan by a Technical Pool of experts fielded by Geopolicy Inc, is intended to provide MoE, MoHESR, Council of Ministers (CoM) and PMAC with viable reform and modernization options that can be considered over the medium term, as a contribution toward strengthening existing efforts.** The report suggests some basic elements of a roadmap, based on evidence collected whilst in Iraq and supported by key informant discussions, as the basis for strengthening services within the existing model so as not to disrupt essential services, whilst also looking at the existing policy, strategy and institutional framework for delivery with a view to change. As a result, the report proposes changes to the existing service delivery model, by reviewing the basic building blocks of the existing delivery structure, with a focus on rationalization, consolidation, renewal and modernization as required. The findings outline the importance of full engagement, not just at the level of strengthening existing strategy, including the policy and functional service delivery levels. The study team believes that many of these reforms are essential, not optional, given the challenges that Iraq faces in bridging the gap between existing delivery and the employment and developmental needs of the next generation.

PURPOSE AND SCOPE

4. **The purpose of this report is to provide a broad assessment of the existing education system and service delivery arrangements.** Key questions to be addressed include: (i) what are the major reform and modernization challenges to improve delivery (ii) what is the impact in the current overall framework on service delivery performance (iii) what are the major entry points for improving both policy and institutional governance, and (iv) what practical recommendations can be made to support the GoI in addressing the urgent reform and modernization needs of the sector?

PART II SECTOR STATUS

INTRODUCTION

5. This section summarises the current status of the education sector, starting with a short review of the major changes that have occurred in recent history, whilst drawing out their main effects on the delivery of educational services. The section not only provides a summary of key delivery dynamics but it also outlines high level constraints to improved delivery originating from above and within the sector itself. This analysis then leads to a description of the current service delivery model, around which observations are made with regards to the relationship between sector status and structural constraints.

THE RISE AND FALL OF EDUCATION IN IRAQ

6. Iraq has been home to continuous and successive civilizations since the 6th millennium BC. These early civilizations produced the earliest writing, literature, sciences, mathematics, laws and philosophies and thus Iraq is deserving of the title, the "Cradle of Civilization". However, Iraq has also been a major destination for invading powers since the beginning of civilization, because of its influence and the fertile plains of the Tigris and Euphrates rivers. The Sumerian Civilization thrived for 3,000 years, as did others, and Islam formally arrived in Iraq during the Islamic Golden Age. In the 13th century Baghdad was invaded by the Mongols, before falling to Ottoman Rule which lasted until the end of World War I, after which time Iraq was brought under British Influence – the British Mandate of Mesopotamia - which imposed a Hashemite Monarchy. Iraq was eventually granted independence from Britain in 1932. The foundation of the current education system was established when the modern Iraqi state came into being in 1920/21. In 1943-44 the Ministry of Education administered the entire system, with a public school registration of 104,359 students of a total population of about 4 million (Matthews 1949).¹

7. Subsequent impacts include wars with Iran in the 1980s, the invasion of Kuwait in 1990, and UN sanctions which amounted in many ways to a blockade. This was followed by US invasion in 2003, civil conflict and 'De-Ba'athification' which led to the removal from office of thousands of senior civil servants, many with decades of experience in education-related delivery. As a result, over the past quarter of a century, war, conflict, sanctions and a deep fiscal crisis led to the wholesale destruction of vital educational infrastructure, libraries, colleges, universities, declining enrolment ratios, school building and teachers numbers. What makes the challenge of education provision even more challenging is the substantial increase in population growth and the ever-demanding demand for quality education at primary, secondary and tertiary levels. However, with the economy remaining highly dependent on oil as a source of revenue, and with the majority of employees in the public sector and in the agricultural sector, bridging the gap between employment demand and supply will remain a top priority for GoI for the next generation or more. The sector currently serves some ~6 million students, or 20 per cent of the entire population, figures that underscore the importance of putting the sector on a path to delivery. In summary:

- i. Over recent history there was a major decline in student per capita spending from US\$623 in 1989 to US\$35 in 2003 (WB, PEFA, 2005);
- ii. A massive depletion in human resource capacity as teacher salaries plummeted from US\$500 per month to less than US\$30 per month over the same period and a similar reduction in operations and maintenance costs;
- iii. The systematic deterioration and destruction of vital physical infrastructure
- iv. Wholesale decline in system and administrative delivery; and

¹ Baghdad University was established in 1957, Al-Basrah University in 1967, Al-Mosul University in 1967 and Al-Sulaimania University in 1969.

- v. The overall downgrading of all major aspects of the educational system.

EDUCATION STATISTICS AT A GLANCE²

8. **The main storyline for the sector reflects one of a massive improvement in service delivery from a low base in 2003-2005 yet with plenty of headroom for improving primary, secondary and tertiary education, as part of the national re-development process.** Spending on education has increased from 7.4% in 2007 to 9.6% in 2010 of the national budget, which reflects the centrality of education as a core function of government. The proposed budget for 2010 for the MOE US\$4.2 billion for recurrent spending and US\$420 million for capital spending, totalling US\$4.7 billion. MOHESR has been allocated a budget of US\$1.8 billion for recurrent spending and US\$294 million for capital spending, totalling US\$2.1 billion. The MOE employs a total of 556,164 people across all grades and MOHESR employs a total of 94,884 bringing the staffing total to 650,000.

9. **In the recently approved National Plan for Education (2010-2014), government forecasts that a total of 133,000 children will be enrolled in kindergarten and 989,088 children in primary school and 1,847,112 students in secondary school.** As a result the shortage in school buildings has in fact increased not decreased, from 25% to 30% since 2004. To meet such demands, double and even triple shifts are used, with approximately 35.8% of primary schools, 42.1% of secondary schools, 23.5% for vocational training schools working double-shifts, and with 4.5%, 3.4% and 1.5% for primary, secondary and vocational training schools providing triple-shifts respectively. Currently, Iraq is 12,522 school buildings short of current requirements and this gap is growing. There are 656 mud schools in the provinces and 3,076 schools require substantial rehabilitation. Box 1 below provides a short summary of major sector statistics

Box 1 Education Sector Statistics at a Glance

In order to understand the education sector it is useful to view a set of basic statistics in relation to budgetary, staffing and service delivery. A broad overview is provided below:

- In 2001 there were 4,631,428 students, 229,699 teachers and 11,840 schools;
- Spending has increased from 7.4% in 2007 to 9.6% in 2010 of the national budget;
- For 2010 the MOE has a budget of US\$4.2 billion for recurrent spending and US\$420 million for capital spending, for a total budget of US\$4.7 billion;
- For 2010 the MOHESR has a budget of US\$1.8 billion for recurrent spending and US\$294 million for capital spending, for a total budget of US\$2.1 billion;
- MOE employs a total of 556,164 people across all grades of which only 11 are Grade A Plus;
- The MOHESR employs a total of 94,884 across all grades of which 30 are Grade Plus A
- By 2014 there will be 133,000 children enrolled in kindergarten, 989,088 children in primary school and 1,847,112 students enrolled in secondary school;
- The shortage in schools has increased from 25% to 30% since 2004;
- 35.8% of primary schools work on a double shift, 42.1% of secondary schools, 23.5% for vocational training and 49% work a double shift at the teacher training centres;
- Triple shift schools are 4.5%, 3.4% and 1.5% for primary, secondary and vocational training respectively;
- They are 12,522 school buildings short of requirements and this gap is growing;
- There are 656 mud schools and 3,076 schools require substantial rehabilitation.

Sources: GOI Five Year Strategic Plan, CoR budget, World Bank PEFA (2005-6), UNICEF, UNESCO

10. **In spite of the considerable challenges outlined above the education system not only continues to function but also to improve.** Actions by government, supported by UNICEF, UNESCO, the World Bank and other cooperation partners have led to 3600 schools being rehabilitated, 120,000 new teachers recruited, a strong focus on girls' increased provision and access to learning resources, including distance learning programs for out of school children (i.e. in Syria) and work to

² All data and statistics provided here, even though derived from primary and secondary sources, are approximate and indicative.

strengthen national educational strategy. The primary focus of the Government of Iraq (GOI) has been on restoring equitable access to primary, secondary and tertiary education, including a focus on physical infrastructure development, right-sizing teacher-student ratios, improvements in the terms of service, and in recent year's substantial support for strengthening national education strategy.

11. There are, however, many areas that have not received sufficient attention in terms of overall reform and modernization process for this vital sector. These include limited progress in setting a National Education Policy to shape the Education Sector strategy, no particular focus on administrative restructuring, unifying education laws or strengthening linkages between day to day policy, planning and budgeting functions. The scoping study suggests that whilst the current focus on delivery and strategy has been justified, the need for functional strengthening around a new policy and strategy framework is a pressing need.

GENERAL EDUCATION SURVEY RESULTS

12. A General Education survey was conducted by UNESCO covering 2007 and 2008, within the framework of the Education Management Information System (EMIS) with the support of UNESCO and UNICEF. This section presents a brief summary of the key findings resulting from this important work, with a focus on actual service delivery trends and dynamics (General Enrolment Rates) in Iraq and the Region of Kurdistan. This survey did not touch directly on policy, institutional or expenditure management issues. Key findings for the reporting period include;

GENERAL EDUCATION OVERVIEW

- The pre-school subsector was under-developed, enrolling 90,966 children in 645 schools of which 90% were in urban areas;
- GER in primary schools was 98% and NER 86%, with 21% of girls of primary school age not enrolled in school, and wide variations in enrolment rates between governorates, urban and rural areas, and boys and girls within governorates. The survey also found a low level of internal efficiency, with an average repetition rate of 8% across the primary grades, reaching a peak of 13% for grade 5, an average drop-out rate of 3.6%, and an estimated average survival rate to the end of primary education of 76%;
- The transition rate from primary to lower secondary level was found to be 52%, and the NER in secondary education was 36%, with gaps between boys and girls (male 42% and females 30%) and urban and rural areas (urban 47% and rural 16%), the most disadvantaged group being rural girls, for whom the GER was only 8%. The average repetition rate was 9% and the dropout rate 4%, with an estimated survival rate to the end of secondary cycle of 78%;
- The pupils/teacher ratios in primary and secondary education were 21:1 and 19:1 respectively, while pupils/classroom ratios were 44:1 for both primary and secondary education, indicating considerable overcrowding in many schools and underutilized capacity;
- There were 275 vocational schools enrolling 89,902 students of which 81% were males and 93% were in urban areas, indicating that girls and rural students have poor access to vocational education, although student/teacher ratio was 12:1.
- These were 76,193 students enrolled in 185 institutes, of which 92% were for teacher training and 66% for females only, and in which the enrolment was overwhelmingly (97%) in urban institutes;
- Compared to 2000, education indicators in Iraq in 2003-2004 showed a slight regress that is understandable in view of the war and turnover of government that happened at the beginning of 2003;
- Education has received increasing budget support in recent years, a reflection of its role at the centre of government investment priority.

PRE-SCHOOL EDUCATION

- According to UNESCO, this sub-sector is a relatively small one in view of Iraq population and geography. It comprises 762 school establishments, encompassing a little more than 112,000 pupils, regrouped into around 2,900 sections, and employing a little more than 7,000 teachers;
- The Kurdistan region shares 23.5% of the schools, 25.4% of the pupils, 30.4% of the sections, and 31% of the teachers;
- Pre-school education appears to be, almost exclusively, an urban phenomenon. In fact, out of the 23 Directorates of Education, there are only 6 where more than 10% of the pre-schools are located in rural areas;
- The Gross Enrolment Rate (GER) for 4-year olds is around 5% in almost all the governorates, except two of them located in Kurdistan Region where it is 2.5 to 3 times this figure, with no notable differences between boys and girls in all governorates. As for the 5 year olds, the GER turns around 16% and do not reach 20% except in two governorates, with slight gender disparities, generally in favor of boys;
- The mean class size is around 40 pupils per class, with significantly less in the governorates of Kurdistan Region and yet more in at least two Directorates of the Ministry of Education in Baghdad. Class size appears to be above the international norm for pre-school classes;
- Data on the use of the pre-schools show that around 85% of the schools operate one daily shift, with a short-day schedule, i.e. from 8:00 am to 12:00 pm;
- In only 5 directorates out of the 23, the pupil/teacher ratio exceeds 20/1, which is acceptable given the overall state of development of Iraq;
- 79.4% of the teachers in pre-school education appear to have an educational qualification (diplomas from teachers' training institutions or higher educational degree) that permits them to take on full responsibility for a pre-school class, while another 11.9% have followed in-service training related to their functions; and,
- The universalizing of the preparatory class would require premises and teachers to care for around 900,000 pupils annually, meaning the necessary availability of 18,000 classrooms to be used daily in a double shift by 36,000 sections of 25 pupils each, while there are presently hardly over 3,300 classrooms. This also requires the availability of at least 45,000 teachers

PRIMARY EDUCATION

- Primary education in Iraq encompasses six grades. It has been compulsory and free of charge for some considerable time, and this was confirmed in the new constitution adopted by general referendum in 2005. In the directorates of education under the authority of the Ministry of Education in Baghdad, this level of education is exclusively offered by public schools; whilst in the Kurdistan Region, there are rare private schools offering it.
- The primary education sub-sector is a relatively huge one, comprising around 16,500 school establishments, hosted in more than 13,000 buildings, encompassing more than 5 million pupils, and employing a little less than 300,000 teachers.
- The responsibilities for these schools are shared between 20 directorates of education related to the Ministry of Education in Baghdad and 3 directorates under the authority of the Ministry of Education of the Kurdistan Region Government, the total share of this region being 23.9% of the school establishments, 28.1% of the school buildings, 14.6% of the pupils, and 19.2% of the teachers.
- The directorates of education in the Kurdistan Region are among the largest across the country, in terms of school establishments and buildings, as well as in terms of the number of pupils and teachers.
- There are significant differences in the number of schools, as well as in the numbers of pupils and teachers, between the 20 directorates of education related to the Ministry of Education in Baghdad, some of these directorates being almost 6 times larger than others in terms of

number of school establishments and school buildings, or 4.5 times in terms of the number of pupils, or 2.3 times in terms of the number of teachers, with Ninawa hosting more than 473,000 pupils and Al-Muthanna and Karkh 1 hosting less than 105,000 pupils.

- The 6 directorates of education in Baghdad governorate account for 15.4% of the school establishments, 15.6% of the school buildings, 24.6% of the pupils, and 22.6% of the teachers under the authority of the Ministry of Education in Baghdad.
- Primary schools, i.e. schools that have only primary level, are still the general norm in the directorates of education related to the Ministry of Education in Baghdad. In fact, they account for 97.7% of the school establishments, 97.3% of the school buildings, 97.9% of the pupils, and 98.4% of the pupils.
- In the Kurdistan Region, the so-called basic education schools have become the norm, at least from an institutional point of view. In fact, they account for 88.8% of the school establishments providing primary education, 88.6% of the school buildings, 89% of the pupils, and 87.5% of the teachers.
- There are systematic differences between the number of school establishments and the number of school buildings, meaning that the same school building has to host more than a single school establishment.
- In 15 out of the 20 directorates of education related to the Ministry of Education in Baghdad, the school buildings are almost exclusively (around 90% or more) owned by the Ministry itself, for an 'across the nation' mean of 87%.
- The departures from the above general rule concern the directorates of education in Ad-Diwaniyyah, Maysan, Diyala, and Risafa 2 where other governmental bodies own respectively 30.5%, 29.2%, 15.7%, and 14% of the school buildings, and An-Najaf where other governmental bodies own 95.8% of the school buildings.
- It appears from the data thus obtained that almost 50% of the buildings are judged as unfit or needing major rehabilitation.
- Schools that offer primary education are almost equally divided between urban and rural areas in the directorates of education related to the Ministry of Education in Baghdad, with few but some exceptions. Also, in KRG, the percentage of rural schools significantly exceeds the number of urban schools. (UNESCO, 2010)

13. Figures 1 to 4 below present the mapped-results of the 2007 COSIT Household Survey in relation to primary education. Gender, urban and rural data are presented.

Figure 1 Primary Education: Net primary enrolment-rural female

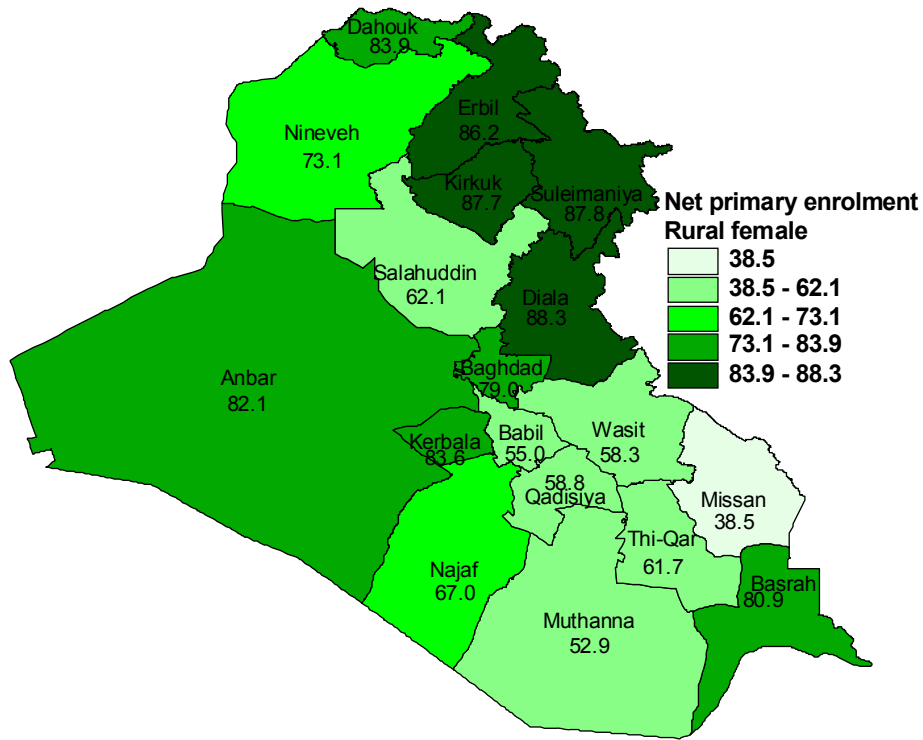


Figure 2 Net primary enrolment-rural male

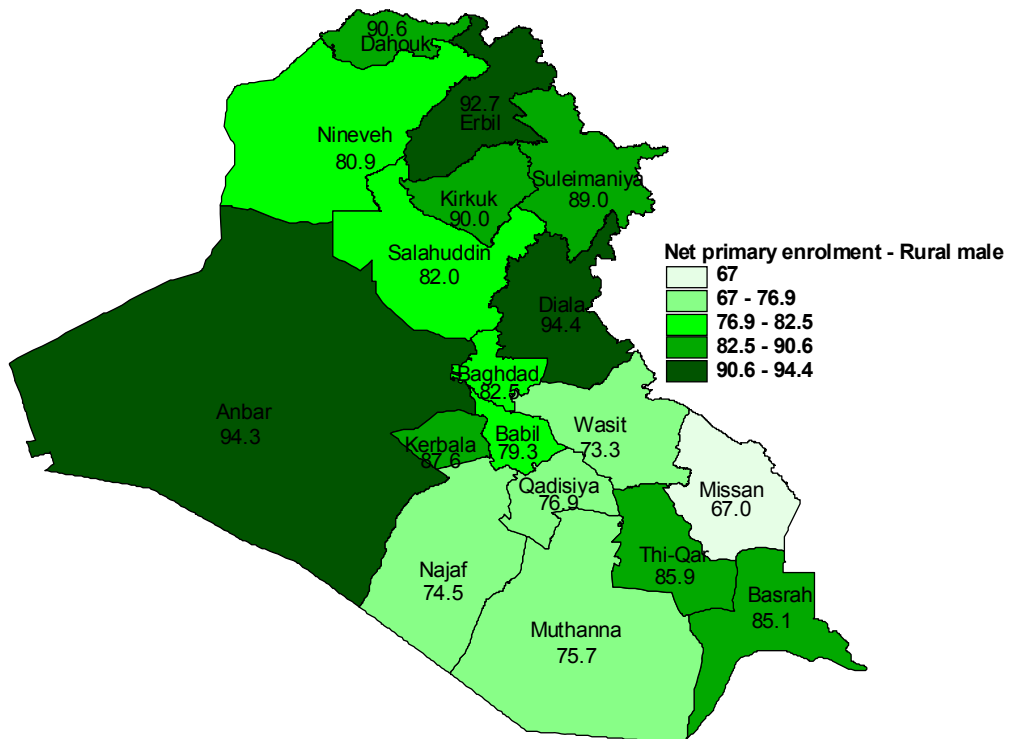


Figure 3 Net primary enrolment-rural total

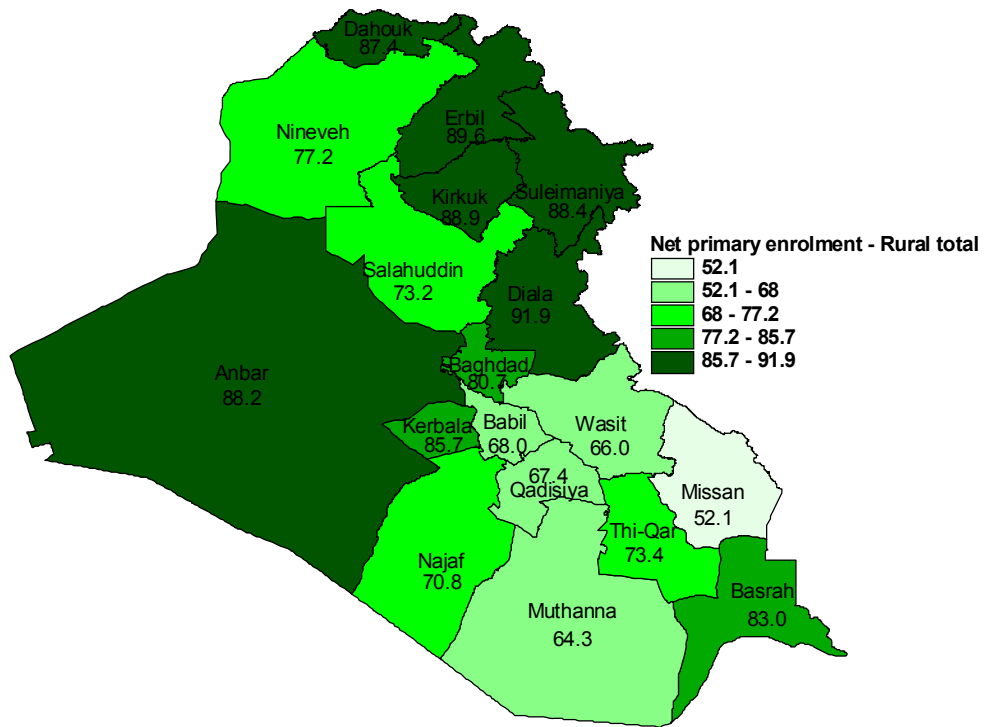
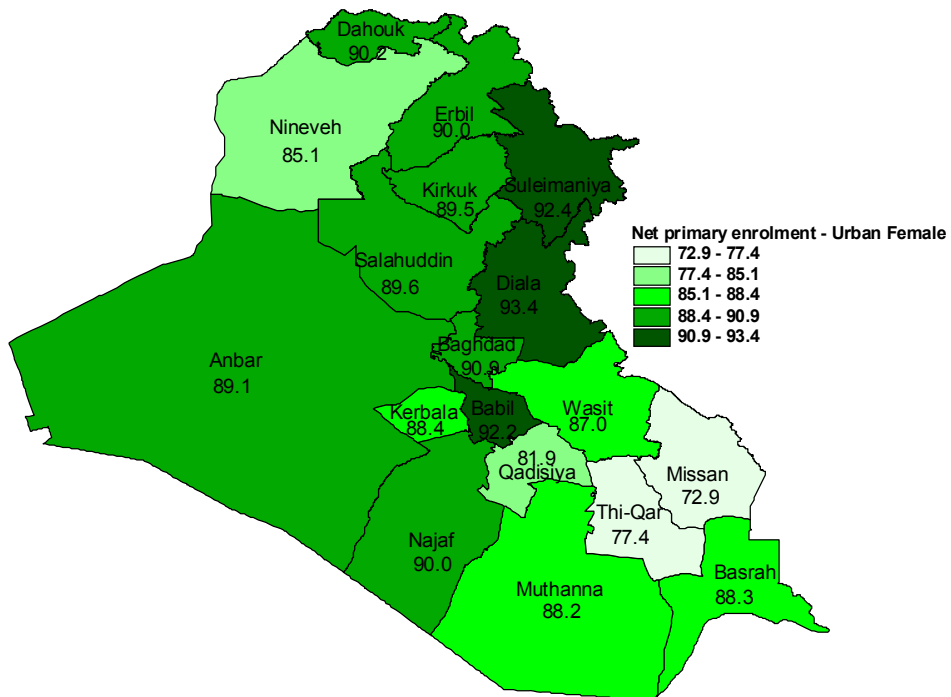


Figure 4 Net primary enrolment-urban female



SECONDARY AND TERTIARY EDUCATION

14. Secondary education is divided into two three-year cycles. The intermediate cycle follows a common curriculum and culminates in the Third Form Baccalaureate or Certificate of Intermediate Studies; this level enrolls students from the ages of 12 through 14. The preparatory cycle follows the intermediate cycle. In the general academic schools, the preparatory cycle requires students to choose a specialization; one of two tracks is chosen after the fourth year in secondary school. Students choose scientific or literary studies, both leading to the *Adadiyah*, or Sixth Form Baccalaureate. Vocational secondary education is divided into agricultural, industrial, veterinary, or commercial studies. Courses lead to a Vocational Baccalaureate. After the intermediate cycle, a student may also enroll in a teacher-training institute for a degree in primary education; the period of study is two years.

15. **The proportion of the population covered by education in the secondary education system decreased to 44.3% in 2004-2005 from 56.6% in 2001.** The increase in the number of students enrolled in this stage at a rate (5.1%) due to the increase in the population. There is a growth in stage requirements at growth rate (8.2 %) of teachers, the rate of number of students per teacher decreased from 17 to 14 and the number of schools increased at a rate of (4.9%).

16. **According to the draft Education Strategic Plan percentage of population at the education age at this stage (18-23) years covered by the higher education decreased from (10.2%) to (8.2%) as well as the decline in the number of students enrolled in this stage** at a rate of - (0.5%), however, there is an increase in the number of teachers at a rate (12.5 %) which leads to the reduction of the number of students per teacher from 22 to 10, in addition to an increase in the number of colleges and institutes by (17.4%) resulting from the horizontal and vertical expansion of this stage for the period 2001/2002- 2007/2008.

17. **There is an increase in the number of government and private colleges and technical institutes and colleges, as the number of universities increased from 17 universities to 19 between 2003/2004 and 2007/2008, the number of government colleges increased from 160 to 201 and private from 13 to 19.**³ Regarding technical education, there are 27 institutes and 9 colleges. However, this is not accompanied by any improvement or maintenance of the quality of existing university buildings, except minor repairs, as well as overcrowding in classrooms and other facilities as a result of the limited absorptive capacity of the existing universities.

STRUCTURAL CONSTRAINTS

18. **In spite of many recent gains, both (i) systemic and structural weaknesses exist above the level of the sector in relation to public sector, civil service and public finance management.** It is clear that many of the structural constraints affecting service delivery in the education system simply cannot be solved from within the sector alone. The lack of an adequately defined national development strategy deprives the education system of clear objectives around which it can organize its services as a primary engine of progress – this issue affects the entire government. Constraints to improving Education Service Delivery above the sector may, therefore, be broadly classified as follows:

- *Unclear national development and policy agenda;*
- *Strategic planning, budgeting & execution cycles split across various ministry functions;*

³ Universities include Baghdad University, Basra University, Mosul University, Al-Mustensiriya University, Technology University, Kufa University, Tikreet University, Al-Anbar University, Al-Qadisiya University, Babil (Babylon) University, Diyala University, Wasit University, Kerbelaa University, Thi-Qar University, the Islamic University, Al-Nehreyn University, Meesan University, Al-Muthenna University and Kirkuk University.

- *Lack of an administrative reform and restructuring framework;*
- *Lack of a modern public service law and accompanying regulations;*
- *Highly centralized public finance management and procurement systems;*
- *Lack of a medium term expenditure framework and integrated budgetary system;*
- *Politically driven decentralization program running against the legacy of administrative and fiscal traditions;*
- *Lack of qualified and motivated human resources.*

SUMMARY OF FINDINGS

19. This short section does not aim to provide a definitive and up to date description of the status of education in Iraq. Any data provided requires verification, and is provided on an indicative basis. To date, there has not been a full assessment of the entire education system from a service delivery perspective and much more, therefore, needs to be known about what the major challenges are. The work of the I-PSM program (Gol and UN), working closely with other major donors in the sector, will need to build a cohesive system-wide understanding of what impedes quality delivery, how to overcome policy, institutional and expenditure management related constraints, and how to improve administrative efficiency and effectiveness in delivery. There is, however, little doubt that in the absence of a sector policy framework and laws dating back prior to 2003, as well as an administrative structure reminiscent of the 1960-1970s, there is a need to adopt a system-wide approach to reform, covering all levels of the delivery system.

PART III CURRENT SERVICE DELIVERY MODEL

INTRODUCTION

20. **This short section provides a general overview of the current service delivery models employed by the Ministries of Education and Higher Education and Scientific Research, in Central Government and the Region of Kurdistan.** The description is illustrative not exhaustive and is reflective of the need for detailed study, as part of any functional review, to identify areas where service delivery improvements can be delivered, by removing administrative and fiscal constraints and to strengthen policy, planning and budgeting linkages.

SERVICE DELIVERY MODELS

21. **There are perhaps three program models for education in Iraq.** These reflect:

- (i) The separation of primary and secondary education under the mandate of MoE, with tertiary education under the mandate of MoHESR;
- (ii) Service delivery models provided by Central Government and the Regional Government of Kurdistan; and,
- (iii) Services provided by the private sector and non-governmental organisations.

22. **The models adopted by MoE and MoHESR are logically different, reflective of their mandates and increased private sector involvement as the level of education rises.** The structure of service delivery has not changed substantially since the late 1980s, even though since 2005 there has been considerable effort to increase sub-national roles and responsibilities, including decentralising wholesale delivery to the Region of Kurdistan. The role of the private sector is growing, and non-governmental organisations have also increased engagement to boost delivery capabilities, largely as a result of donor financing to maximise service delivery gains.

GENERAL DESCRIPTION

23. **In general the delivery of services in Iraq reflects the centralised and unitary structure of Government, in spite of attempts by the Council of Representatives to increase the role and oversight of the provinces for primary, secondary and tertiary education.** Even where education delivery has been decentralised, as is the case of Kurdistan, it remains highly centralised in its own right. However, even though there has been support for decentralisation, to a large extent the delivery of education services often remains a highly centralised model, with few central functions actually being devolved to sub-national government. In all cases, given the low number of civil society organisations involved in the education sector, education is a largely Government driven provision (as it is in most countries in the Middle East) with some private and NGO involvement.

24. **The general structure for delivery is not unique to MoE and MoHESR, but rather reflects the fiscal and administrative history of Iraq and the general approach to service delivery for all sectors.** To this extent, the civil service management, procurement and budget formulation and execution laws tend to determine the shape of roles and responsibility for delivery and any changes to approach would need to be reflected in law, regulations and procedures. However, and this is an important facet of the current approach to policy, planning and budgeting, many core aspects of the service delivery cycle are provided by other Ministries, such as the MoF (recurrent budget planning), MoPDC (capital budget planning), the Ministry of Housing and Construction (for school construction – even though a Buildings Directorate was established in the MoE for this function), and anecdotal information suggests that even the Ministry of Agriculture (MoA) has a role in the allocation of land for school buildings, in certain circumstances. As such, core parts of the delivery cycle are outside of the main service delivery Ministries themselves, which adds to the complexity of delivery.

25. **At the policy level the Prime Minister's Office and Prime Minister's Advisory Commission (PMAC) play an important role in both the reform and modernization process, and in enhancing education strategy, even though there is no formal national education policy.** All policy related work is the role of central government and the government of the Region of Kurdistan. The focus of policy related work has, therefore, been delegated to strengthening education strategy. Planning level functions are provided by the main Ministries (MoE, MoHESR, MoPDC and MoF) and budgeting formulation and execution roles, for the recurrent and capital budgets, at central and regional, not provincial levels. Where provincial planning does take place it is through the out-posted directorates at the provincial, district and sub-district levels and there is no formal planning mandate – or oversight role – played by the Provincial Councils. Evidence suggests that informal relations with the Councils allows some level of collaboration over planning but this is not formalised and all lines of reporting are to the centre.

26. **The models for primary and secondary education differ from the model for tertiary education.** The World Bank Public Expenditure Review (PER) tracked the flow of finances through the entire education system and, as a result, the main functions of different delivery units were assessed, providing a useful oversight of the entire delivery process. The forthcoming expenditure review would usually also provide greater clarity with regards to both MoE and MoHESR mandates, with a significant focus on higher education. Public expenditure reviews are important because tracking expenditure allows assessment of management processes and functions, as well as competencies in delivery.

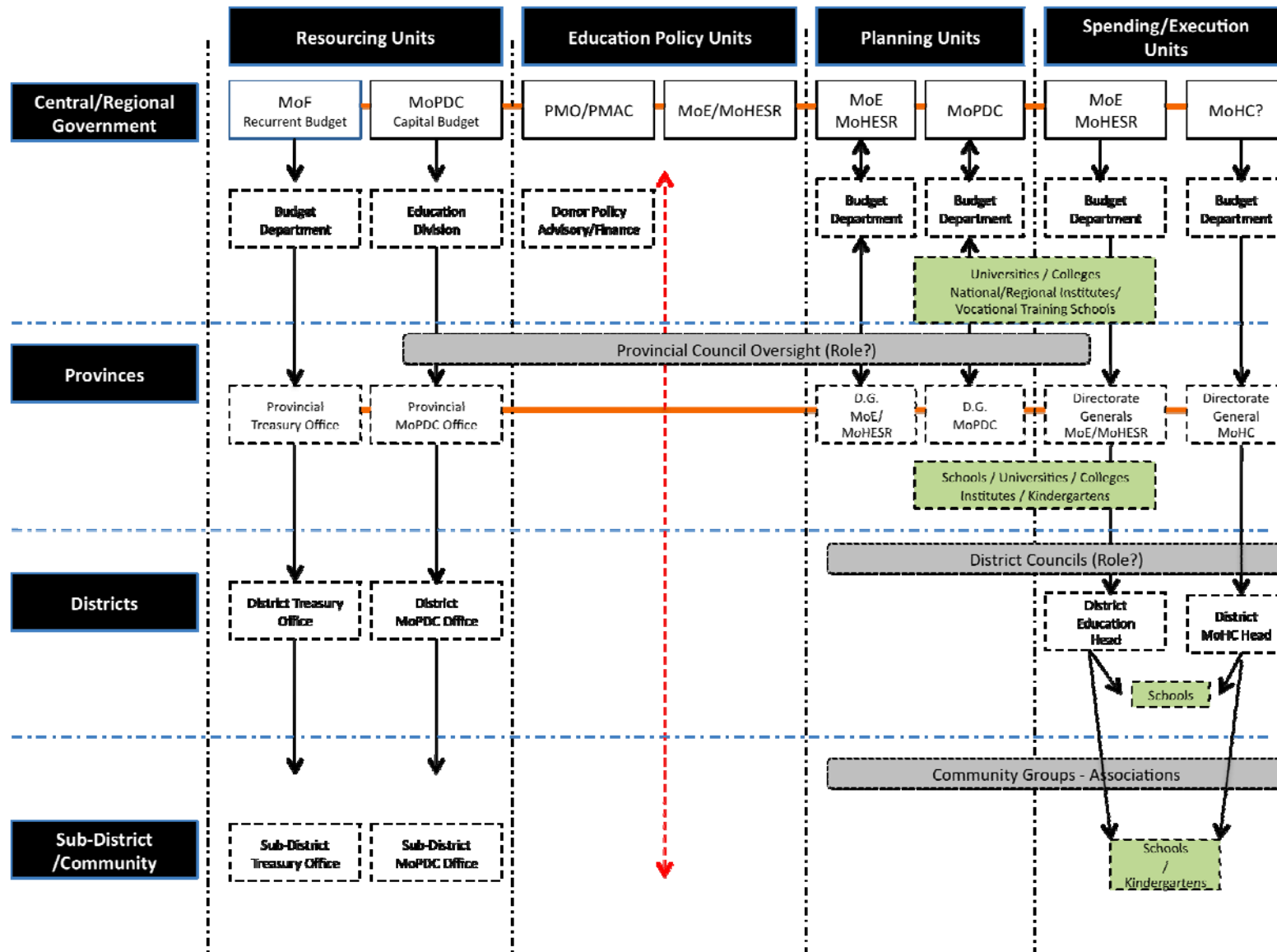
27. **Figure 5 below provides an overview of the service delivery model for the MoE, implying primary, intermediate and secondary education, outlining the broad service delivery roles at central, regional, provincial, district and sub-district levels for policy, resourcing, planning and delivery.** Whilst this is a highly idealised overview, it adequately conveys the complexity of delivering quality services in quantity, including the limitations of delivery through a highly centralised system. Furthermore, the overview also shows the spheres of Provincial Council oversight, informal though it remains. This model only reflects the service delivery model of the MoE in non-Kurdistan Iraq, not the model for MoHESR and not for the Region of Kurdistan. However, anecdotal information suggests that the actual approach in the Region of Kurdistan bears many similar characteristics.

28. **Each governorate has a Directorate of Education headed by a Director General. The service delivery roles and functions at this level, include: (i) delivery of education, (ii) employment of teachers, (iii) teachers' training (iv) rehabilitation of schools and classroom environment, (v) co-ordination with the provincial education committee, etc.** At the provincial level an education committee is established with the right to discuss, examine and make recommendations to the Council, although as the Council has no (formal) oversight or regulatory role, the consultation mechanism appears to differ from province to province. At the District level is the District Head of Education with the overall responsibility to undertake the DOE functions at the district level.

29. **The main observation with regards to the generalised service delivery model applicable to primary and secondary education, in terms of critical issues, is as follows:**

- Lack of an Education Policy to set priorities, guide public spending-curriculum development;
- Dependence on central decision making and lack of decentralization of day-to-day functions;
- Confusion between the Constitution, Provincial Powers Act, Budget Laws and existing laws;
- Broken formulation-execution cycles with inter-Ministerial dependency for core functions;
- Weak top-down and bottom-up accountability and transparency mechanisms;
- Separation of recurrent and capital budgeting make an integrated budget impossible;
- Undefined role of elected Provincial Councils and Governors in regulatory oversight.

Figure 5: Generalised Model for Primary and Secondary Education Delivery in Iraq



PRIMARY AND SECONDARY DELIVERY

30. **As discussed above, the management and delivery of education at the primary and secondary levels is essentially centralised.** The existing model is predominantly based on public and private providers of services. The system allows for the administration of the education system and the delivery of education to be undertaken at the central level, and locally, through the provincial and district directorates. The MOE model defines its role and functions as: (i) Policy formulation; (ii) Planning and monitoring of implementation; (iii) Curriculum development; (iv) Establishment and management of schools; (v) Teachers and other personnel education and training; (vi) Educational research and innovation; (vii) Religious, moral, sports, health, and environmental education; (viii) Development of standards for educational, psychological, and vocational guidance and counselling; (ix) Development of standards for assessment and examinations; and (x) Coordination and cooperation with local, national, and international stakeholders and partners.

31. **There are a number of systemic contradictions with the current model that need to be studied in greater detail.** Firstly, the overall structure of delivery is characterized by significant contradiction. Direct formal functional and budget authority for the delivery of most key services in the provinces is held by the highly centralized Line Ministries (MoE and MoHE), which suffer from relatively weak, “externalized” linkages between them. However, this system co-exists with – and is cut across by – the Provincial Council system which allows the Councils potentially to intervene in the affairs of the Line Ministries and other agencies through what might best be described as a number of “soft” institutional channels, some legislated, some not. **Secondly, even if the choice of a service-delivery driven intergovernmental structure approach was adopted in Iraq, as per the Constitution, existing institutional arrangements at the provincial and district levels remain substantially inefficient.** MoE tends to be over-centralized, with offices in Baghdad retaining functions, which could much more efficiently be performed at the provincial level. Yet, so long as Line Ministries perceive that any significant de-concentration of budget or functional authority to their Provincial Departments is likely to make these authorities subject to influence and capture by the Provincial Councils, they are unlikely to have much incentive to do so.

32. **Thirdly, it would appear that per capita expenditure in education differs widely and consistently between provinces and cannot be accounted for by physical and other conditions that might cause input costs in different provinces to vary.** These inequalities might be considered large relative to other countries characterized by strong inter-provincial inequity, even those with intergovernmental structures similar to those of Iraq.

33. **Fourthly, human resource weaknesses, an absence of properly functioning operational systems, shortages of equipment, and sparse supporting infrastructure (such as electrical power and phone systems) necessary to improve service delivery efficiencies need to be overcome.** Iraq is particularly badly affected by these core issues at the provincial and district levels and reform and strengthening of the sub-national system will be required before any meaningful devolution could occur in this sector.

34. **Finally, although there are other additional observations regarding the general service delivery model, lack of meaningful public participation in determining education policy and delivery is reflective of the under-development of civil society as a whole.** In the medium to longer term, a new service delivery model would do well to maximise public participation to improve delivery accountability, and the quality and coverage of education.

HIGHER EDUCATION DELIVERY

35. **The service delivery model for Higher Education has weak linkages with the primary and secondary systems, but the model is completely different, given that it's services are provided by public and private universities, colleges and technical institutes.** The role of the MoHESR is, therefore, one of both delivery and regulatory oversight. The current law is 22 years old, was enacted in 1988, and provides the current organisational structure of the Ministry at the central and sub-national levels. A quick view of the organisation Chart demonstrates the role of the Ministry Council, which makes policy-related decisions, with support for citizens' affairs, follow up, internet and women's education, media, internal auditing and supervision and assessment attached to the Minister's Office. There are only three departments (i) Construction and Project Department (ii) Research and Development (iii) Legal and Administration, but also the Universities Commissions and Council for Medical Specialism, scholarships and cultural relations and studies planning and follow up. Whilst this merely summarises the administrative setup, it also outlines the overall approach to management and regulatory oversight for the tertiary system.

36. **Officially, the Provincial Council has no role in Higher Education.** The 2005 Constitution states that Higher Education is a joint responsibility between Federal Authority and Regional Governments. Universities in Governorates and Baghdad are, therefore, subject to the authority of the Central Ministry. The Government and Provincial Councils have no input into the working of Universities. The extent to which this also applies to colleges and technical institutes is unclear. Although the Governorates Law of 2008 gives provincial governments the right to monitor the quality of education in the districts and establish institutions of higher learning, these rights have not yet been exercised or incorporated into the operations of the education system. A significant increase in sub-national governance capacity would be required to carry out these responsibilities.

THE SUB-NATIONAL REFORM ENVIRONMENT

37. **Given the potential significance for improved delegation or decentralization for service delivery in the area of primary, intermediate and secondary education, then gains in strengthening the sub-national reform environment in parallel will be vital to improved delivery.** The environment within which efforts to address the constraints to improved delivery generates imperatives on one side and parameters for action on the other; three factors are of particular importance in respect of the latter.

38. **The first is a Constitutional dispensation and climate of political decentralization, which if it is to be fulfilled requires significant reform to the underlying inter-governmental/administrative structure in the short or medium term.** The Constitution refers to "Federalism", even though the dominant consensus within the current political establishment is committed to the current, de facto, centralized governmental structure and has no appetite for substantial political devolution to sub-national levels. This is a fundamental point of departure for the discussion on reform paths, which will need to be clearly addressed, so that the role of sub-national government/administration has a clear mandate and future vision.

39. **Secondly, the current service delivery arrangement has weak oversight of the sub-national system, which would indicate that degrees of delegated authority or decentralisation could be considered, alongside capacity building at that level, only once central regulatory oversight capacities have been similarly strengthened.** Decentralisation of service delivery would need to be very carefully considered and should not – ideally – be

politically driven – but rather driven to improve delivery quality, quantity, efficiency and impact. Such an approach to delivery would probably lead to a progressive shift in responsibilities over the medium to longer term.

40. Thirdly, although substantial progress has recently been made in strengthening Iraq's education strategy, many of the issues outlined above – structural and functional as they are – have yet to be addressed to any considerable extent. In this regard, a focus on setting national policy, clarifying administrative mandates, roles and functions, and support for progressive fiscal decentralisation (not necessarily fiscal federalism) would give much direction to support improved delivery. In this regard, there is no joint donor forum in Iraq which focuses specifically on these problems and attempts to align donor resources across the broad range of research, analysis, policy formulation, institutional reform and capacity-building activities which are necessary if improved decentralisation of the primary and secondary system are to be delivered.

SUMMARY OF FINDINGS

41. The basic thrust, or intent, of the education strategy must be to improve the functioning of the current system first, rather than to embark on a wholesale restructuring process in the absence of a clear policy and reform road map for the sector. To this end, even though Ministerial rationalization will be required at the sub-national level, the focus should be on strengthening existing service delivery systems and sub-national administration. A particular focus on strengthened service delivery within the existing system would support the re-definition and confirmation of roles, and the decentralisation/delegation of roles and functions over time.

42. The service delivery models for (i) primary and secondary and (ii) tertiary education are very different. Strengthening the delivery of primary and secondary education will undoubtedly require greater delegation/decentralization over time, in line with capacity building, whereas for tertiary education the strengthening of the existing system and clarification of the roles of the public and private sectors, as well as regulatory oversight and monitoring capacities will be needed. Once functional reviews have been undertaken – which is urgently needed – the need to formally strengthen public participation will be key to a dynamic sector, as will integrating World Bank supported PFM and UNDP support eGovernance and anti-corruption measures.

43. The rationale for role change is that it would enable enhanced resource utilization, shift managerial control nearer to the place of learning and will allow for the adoption of international and regional best practices that have been adapted to suit the institutional realities of the Iraqi system of administration. A focus for strengthening central and regional Government sector governance would lead to strengthening (i) policy and planning (ii) construction, maintenance and rehabilitation (iii) inspection and regulatory oversight (iv) monitoring and evaluation including policy outcomes and impacts, education quality assurance (v) promoting public-private partnerships in education, particularly at the tertiary level (vi) staff and teacher management (vii) teachers' training and human resource development (viii) curriculum development and materials production (ix) learning and teaching materials and (ix) coordination and cooperation with local, national, and international stakeholders and partners.

PART IV LEGAL AND POLICY FRAMEWORK

INTRODUCTION

44. **This short section provides a brief overview of the main constitutional, legal and policy provisions that frame the education system in Iraq.** The analysis highlights the fact that the MoE continues to be regulated by the 1998 law, and even though it was amended in 2005, the law does little more than describe the mandate and directorate structure of the Ministry, although the directorate structures remains poorly defined and overly complex. Moreover, the 2005 Constitution, creation of the Region of Kurdistan and subsequent Provincial Powers Act and 2009 and 2010 budget laws create uncertainty with regards to roles and mandates over delivery.

EDUCATION AND THE CONSTITUTION

45. **Responsibility for the development, planning, provision and delivery of education services under the Iraqi Education System has been shaped by various Education Acts, including subsequent Amendments to Acts, Decrees and Executive Directives.** The 2005 Iraqi Federal Constitution gives further impetus to the provision of Education as a basic right for all Iraqis. Article 34 of the Constitution lays the foundation for a coherent, inclusive and equitable education system. The sub-articles state that *“Education is a fundamental factor for the progress of society and is a right guaranteed by the state. Primary education is mandatory and the state guarantees that it shall combat illiteracy. Free education in all its stages is a right for all Iraqis. The State shall encourage scientific research for peaceful purposes that serve humanity and shall support excellence, creativity, invention, and different aspects of ingenuity.”* Finally the Constitution states that private and public education shall be guaranteed, and that this is to be regulated by law.

46. **The Constitution also provides for the decentralisation of political authority to sub-national governments to facilitate democratic governance, as part of its Federal vision.** However, and in spite of the provisions of the constitution, outside of the Region of Kurdistan, meaningful fiscal or administrative decentralisation has so far not taken place to support the creation of federal regions and as such the various provisions of the Constitution and Provincial Powers Act and budget laws remain un-implemented. The main Articles that pertain - both directly and indirectly - to education or are related to it include:

Table 1 Constitutional Articles Related to National Education Vision

| | |
|-------------|--|
| Article 4 | Official Languages and right to education in mother tongue |
| Article 16 | Equal opportunities for all citizens |
| Article 25 | Reform the economy with modern economic principles, including development of private sector |
| Article 34 | Education is a right; free education in all its stages; encourage scientific research; private education guaranteed. |
| Article 114 | Competencies are shared between federal and regional authorities in the formulation of educational policy |
| Article 121 | Distribution of national revenues to regions and governorates. |
| Article 125 | Educational rights of nationalities to be regulated by law |

47. **As a result of the 2005 Constitution the decentralisation process has already gathered a new direction in the shape of decentralized delivery in Kurdistan.** Kurdistan is now an autonomous region with education services now provided by the Regional Government of Kurdistan, when it was once a central mandate of Baghdad. Therefore, to some extent, the

decentralization of education service is already underway and lessons can be drawn with regards to impact on education quantity and quality.

EDUCATION AND THE DECENTRALIZATION AGENDA

48. In support of the Constitutional vision, attempts have been made to decentralise authority for many key functions of central government to the provinces, even though this has only been partially successful. The 2008 Governorate Law (Provincial Powers Act) and 2009 and 2010 Budget Laws would appear to strengthen decentralization by establishing regional councils, provincial councils, district and sub-district councils, and then making provision for decentralising certain central mandates to the sub-national level. Furthermore, recent legislation approved by the Council of Representatives provides for the deconcentration of a number of central Ministries to sub-national government level, even though the laws appear incomplete in a number of regards (see the WATSAN Report).

49. There is however a substantial discrepancy between the provisions of the Constitution and Provincial Powers Act with regards to decentralisation and the body of many legacy laws that regulate sectors such as education and health etc. This is certainly true for the education sector and as a result there is a gap between the legislative framework that supports decentralization and the actual (de facto) reality of the sector. The overall legal framework for the sector is ill defined and confusing in many regards. Examples include:

- The existence of multiple and conflicting legal frameworks, as well as outdated laws with no clear guidance on the decentralisation process;⁴
- Laws which are not supported by regulations or normative guidelines for implementing the decentralisation process;
- Laws that do not provide for administrative and fiscal decentralisation to implement the decentralisation provisions of a variety of legislation;
- Laws that do not reflect or clarify what is required of Ministries (MoE, MoHESR, MoF etc.) and Governorates to effectively undertake decentralized service delivery, or define relationships between central and provincial government under decentralisation;
- Laws that are partially enacted or await enactment.

MINISTRY OF EDUCATION LAW

50. The Ministry of Education Law No. (34) of 1998 sets out provisions of the Ministry's functional responsibilities and details levels and categories of education, although Articles 1 and 3 were amended by Law No. 28 of 2005 because they related very specifically to the doctrine of the previous government. Old Article 1 stated that 'The Ministry of Education aims to foster a conscious generation believing in God, loving its homeland and the Arab nation, having faith in its mission and ambition of unity, freedom and socialism, following the thoughts of President Saddam Hussein and the Arab-Islamic values, taking scientific thinking, equipped with science and ethics, mastering work and learning and continuous education, assimilating the elements of civilization development, open to humanitarian thinking within the framework of originality and modernisation, aware of the rights and duties of citizenship, understanding the freedom and responsibility within the community and consistent with the provisions of the constitution.'

⁴ A guideline for decentralized service delivery in the area of education is provided by UNESCO.

Box 2 Laws Related to Administrative Structure of MOE

- MOE Law No.34/1998 Amended by Law 28/2005.
- Article 3: Organizational Structure of the MOE: 13 central DGs and 8 other central units; 3 "independent bodies"; The DOEs in the governorates.
- Real organizational chart of the MOE as of 2009. Article 36: Responsibility of local authorities in providing educational premises and maintenance.
- Decree 135/1996: "Opinion Body". Constitution of a collective consultative body at each ministry composed of Deputy-Ministers, DGs, and 2 experts from inside or outside the Ministry.
- Decree 37/1964 Amended by Decree 24/1966, and Decree 28/1980: Management of pre-schools, primary schools, and literacy centers: Articles 2- 3: Responsibility of schools by local authorities; Articles 1 & 4: Responsibility of MOE towards the schools; Article 5: Schools inspection; Articles 6-11: Distribution of educational responsibilities within local authorities and Article 12: Prerogatives of the Director of DOE.
- Governorates Law 159/1969 Amended by Law 1225/1985: Chapters 6 and 7: Prerogatives of local authorities towards education.
- Decree 13/1972 Amended by Decree 3/1978: Article 19, Amended by Decree 4/1995: Duties and responsibilities of DOEs in the governorates
- Decree 386/1987: Articles 1-5: Return of responsibility of primary education and pre-school under the authority of MOE without cancellation of previous decree.

Source: (UNESCO, 2010)

51. The Law provides the broad scope of Ministry of Education responsibilities in Article 2 and the Ministry Formation or Organisational Structure in Article 3. However, while the Law makes provision for a list of responsibilities it also fails to describe the functional mandate of the Ministry. The articles outline the following functions for the MoE:

- Developing educational policy to orient its activities according to the intellectual and political foundations of the state.
- Developing integrated educational plans and following up their implementation on approval.
- Developing teachers' education and training programmes and coordinating with the Ministry of Higher Education and Scientific Research in the development of these programmes.
- Opening and managing nursery schools and other schools at different levels
- Preparing teachers, lecturers and officials of the Department for Education and supervision, and developing their professional and scientific capabilities.
- Developing education curricula for various stages and types of education and providing the requirements and study books and upgrading them.
- Taking care of religious and moral education in order to ensure teaching the Islamic religion along the lines of the Koran and the Prophet Sunna.
- Developing systems and methods for evaluation, examinations and educational and psychological guidance and vocational training.
- Creating institutes and adult education centres and the provision of accessories.
- Taking care of sports, health and environmental education of the students and striving to provide student services and school meals programs.
- Activating the interaction between the school and the local environment, and strengthening the role of Parents and Teachers Boards.
- Conducting and encouraging research, studies and scientific and educational experiments and establishing bonuses based on clear criteria.

- Coordinating and cooperating with scientific institutions and educational, cultural and professional organisations and the public to enhance the educational process and development.
- Strengthening educational and cultural relations with Arab and foreign countries and Arab and Islamic organisations and regional and international organisations concerned with education, culture and sciences.

52. Articles 5 to 8 describe the levels of education, excluding higher education, and provide for universal education for primary, intermediate and secondary education. The articles are provided below. The remaining articles merely describe the structure of the Ministry and its Directorates, reflective of the organisation structure provided below.

- Article 5: (i) Education consists of the following: A - Primary education for the duration of six years. B - Secondary education for the duration of six years and consists of two levels, the intermediate level for the duration of three years and the high level for the duration of three years, and is divided into two sub-categories; general and professional (ii) - A - Basic education for the duration of nine years which consists of a primary education for the duration of six years and intermediate education level for the duration of three years. B - The ministry undertakes to gradually implement the Basic Education as one essential level and in areas specified by the Minister in their effort to make it public and compulsory.
- Article 6: Education in all nursery schools, schools and institutes and centres affiliated to the Ministry is free of charge.
- Article 7: A school may be limited to only part of a level of education or may contain more than one level.
- Article 8: Primary education is universal, unified and compulsory for those who complete six years of age at the beginning of the school year or on the thirty-first of the month in December of that year. Intermediate Education is universal and aims to discover capabilities, orientation and development of the students and to provide them with diverse basic knowledge and experiences to enable them to continue their education and develop the spirit of good citizenship in them, and the Ministry may diversify the intermediate level of secondary school. Secondary education is universal and diverse with the aim to continue the discovery of students' capabilities and orientation, developing and expanding them culturally and to satisfy the requirements for good citizenship; and gradually getting to further diversity in the fields of knowledge and training on its applications, to qualify for working life and to continue to study subsequent stages.

53. Analysis of the existing Education Legal Framework points to three constraining factors, internal and external to the sector with implications for the decentralisation process and decentralised education service delivery: (i) the relevance of some laws in initiating changes in national and local government structures and processes, in support of the decentralisation process; and in providing and sustaining a modern education system (ii) the need for a consolidated body of laws, decrees and instructions to facilitate the effective integration and development of policies, strategies and plans and (iii) the need for enabling legislation in support of decentralised functions and service delivery.

54. More specifically the process of decentralisation and reforms to education face the following legal constraints:

- The existence of multiple and conflicting legal frameworks as well as outdated laws with unclear guidance on both the delivery and decentralisation processes;
- Laws that do not reflect national education policy goals or objectives;

- Executive Directives which provide for the establishment of Education structures that give rise to parallel structures and functions;
- New laws that incorporate old regulations and instructions (from previously abolished laws) that limit the effectiveness of new laws.
- Laws which are not supported by regulations or normative guidelines for implementing decentralised delivery;
- Laws that do not provide for administrative and fiscal decentralisation to implement the provisions of various legislations (i.e. the Provincial Powers Act);
- Laws that do not reflect or clarify what is required of Ministries and Governorates to effectively undertake decentralised service delivery, or define relationships between central and provincial government under decentralisation;

MINISTRY OF HIGHER EDUCATION AND SCIENTIFIC RESEARCH LAW

55. **The current law used by the MoHESR is the 'Ministry of Higher Education Law No. 40 1988. This preceded the Ministry of Higher Education Law No. 55 for the year 1983, the Ministry of HIGHER Education Law No. 132 for the year 1970 and the Technical Institute Law No. 34 for the year 1976. The law described the major mandate and approach of the Ministry, including the functional roles of directorates, in their delivery of services and relations with Universities, Colleges and Technical Institutes.**

EDUCATION POLICY

56. **There is no National Education Policy around which the National Education Strategy can be framed, shaped or prioritised.** The education sector, covering infant, primary, intermediate, secondary, vocational and higher education is, therefore, regulated by an administrative law and related rules and regulations and no formal policy has been adopted to provide a solid vision for the sector, below the level of the constitution.

57. **The National Development Strategy provided, in principle at least, the overarching framework around which Education Sector strategy needs to be delivered.** However, neither the 2005 and 2007 National Development Strategies have been implemented and government policy in key areas related to public sector governance and economic policy have, therefore, yet to shape education system design. Moreover, at the strategic level, policies necessary to implement provisions of GoI international conventions and protocols with implications for Education are not fully articulated, including the attainment of National Millennium Development Goals, which are important to the Iraqi Education System.

58. **There is also no policy for Higher Education which, given the challenges faced with meeting the future labour market demand, needs urgent attention.** Any policy might seek to (i) set national vision (ii) increase institutional diversification (iii) strengthen science and technology research and development capacity (iv) improve the quality and relevance of tertiary education in relation to Iraq's employment markets (v) promote greater equity mechanisms to assist disadvantaged students (vi) establish sustainable financing systems – particularly within the private sector - to encourage responsiveness and flexibility (vii) strengthen management capacities at all four levels of government and (ix) enhance and expand ICT capacity to reduce the digital divide.

SUMMARY OF FINDINGS

59. **To effect meaningful reform in order to strengthen service delivery across all six levels of government⁵ will require a National Policy to be established, linked to a strategic plan, that addresses legislative, policy and administrative modernization.** Both education laws need to be updated to reflect constitutional changes and the formal establishment of the Region of Kurdistan, but any changes should be based on the results of a full service delivery wide functional review and national education policy. Options include:

- Updating and unifying the many education laws to reflect an educational systems approach;
- Developing a National Education Policy to provide dynamic vision and focus for central, regional, provincial, public and private service delivery engagements, as well as links with civil society and sub-provincial structures and municipalities;
- Based on the New Education Policy, ad resulting Education Law adopt an Education Strategy (already under development) to implement the policy;
- Conduct functional reviews of mandates across all levels of Government, around a new service delivery model, around which a more efficient structure can emerge based on a unified and modern education law;
- Focus legal and policy arrangements on securing universal principles and limiting social exclusion; and,
- For Kurdistan a similar set of recommendations apply.

⁵ Federal, Regional, Provincial, District , Sub-District and Municipal (especially Baghdad)

PART V EDUCATION SECTOR STRATEGY

INTRODUCTION

60. This short section provides a brief overview of the current GoI education sector strategy for Iraq, as outlined in the input to the National Plan (2010-2014). Of particular importance to this analysis, given that there is no National Education Policy and uncertainty with regards to central, regional, sub-national and public and private roles, the existing strategy would benefit hugely from a policy-based sector-wide approach drawn from the new education law, which is international standard. The section, therefore, makes a number of broad suggestions for overcoming existing constraints, to strengthen the policy, planning, budgeting and execution cycle.⁶

NATIONAL EDUCATION STRATEGY PRIORITIES

61. Given the dire state of education service delivery in Iraq in 2003, the strategic focus of Government and donors has been on restoring basic and essential service as the primary focus of investment. As a result, the absence of a national education policy, alongside existing laws that clash with the constitution, the provincial powers act and budget laws, has to a large extent been ignored, in favour of improving service delivery within existing systems. The strategic focus of investments to date therefore includes (i) capacity development for the preparation of a strategic framework (ii) emergency rehabilitation of infrastructure and provision of supplies (iii) massive up-scaling in teacher supply (iv) a curriculum reform and development process to link education to actual future job markets/demand (v) teacher training needs (vi) and initiating policy dialogue in relation to technical and vocational training.

62. The GoI has recently released the 2010-2014 Education Strategic Plan in November 2009, and this is likely to guide government investment once the new administration takes office following the March 2009 elections. According to the GoI, the main features of this strategic plan include to:

- i. Launch and implement a policy of free education for primary, intermediate and high schools, as part of the universal access outlined in the constitution;
- ii. Adopt a broad planning and funding approach for education, higher education and training processes;
- iii. Develop and implement support programs for the education sector, which represent investment programs that allow all partners to support this sector in the medium and long terms;
- iv. Enact and pass appropriate legislation for education sectors, strategic plans, basic services for schools, institutes, universities and service centers for teachers;
- v. Develop good governance and responsibility plans in the field of education and higher education;
- vi. Enhance and strengthen the educational information management system;
- vii. Responsible recognition of the various sub-sectoral policies such as gender, early childhood education development and communication and information technology.

⁶ Since 2007, UNICEF, UNESCO and the World Bank have initiated discussion with GoI officials with the aim of improving the education strategy at the level of primary and secondary education. In February 2010 a national education strategy exercise was again undertaken. Given that the results of the COSIT household survey are now available, and the Human Development Report, alongside work on the formulation of a Poverty Reduction Strategy, the information available to policy managers will undoubtedly improve the overall strategic and policy decision making process.

63. The draft five-year national plan (2010-2014) for the education sector provides a clear overview of the proposed sector goals, although the outer year targets are often only partially defined and the plan has yet to be fully costed and incorporated into the emerging Medium Term Fiscal Framework (MTFF). This overview of strategic goals and benchmarks – whilst incomplete – provides an important overview of the structure of delivery, existing systems delivery and medium term targets.⁷

Kindergarten: The preliminary Five Year Plan document set targets for kindergarten enrolment rates of 60 children / 1000 persons aged (4-5) years to be achieved by 2013/2014. Gol aims to achieve a rate of 130 children /per kindergarten by 2013/2014 and a rate of 14 children /a teacher in 2013 / 2014.

Primary Education: In the area of primary education, Gol aims to admit 98% of children aged 6 years covered by the compulsory education including follow-up of their attendance until completion at the age of fifteen. Gol aims to absorb 90% of the population of the age group (6-11) years and maintain the rate of (18) pupils per a teacher in (x). The fact that the outer target for this policy measure is unknown implies also that it has not been costed.

The Intermediate Stage: For the intermediate stage (between primary and secondary education) Gol aims to admit (97%) of graduates of the primary stage into the intermediate stage.

Secondary Education: Gol targets for secondary education are to achieve a rate of (350) students / school in (x) and to maintain the rate of (14) pupils per teacher in (x). Again the targets for the outer years have not been set or costed.

Vocational Secondary: Gol vocational training targets, which are of particular importance to Iraq, is to admit (15%) of intermediate schools graduates into vocational schools in (x), to maintain the rate of (6) students / teacher and trainer by (x), to maintain the rate of (14) students / teacher and trainer by (x) and to achieve a rate of (200) students / school by (x). Targets have still to be set and costed.

Teacher Training Institutes: Targets for teacher training institutes include achieving an admission rate of (2%) of intermediate school graduates, to achieve a rate of (17) students / teacher by (x) and a rate of (350) students / Institute in (x).

Higher Education: In higher education the target is to maintain the current enrolment rates of the total high school graduates, 10% of graduates of vocational education, 14.6% for the technical diploma, 71.8% university and 19.2% technical colleges. The plan proposes to maintain the average student-professor ratio in higher education at (11), and technical education to (29), taking into account the need for each specialization.

Literacy Development: Literacy of citizens in the age group (15-45) years, numbering (1,804,676) million people, is planned to be achieved by (the target year), with the rate of (20) students / teacher by 2014 and the rate of (30) students / center by 2014.

Schools for Adolescents: Gol plans the enrolment rate in schools for adolescents, aged 10-14 years, numbering (13323) students at enrolment rate of 0,3%, (19) learners / teacher by (x) and (107) students/ school by (goal year); again these targets remain undefined.

⁷ Undefined goals in the Plan are shown as (x) below.

OVERCOMING STRATEGY DELIVERY CONSTRAINTS

64. The nascent nature of the National Education Strategy, alongside the lack of a formal education policy will continue to impede clarity of focus in terms of service delivery mandates and quality, with implications for the budget and execution process. The current strategy suffers from four major constraints (i) a policy vacuum (ii) laws dating back 22 years or more and a conceptual, administrative and delivery structure from the 1980s (iii) confusion over delivery roles and mandates between the centre, region, provinces and private sector (iv) generally weak administrative and management capacities, particularly within the MoE (v) for MoE an administrative structure that impedes functional clarity and delivery efficiency (vi) the domination of recurrent costs and lack of operations and maintenance funding (vii) a fragmented formulation and execution cycle shared with other Ministries and (viii) various constraints above the sector that undermine civil service, public finance and human resource management strengthening. An effective decentralisation policy framework is also required for primary and secondary delivery, particularly with respect to administrative and management issues, to move beyond the current situation where most education strategy measures are conceived within the current highly centralized governance arrangement.

65. These constraints will need to be addressed within a logical framework, including setting education service delivery priorities over the short, medium and longer term, for both Ministries and in Kurdistan, to include setting enabling and supporting priorities and reform and modernization, through the I-PSM program. Examples of a structured approach might usefully reflect on the following:

Education Service Delivery Priorities:

- Restoring access to primary, secondary and tertiary education;
- Renovating, rehabilitating and building of new schools;
- Raising attendance (students and teachers) in all levels of education;
- Revising curricula and instructional materials and training teachers in curricular contents;
- Developing managerial capacity and making the system more accountable;
- Improving the system of monitoring, measurement and evaluation
- Improving quality and delivery of education including use of ICT in teaching practices;
- Strengthening of the management system, including re-organisation of the ministry

Enabling/Supporting Priorities:

- National Education Policy and Legal development;
- Human Resources Reforms including righting of organisations;
- Strengthening Ministry Policy and Strategic Management Capacity, including capacity for overall sectoral planning and policy formulation;
- Administrative efficiency and Governance Improvements

Public Service Reform and Modernisation Priorities (impacting Education Service Delivery):

- Civil Service Legal framework;
- Financial Management and accountability;
- Institutional and Functional Streamlining and Development;
- Policy Management and Machinery of Government;
- Physical Infrastructure Development;
- Reforms linked to key aspects of GoI Decentralisation Programme

SUMMARY OF FINDINGS

66. **The existing national strategy has done well to focus on consolidating service delivery gains within the existing system, in support of a return to education and a focus on reconstruction, rehabilitation and expansion.** However, with recent advances, it is clear that with the absence of enabling policy and institutional structures, delivering quality services in quantity, will continue to be undermined. Some logical conclusions from this short analysis might suggest that:

- The practice of developing Sector Strategy should only proceed when sector policy goals and objectives are clearly defined;
- The National Education Strategy Framework should be used to inform and guide the development of sectoral strategy and plans;
- While reporting of outputs does occur mechanisms do not exist for the systematic monitoring and evaluation of policies' outcomes and impacts;
- There is the need to strengthen and develop policy frameworks in support of key operating and support functions of ministries e.g. include a human resources management policy, communication policy, ICT strategy;
- Education service delivery does not appear to be guided by necessary policy frameworks but mostly by regulatory compliance;
- The Study was unable to find evidence of policy framework on standards and quality of teaching and delivery of education by private institutions. The implication is that weaknesses in teaching cannot be remedied thus creating a burden on the education system; and,
- There is a need to implement regular periodic monitoring of learning achievement and outcomes at various levels of the educational ladder. This should be independent from the national examinations in place.

PART VI ADMINISTRATIVE STRUCTURES

INTRODUCTION

67. **The administrative structures of both the Ministry of Education and Higher Education and Scientific Research were established through laws from 1998 and 1988 respectively, and as such they reflect the vision of highly centralised service delivery prevalent at the time.** Whilst both Ministries urgently need to be strengthened to deliver services more effectively, this must be done with the framework of a strategic policy review that seeks to assess whether the organisational structure needs to be modernized in the light of (i) the 2005 Constitution (ii) the Provincial Powers Act and Budget Laws (iii) the need to rationalise structures and re-locate functions across government to enhance delivery efficiency and effectiveness. Any change to organisational structures would also require new administrative laws to be passed, possibly as a unified national education law, and so policy and institutional reforms will need to be pursued alongside the creation of an enabling legislative environment. Other reforms, outlined in the following section, will focus on strengthening functional roles and civil service, human resource and public expenditure management capacities.

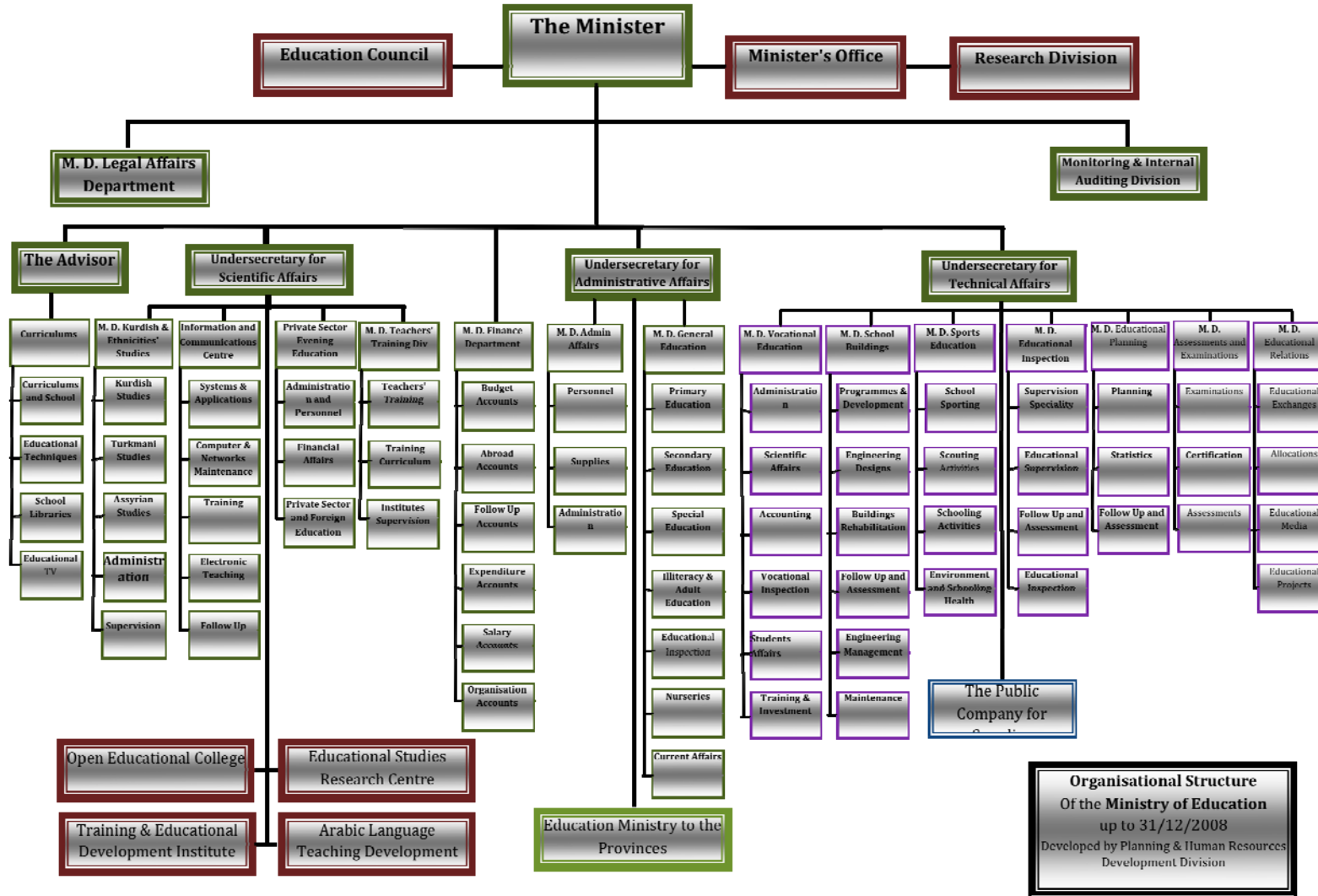
ORGANIZATION STRUCTURE OF THE MOE

68. **Figure 6 below provides the current administrative structure for the MoE in Baghdad, highlighting both the complexity of delivery arrangements for primary and secondary education but also the urgent need for a new structure to be developed, that reflects the intent of the yet to be proclaimed Education Law and that enables policy management and effective and efficient delivery.** Clearly, there is also room for rationalising administrative structures (grouping common functions, making functions obsolete, delegation to the provinces and new regulatory oversight arrangements etc.) whilst also revisiting the (i) mandate of each decision-making unit at central and sub-national levels and (ii) the terms of references, staffing competencies, career management structure, pay and grading arrangement and staffing establishments in the process. A formal functional review would cover these core issues, around a new service delivery model, so as to maximise administrative efficiencies in delivery whilst also promoting quality education in the process.

69. **The administrative and decision-making arrangement for the MoE reflects a centralised approach to decision-making with the sub-national administration having remarkably little involvement on even day-to-day management decisions related to policy and planning.** This is of little surprise, given that there has been no national administrative reform and modernization program to date, around which new administrative and fiscal arrangements could be considered. The I-PSM program and establishment of the Public Service Council, alongside the PFM Action Plan (PFMAP) and Civil Service Management programmes to be financed will, therefore, provide crosscutting support in this regard. Even though any rationalisation and right-sizing of organisational structures will be provided by a GoI led multi-donor review, some early observations in relation to the structures include:

- Options for uniting recurrent and capital budgeting functions;
- Contracting out certain functions such as construction, and further building regulatory oversight capacity;
- Delegation and decentralisation of certain functions to the provinces;
- Strengthening coordination with MoHESR with regards to Scientific Affairs;
- Restructuring around automated eGovernance systems;
- Unifying the many monitoring and supervision functions;

Figure 6 Organisational Structure of the MoE



Organisational Structure
 Of the Ministry of Education
 up to 31/12/2008
 Developed by Planning & Human Resources
 Development Division

70. **The organization structure of the MOE is largely based on the ‘Ministry Formations’ as set out in Article 3 of the Education Law No. 34 of 1998.** It provides for 12 general Directorates, 1 Directorate, 2 Institutes, 2 Centres, 2 Offices, and 2 Departments, as presented in Box 4 below.

Box 4 Ministry Formations based on MOE Law No. (34) of 1998

- General Directorate of Educational Planning
- General Directorate of Administrative and Financial Affairs
- General Directorate of Curricula
- General Directorate of Educational Techniques
- General Directorate of Public Education
- General Directorate of Vocational Education
- General Directorate of Physical Education
- General Directorate of Cultural Relations
- General Directorate of Supervision of Education
- General Directorate of Kurdish and other Nationalities Studies
- General Directorate of Teachers Education
- General Directorate of Assessment and Examinations
- Institute of Training and Teachers Development
- Teaching and Arabic Language Development Institute
- Research and Education Study Centre
- Information and Communication Centre
- Directorate of Legal Affairs
- The Minister’s Office
- Office of the Undersecretary
- Department of Monitoring and Internal Audit
- The General Company for the Production of Educational Supplies

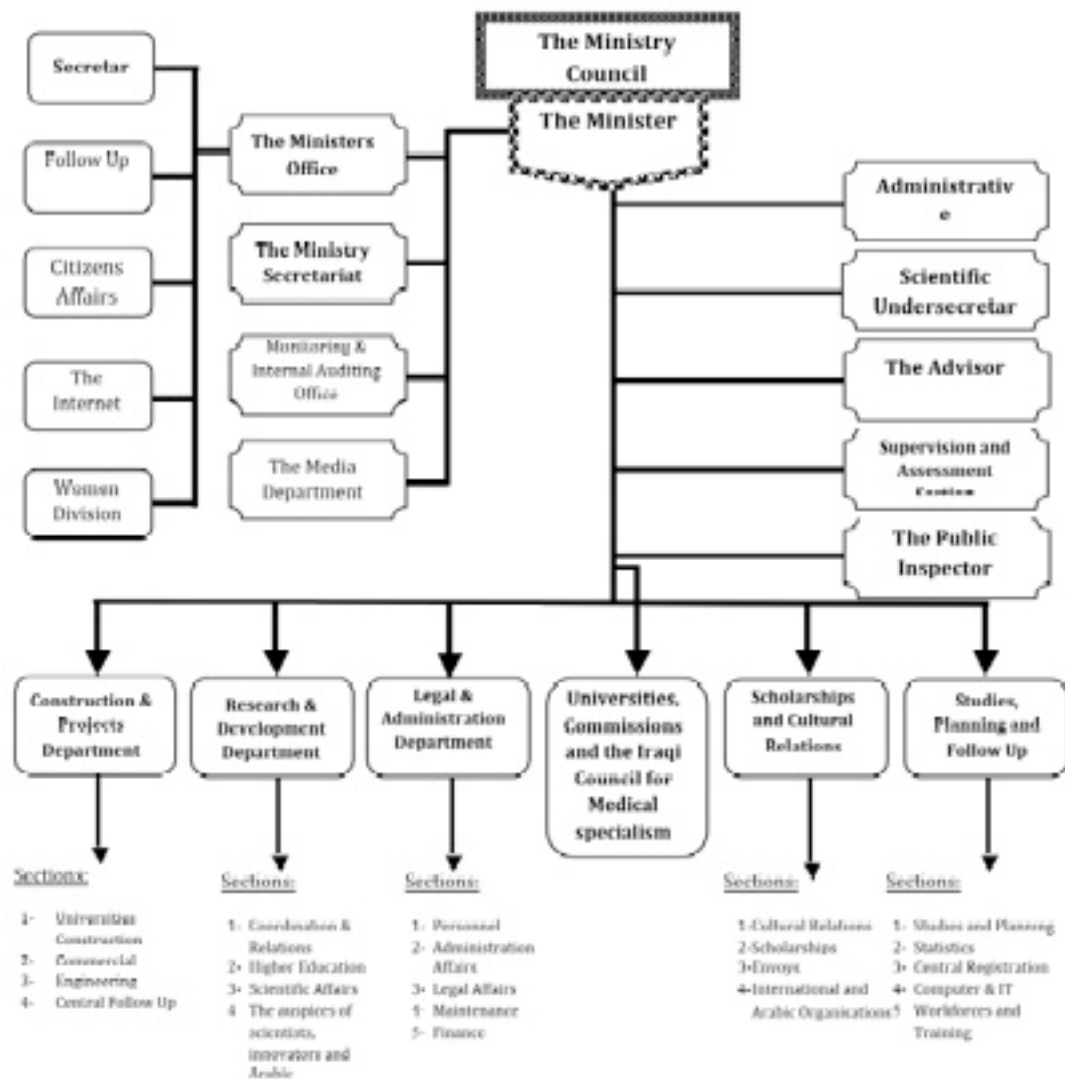
71. **The MOE Law identifies the following functional responsibilities for the Ministry:** (i) Elaboration of educational policy (ii) Planning and monitoring of implementation (iii) Curriculum development (iv) establishment and management of schools (v) teachers and other personnel education and training (vi) educational research and innovation (vii) taking care of religious, moral, sports, health, and environmental education (viii) development of standards for educational, psychological, and vocational guidance and counselling (ix) development of standards for assessment and examinations and (x) coordination and cooperation with local, national, and international stakeholders and partners.

ORGANIZATION STRUCTURE OF THE MOHESR

72. **The structure of the Ministry of Higher Education and Scientific Research (see Figure 7 below) consists of six departments, as defined in the Ministry of Higher Education and Scientific Research Law number (40) for the year, 1988.** The Minister’s Office states that it is eager to overcome current shortcomings in relation to organisational structure, to strengthen policies and procedures, improve management team performance; develop a new organisational structure that is coherent with the new realities of Iraq, based on the following principles. To (i) evolve the Ministry into a policy, planning and regulatory and supervisory establishment (ii) strengthen administrative structure around a new policy framework (iii) right-size and right-finance structures and functional organs at central and regional levels (iv) strengthen integration of core and essential functions (v) strengthen human resource management and career path development; (vi) strengthen curriculum development, pedagogical learning capacities and inter-ministerial coordination with MoE,

MoF, MoH and other ministries with technical, training and research related functions; and (vii) improve the national scholarships program.

Figure 7 Organisational Structure of the MoHESR



73. In addition to the organisation structure outlined in Figure 7 above, the following establishments are also linked to the Ministry:

- **Twenty-one universities across Iraq;** Baghdad University (1957); Al-Basrah University (1967); Al-Mosul University (1967); Al-Sulaimania University (1969); Al-Mustensiriya University, Technology University, Kufa University, Tikreet University, Al-Anbar University, Al-Qadisiya University, Babil (Babylon) University, Diyala University, Wasit University, Kerbelaa University, Thi-Qar University, the Islamic University, Al-Nehreyn University, Meesan University, Al-Muthenna University and Kirkuk University.
- **Eight Colleges:** College of law in (1908); College of Medicine (1933); College of Engineering (1942); College of Trade & Economy (1947); College of arts & sciences (1948); College of agriculture; College of Queen 'Aliyaa for Girls; and, the Veterinary Medicine College;
- **Technical Institutes:** In Baghdad, Mosul, Basra, Al-Museyyeb, Al-Nejef, Kirkuk, Health and Medical Institute, Electrical and Electronics Institute, Administrative Institute,

Administrative Institute in Mosul, Administrative Institute in Kufa and Applied Arts Institute as well as the following Specialized Institutes: Technical Medical Institute in Baghdad, Technology Institute in Baghdad, Administration Institute in Al-Rusafa, Applied Arts Institute, Technical Administration Institute, Institute for Preparing Technical Trainers, Technical Medical Institute in Al-Mensour, Technical Institutes in Basra, Mosul, Kirkuk, Babil, Al-Anbar, Al-Nejef, Al-'Umara, Al-Museyyeb, Al-Shetra, Al-Nasiriya, Al-Kut, Al-Huweyja, Al-Kufa, Al-Suweyra, Al-Dour, Ba'quba, Samawa, Kerbelaa, Al-Deewanoya and Neenawa (Nineveh).

- The Iraqi Board of Medical Specialism; and,
- The Iraqi computer and IT Commission.

OBSERVATIONS OF ADMINISTRATIVE STRUCTURES

74. **Moreover, vital to any reform process is awareness of allocative and operational efficiency and effectiveness issues.** In the absence of such a discussion or approach, there is a real risk that the education system is supply-driven and not demand-driven, with a bias towards filling teacher positions rather than providing quality education, at a price that can be afforded at the national level. Key areas where efficiency and effectiveness gains could be achieved include:

- Evidence of weak planning and programme capacity and in respect of implementation and monitoring in areas such as infrastructure development (construction and renovation of schools);
- Limited control by the centre of donor financed programmes and projects financed under reconstruction funds;
- Increasing role in capital investment and other programmes played by sub-national authorities such as governorates, Provincial Reconstruction Committees and Education Committees, shows a fragmented approach to service provision, which in turn limits MOE's ability to monitor performance;
- Limited capacity for implementing strong inter-ministerial co-ordination in respect of education planning, development, delivery and investment priorities that have an impact on the education sector and decentralized service delivery;
- Poor Control Environment - although the MOE has an internal audit function this role could not be carried out effectively, as typically, the role is somewhat shared between audit and funds management. Even where procedures have been drafted their implementation was either weak or overlooked;
- Need to develop a comprehensive communication strategy and plan to stimulate awareness and understanding amongst education officials of the decentralisation process, decentralized service delivery and other reform agendas;
- Manual systems that threaten record keeping as well as a lack of effective and up-to-date information system providing data on key operations and enabling the monitoring of donor and other programme activities, and for providing inputs into MOE's budget process;
- Constraints or delays in updating existing regulations and procedures to reflect policy changes; and,
- At present most of the information management in Ministries is manual. This obviously defines the upper limit to the services that Directorates can perform.

75. **In conducting functional reviews for both Ministries, and those in the Region of Kurdistan, for first generation and also perhaps advanced (modernizing) reforms, the following general consideration should be taken into account:**

- Alignment of the structure to overall mandate, mission, functions and primary business focus of the ministry, ideally cast within a new national policy framework;
- Provision for the optimal size and number of organizational units;
- Addressing evidence of missing functions, redundant functions and functions that can be rationalized/merged;
- Provision for redefinition and clarity of mandate, roles, responsibilities and accountabilities;
- Addressing the practice of overstaffing co-existing with under-employment and poor deployment of staff;
- Strong customer and service focus in all departmental activities;
- Delineation between core functions and non-core/support functions, (i.e. identifying non-core functions and services including those with little or no policy implications
- Robust and developmental i.e. capable of responding to developmental needs in areas of reforms and development.
- Maintain structural and functional equivalence (job weight, responsibilities and accountabilities) of organizational units and balanced and effective staffing.

76. The rightsizing and realignment strategy for MOE's organisation structure (based on the optimal size and number of organisation units) should be based on key outcomes:

- To shift human and financial resources away from inefficient and unnecessary activities to those that will add value to service delivery improvement programmes;
- To achieve cut-backs in personnel consumption expenditure and generate cost savings that will assist MOE to become fiscally sustainable;
- To release more financial resources for capital investment through savings from improved allocation and utilisation of staffing and personnel resources and enhanced efficiencies;
- Creation of capable MOE organisation, institutional flexibility and enhanced capacity to execute policies and implement programmes;
- Automated management systems to increase service efficiency and accountability.

REGIONAL GOVERNMENT

77. Presently the Regional Government of Kurdistan is the only region formed under the 2005 Federal Constitution. In principle at least, the 2005 Constitution allows for one or more governorates to become a region; following designated constitutional procedures. In Kurdistan there are two ministries of education, the MOE and MOHESR, and their laws pertaining to education are different than in the rest of Iraq. Any education policy framework will need to take into consideration the relationship between central and regional governments, given the synergies required to secure effective national economic and social development. The service delivery models, functional structures and delivery capacity in Kurdistan deserve the same level of reform effort, and lessons learned from this and other studies will support such an approach.

SUMMARY OF FINDINGS

78. There is a need to review the administrative structures of both Ministries, although particularly the MoE, with a view towards rationalisation and efficiency. Clearly, this requires a national policy to guide and shape administrative form and functions, around which planning and execution mandates can be set central and sub-national delivery mandates. Such an approach, a mix of first generation and in some cases advanced reforms needs to be carefully considered and sequenced so as not to disrupt ongoing delivery.

PART VII CIVIL SERVICE MANAGEMENT

INTRODUCTION

79. **The management of the civil service is of equal if not greater importance than the national policy framework, administrative structure and service delivery arrangement itself because in the absence of competent leadership, management and human resource capacities, the education system will not meet its objectives.** Yet, as a result of financial crisis in the 1990s, civil service laws and practises that go back decades, rapid staffing increases to meet demand and widespread insecurity the current civil service management capacity is low for a country of Iraq's standing. The impact on education delivery and the attainment of academic excellence risks undermining the employment future of the next generation.

NEW PUBLIC SERVICE MANAGEMENT FRAMEWORK

80. **Since 2003, for a variety of reasons, the size of the civil service has mushroomed to an estimated 3 million employees, one of the highest civil servant per-capita ratios in the world.** To meet the massive demand for teachers in the area of education, unlike other sectors, substantial increases have been largely justified. However, in terms of general management practices Iraq has not kept pace with global advances in public management and a variety of inefficiencies have become entrenched, in part due to neglect, but mostly due to the financial crisis in the 1990s that guaranteed wages were a pitiful compensation for civil service. The de-Ba'athification process compounded this reality, removing a large number of capable officials from the system resulting in a hampering of the systems effectiveness. The government is acutely aware of these challenges and is determined to modernize the foundation of its public sector management system – hence its commitment to this I-PSM program and to the establishment of civil service management improvement.

81. **Until recently there was no central agency with responsibility for the civil service.** The passage of the 2008 law the Public Service Council (PSC), as required by Constitution, created a legal basis for such an agency. An unusual feature of the Council is that, unlike most countries, it reports to parliament rather than to the executive. The government is moving quickly to appoint members of this Council, but work has been delayed due to the March election. The new PSC law also provides for the creation of Provincial Public Service Councils, a Public Service Institute - a central training, research and development agency serving the entire government. Moves to recruit PSC members is underway, but little has been done to establish the actual Council or Public Service Institute itself. The subsidiary legislation and regulations defining the operations of the PSC and its agencies have also not yet been identified, drafted or promulgated.

CONSTRAINTS TO BE ADDRESSED

82. **Until late 2009 there were no Human Resource Directorates in Ministries or Governorates, and human resource management functions were distributed among several units in each ministry.** However, whilst efforts to consolidate HR functions into a single Directorate are ongoing, little has been done to create a comprehensive HR operation in either Ministry at central, regional or sub-national levels. Clearly, given the task at hand, the recruitment of highly qualified HR management personnel into this new function will in a large part determine the impact on change management, right-sizing and re-deployment.

83. **The existing civil service legal framework, which regulates HR related issues in both MoE and MoHESR, urgently needs to be updated to reflect modern public sector management principles and processes and this will be one of the major early outputs of**

the new Public Service Council. The GoI has already drafted alternative versions of the new civil service law – which requires rationalisation – and whose implementation would seek to overcome the following general civil service management constraints within the educational system:

- Neither entity has a human resources department linked to a civil service management policy, framework and function;
- Regulations and procedures governing the employment of teaching staff are not fully observed, and terms of service needs to be reviewed;
- The quality of actual education service risks being undermined by the massive recruitment of teachers, many of whom may lack minimum qualifications;
- Staffing levels are largely supply-driven and may not necessarily be determined by a strategic approach to employment levels;
- Teachers' deployment, utilization and attendance continues to be affected by the on-going security situation causing family disruption and displacements;
- Low levels of teachers' utilization and productivity (based on student/teacher ratios) result in increased staffing cost /recurrent expenditure;
- Current human resource functions need to assume a broader role than its narrow focus on personnel services, by looking at skills gap analysis, facilitating ongoing training needs, performance appraisals, human resource planning and publishing human resources competency guides, etc.
- Staffing plans need closer integration with actual operational requirements;
- Job description and job/skill profiles are required for many positions, now, and once a new service delivery model and functions are re-cast;
- Trained human resource management professionals and improved human resource structures are required;
- The rank profiles for both Ministries need to be reviewed, given the extreme lack of above rank grades particularly in the MoE;
- Systems are required to provide transparency and openness about performance, goals and standards;
- Initiatives to promote delegated or decentralized service delivery require consideration;
- The Education Management Information System (EMIS) needs further development and integration into core management functions;
- Human resource development policy, strategy and training plans are required;
- Capacities in (i) tendering skills (ii) contract compliance (iii) policy and budget analysis (iv) performance evaluation (v) information systems management (vi) ensuring value for money, need to be improved.

EXISTING GRADE AND STAFFING PROFILE

84. There are 564,706 and 94,882 staff in the MoE and MoHESR respectively, totalling 659,588 staff, excluding educational staffing in the Region of Kurdistan, meaning that over a quarter of all public sector staffing in Iraq belongs to the sector. Clearly therefore, given the lack of new public service management arrangements, building new human resource management system to address the needs of such a substantial service is going to require nothing less than a monumental effort and strident government leadership. Moreover, given that current civil service laws make firing unqualified public employees a slow and time intensive process, even when it is clearly warranted, then right-sizing not just the Ministries, by grade, and their deployment across functions will require a human resource management capacity that does not currently exist. Moreover, as outlined in Table 2 below, the lack of

above grade staff in the MoE is of particular concern, given the size of staffing in this area and the need for management and leadership to take control of the policy and institutional direction in Iraq.

85. There are a number of contingent issues related to fiscal futures, the implications of exiting staffing for long term pension liabilities, the relevance of the current pay and grading structure to actual delivery and options for right-sizing that will need to be addressed, over the medium term. Developing a model to deal with these and other issues will be required if a systematic approach is to be adopted (see below). Moreover, a pay and grading review will also be required – in future – not just to strengthen the terms of services within the Medium Term Fiscal Framework (MTFF) – but also to support salary de-compression where required, to promote career development, academic excellence and the establishment of a senior education service cadre to meet the complex demands of the future. Table 2 provides the staffing structures by grade for MoE and MoHESR.

Table 2 Grade and Staffing Structures for MoE, MoHESR (2010 National Budget)

| | MoE | MoHESR |
|----------------------|----------------|---------------|
| Above Grade A | 11 | 30 |
| Above Grade B | 66 | 344 |
| Grade 1 | 186 | 8747 |
| Grade 2 | 2215 | 5129 |
| Grade 3 | 35253 | 6648 |
| Grade 4 | 49053 | 8545 |
| Grade 5 | 70715 | 13177 |
| Grade 6 | 71417 | 19879 |
| Grade 7 | 171081 | 18733 |
| Grade 8 | 114899 | 6461 |
| Grade 9 | 30969 | 2637 |
| Grade 10 | 18841 | 4552 |
| Total Staff | 564,706 | 94,882 |

HUMAN RESOURCE MANAGEMENT FIVE CLUSTER MODEL

86. In the area of personnel management, basic reforms include enhancing job security, strengthening protection from political interference, and creating a legally defined civil service cadre with common terms and conditions. Reforms that affect individual incentives in the public service include the standardised application of promotion and reward rules and the encouragement of long-term careers within the educational service, building a solid career development and succession plan as required.

87. Within both MoE and MoHESR, the practice of Human Resource Management should be delivered, perhaps based around the standard Five Cluster Model presented in Table 3 below, with all subject to continuous improvements. The deployment of such a model, set within the evolving framework of overall public service management practices would, therefore, provide the organising framework for improved human resources in the future. This would, and should, be adapted to the needs of both Ministries and responsibilities for delivery need to set for central, regional and other sub-national levels.

Table 3: Five Cluster Model for Improving HRM Functions within the MoE and MoHESR

Cluster One: - Organization Strategy and Design

This cluster will involve organizational strategy and design and shall include:

- Organizational Vision and Strategy
- Organizational Structure and Staffing
- Job planning
- Human Resource Planning
- Organizational Charts
- Job Descriptions
- HR Information Systems

Cluster Two – Employee Resourcing and Provisioning

This cluster comprises HR recruitment and involves:

- Recruitment, Selection and Appointment
- Placement / Deployment of Employees
- Employment Contracts
- Establishment Register - Positional Occupancy
- Establishment Audit and Control

Cluster Three: - Employee Relations

- Communication
- Employee Support
- Compliance
- Motivation
- Employee Relations

Cluster Four: - Staff Development

- Career Path Development / Planning
- Individual Career Development
- Training and Knowledge Development
- Performance Management (including defining, measuring, facilitating and encouraging performance)

Cluster Five: - Terms and Conditions of Employment and Rewards

- Conditions of Service
- Discipline
- Salaries and Allowances
- Designation and Salary Grades
- Leave Entitlement
- Induction Programme
- Redundancy and Retrenchment

COMPETENCY PROFILING FRAMEWORK

88. There is the urgent need within both ministries, including in the Region of Kurdistan, to develop a competency-profiling framework. The challenges that give rise to this need are based on the following, (i) the Iraqi civil service continues to be part of an evolving institutional and management culture, (ii) senior managers are required to steer, drive and anchor reform efforts (ii) the introduction of important management ‘drivers’ such as policy development and execution, education policy outcomes and impacts, performance measures and targets, resource utilization and (iv) application of regional and international benchmarks on skills and competency development.

89. In order to optimize the value added by its staff, MOE and MOHESR will need to define the leadership qualities and competencies they have, those they need to sustain,

and those that need to be grown, with respect to the full spectrum of roles and levels of leadership needed within their organizations. Ministries have also to define how these can be measured and monitored, as well as how best to utilize current leadership capacity, and what development is indicated to further improve on the organizations' ability to deliver what the Government of Iraq requires of them. The components of both Ministries' functional and leadership competency model would also need to consider sector governance and leadership competencies:

- **Governance Competencies:** covering state machinery, policy development, analysis and execution, implementation of regulations and normative guidelines, Intergovernmental relations, assessment of stakeholders' interests, transparency and accountability, etc.
- **Leadership Competencies:** These should ideally be developed around five main themes, namely:
 - a. Championing the Ministry's mandate – commitment to and promoting and enhancing the mission and mandate of sector Ministries;
 - b. Effectively managing relationships and boundaries between each Ministry and wider society;
 - c. Empowering delivery and driving for excellence;
 - d. Transformation and change - building the systems, structures, and capabilities of the institution to ensure sustainable delivery of predictable results; and,
 - e. Insights, conceptual thinking, assimilating and applying new information, principles and best practices in a useful way to support the Ministry's objectives.

SUMMARY OF FINDINGS

90. **Given the need to support a reform and modernisation agenda for the education sector as a whole, yet within the overall framework of improved civil service management, there are numerous examples that can be drawn upon to create a strong legal framework for civil service reform.** However, even once a strong civil service legal framework, competent Public Service Council, qualified HR departments at central, regional and sub-national levels and improved leadership and management competency at the senior level of government are in place, the challenge of improving civil service management culture and practices to support improved delivery will take a decade or more. The need to invest now, to secure the future, must be an imperative for government.

PART VIII SECTOR EXPENDITURE MANAGEMENT

INTRODUCTION

91. **Most of the core Public Expenditure Management (PEM) constraints have been clearly identified by the Joint Government of Iraq (GoI) and World Bank Public Expenditure and Institutional Assessment (PEIA) conducted in 2007.** This and other related work resulted in a set of medium term reform priorities being established by the Government as expressed through the MoF's Public Finance Management Action Plan (PFMAP).⁸ This short section builds from this excellent body of PFM support provided here and seeks, therefore, to do little more than to outline the leading public expenditure management concerns, as seen from the perspective of this scoping study.

EDUCATION PEM AND THE NATIONAL BUDGET PROCESS

92. **The national budget is – or should be - the central tool of government policy.** As a result, the existence of an evidence-based sector policy, which sets out education policy and investment priorities, at the sector, sub-sector and geographical level, is a pre-condition to **comprehensive** planning and budgeting. Other key principles of Public Expenditure Management (PEM), relevant to the sector include **fiscal discipline, legitimacy, flexibility, predictability, contestability, honesty, information and transparency and accountability.** From a PEM perspective, the process of formulating a policy-linked annual education budget with a clear medium term perspective for both MoE and MoHESR should be informed by three important budget outcomes, outlined below:

- **Aggregate fiscal discipline** – implying a medium term focus on spending;
- **Allocation of resources in accordance with strategic priorities** – implying that the education sector is driven by a clear prioritization process; and
- **Efficient and effective use of resources in the implementation of strategic priorities** – implying that the institutional means of service delivery, including procurement and financial management systems – provide real value for money.

93. **Key elements that will need to be addressed in the area of Education service delivery – and at the heart of the on-going PFM Action plan – include reforms PEM processes in support of:** (i) greater focus on service delivery outcomes and performance; (ii) strong links between policy making, planning and budgeting; (iii) well-functioning accounting and financial management systems – ideally involving automated and not legacy book-based systems; and (iv) integration of these aspects with sound public sector management principles, civil service policies, wage policies and clarity regarding how the chosen service delivery model is supported by functional structures. These issues, which are of particular concern in Iraq will, therefore, need to form the basis for strengthening PEM reforms within the sector to improve delivery.

94. **The GoI's Public Finance Management Action Plan (PFMAP) has been developed to guide the reform of public financial management systems, to include the establishment of principle-based performance practices linked - through an integrated budget - to improved policy, planning, budgeting, reporting and scrutiny.** The IMF, World Bank, DFID and other competent donors are supporting the action plan, although in the absence of administrative reforms and civil service reforms, and the functional restructuring of decision-making structures, actual impact risks being incremental at best. In addition to public expenditure reviews, which are likely to be undertaken by the GoI, IMF and World Bank in the near

⁸ The PFMAP was prepared with support from the World Bank and IMF with DFID inputs. The GoI's priority actions in its PFMAP are consistent with an IMF-FAD report (2008).

future, it will be particularly important for both the MOE and MOHESR to begin to help remove many of the following binding systemic constraints and correct education-specific constraints in order to improve public finance management:

SYSTEMIC CONSTRAINTS

Budget Preparation

- An absence of a coherent policy-based budgeting and planning within a realistic medium term expenditure framework and analysis of fiscal sustainability;
- Fragmentation of the budget preparation process including the separation of recurrent and capital budgeting processes contributing to unrealistic budgets;
- A disorderly budget process where Government ceilings are not complied with and final budget allocations can have little resemblance to plans that support budget bids ;
- A lack of costed sector strategies and links to sector expenditure ceilings;
- Competing fiscal policies squeezing out allocations to critical operational expenditures; and
- Lack of timely, complete and appropriately classified donor project information.

Budget Execution

- Differential accounting and reporting arrangements in the investment and recurrent budgets;
- Difficulties in coordination of investment expenditures that are not included in the sector ministries' budgets;
- A lack of a clear system to track and address expenditure arrears and adequately budget for carryovers;
- A break down in certain elements of the payroll control system exacerbated by conflicting informal social safety net, employment, political and stability policies;
- Incomplete procurement reforms including: i) ineffective complaints handling mechanism; ii) non-active management of contracts based on contractors' performance; iii) lack of independent tender oversight bodies; and iv) a lack of documented procedures for monitoring compliance and for identification and dealing with conflicts of interest;
- Ineffective non-salary controls including those for the incurrence of commitments;
- Absence of true bank and suspense account reconciliation processes;
- No system for the collection and analysis of information related to the level of resources that reach frontline service delivery units;
- Untimely and low quality in-year and end-of year financial reports; and
- Over stretched macroeconomic, microeconomic and institutional absorptive capacities.

Scrutiny

- An absence of internal audit functions that serves the relevant Minister;
- Untimely completion and submission of audit reports;
- Lack of evidence of real follow up of audit findings; and
- A lack of effective scrutiny by the legislature of the annual budget law and audit findings.

EDUCATION SECTOR SPECIFIC CONSTRAINTS

Budget Preparation

- The sector's budget allocation remains largely needs-based and incremental – that is, allocations are not clearly based on policy, strategic priorities and planning framework;
- Ineffective work around procedures to the budget fragmentation problem (e.g. coordination arrangements between MoE, MoHSR, MoF, MoP and provinces);
- A lack of a costed medium term sector strategy that is set within a realistic medium term expenditure framework;
- Continuation of out-dated traditional planning processes established in the 1950s;
- Competing fiscal policies squeezing out allocations to critical non-salary operational expenditures for proper functioning of schools; and
- Early and active participation in the budget process by the political elite in the education sector;

Budget Execution

- Significant under-spending on capital investment and insufficient spending on non-salary operations and maintenance costs (although this has significantly improved in the 2010 budget) due to fiscal and systemic PEM process constraints, competing unsustainable fiscal policies resulting in dominant recurrent wage costs;
- Payroll control system undermined by the conflicting informal social safety net, employment, political and stability policies related to teacher recruitment.
- Over-stretched microeconomic absorptive capacity in the public and private construction sector resulting in a shortage of financially viable companies with a good track record of producing results that get paid in accordance with valid contracts;
- Lack of systems to link in-year and end-of-year education service delivery information with education financial information; and

Scrutiny

- An absence of an education internal audit function that primarily serves the interest of education ministers by providing an early warning mechanism to allow more timely correction of PEM problems;

MOE AND MOHESR EXPENDITURES

95. **Expenditures management processes in Iraq are consistent with those in a highly centralized state, where all the typical functions, i.e. policy-making, regulation and service delivery etc. are, by law, concentrated at the central government level.** Tables, 4, 5 and 6 below provide the actual, budget and functional expenditures for the MoE and MoHESR and staffing establishments for 2005, 2009 and 2010. The table demonstrates some of the key PFM problems facing the education ministries including: i) the budget is not a good predictor of actual spending; ii) insufficiency of non-salary operational expenditures; iii) the rapid increase in the education sector wage bill and the number of teachers (65% for MoE and 80% for MoHSR between 2005 and 2010), which is reported to be compounded by the problem that many of the teachers are unqualified and unmotivated; and iv) insufficient levels of fiscal discipline associated with fragmented budgets. That said, non-salary funding for education remains at historically low levels (90's) and regional comparisons. The ratio of the non-salary education budget to the national budget is still around one third of the comparable ratio of all countries in the region. Moreover, while investment budget allocations have increased, evidence suggested that these allocations are not well founded on implementable investment plans (partly due to systemic budget execution constraints outlined above).

Table 4 Ministry of Education; Actual and Budgeted Functional Expenditures and Staffing

| | ID | Salary | Non wage Recurrent | Total Recurrent | Capital | Total Budget | Approved Staffing (Headcount) |
|--------|----------|---------|--------------------|-----------------|---------|--------------|-------------------------------|
| | Billions | | | | | | |
| Budget | 2005 | 1,103.0 | 64.8 | 1167.8 | 109.0 | 1267.8 | 336,592 |
| Actual | 2005 | n/a | n/a | 1,405.0 | 2 | | |
| Actual | 2007 | 1,617.6 | 92.7 | 1,710.3 | 8.9 | 1,719.3 | |
| Actual | 2008 | 3,135.0 | 138.2 | 3,273.1 | 158.1 | 3,431.2 | |
| Budget | 2009 | 4,402.7 | 205.8 | 4,608.5 | 212.5 | 4,821.0 | 551,089 |
| Budget | 2010 | n/a | n/a | 5,044.4 | 500.0 | 5,544.4 | 556,164 |

Table 5 MoHESR Actual, Budgeted and Functional Expenditure and Staffing

| | ID | Salary | Non wage Recurrent | Total Recurrent | Capital | Total Budget | Approved Staffing (Headcount) |
|--------|----------|---------|--------------------|-----------------|---------|--------------|-------------------------------|
| | Billions | | | | | | |
| Budget | 2005 | 242.7 | 52.1 | 294.8 | 50.0 | 344.8 | 52,818 |
| Actual | 2005 | n/a | n/a | 379.0 | 11.0 | 390.0 | |
| Actual | 2007 | 570.8 | 73.0 | 643.7 | 113.5 | 757.3 | |
| Actual | 2008 | 1,164.2 | 336.6 | 1,500.8 | 225.3 | 1,726.1 | |
| Budget | 2009 | 1,687.9 | 149.8 | 1,837.7 | 212.5 | 2,050.2 | 71,678 |
| Budget | 2010 | n/a | n/a | 2,198.6 | 350.0 | 2,548.6 | 94,884 |

Table 6 Actual (2007-2008) and Budgeted (2009-2010) Education Sector Spending

| | Actual | Actual | Budget | Budget |
|--|----------|----------|----------|----------|
| | 2007 | 2008 | 2009 | 2010 |
| Ministry of Education | | | | |
| MOE | 1,719.3 | 3,431.2 | 4,821.0 | 5,544.4 |
| Recurrent | 1,710.3 | 3,273.1 | 4,608.5 | 5,044.4 |
| Capital | 8.9 | 158.1 | 212.5 | 500.0 |
| Ministry of Higher Education and Scientific Research | | | | |
| MoHESR | 757.2 | 1726.1 | 2050.2 | 2548.6 |
| Recurrent | 643.7 | 1500.8 | 1837.7 | 2198.6 |
| Capital | 113.5 | 225.3 | 212.5 | 350 |
| Combined Education Sector Actual and Forecast Spending | | | | |
| Total | 2,476.5 | 5,157.3 | 6,871.3 | 8,093.0 |
| Recurrent | 2,354.1 | 4,773.9 | 6,446.3 | 7,243.0 |
| Capital | 122.5 | 383.4 | 425.0 | 850.0 |
| Total National Budget – Share of Education Spending (%) | | | | |
| Total | 51,809.1 | 58,664.7 | 69,165.5 | 61,735.3 |
| Education % | 4.8% | 8.8% | 9.9% | 13.1% |

PRIORITY PEM REFORM OPTIONS

96. The systemic PEM issues raised above are well known by the MoF and are being addressed by the Government through the MoF driven PFMAP. This is a long-term effort that will not produce returns in terms of significantly improved budget outcomes as all the pieces of the PEM system need first to be working relatively well together – weakness in one will compromise effectiveness of PFM system modernization achievements elsewhere. Nevertheless, the PFMAP provides a solid foundation by establishing a set of politically and technically feasible set of PFM reforms that can be built on over the medium to long term.

97. For the education ministries, alignment of the reform efforts being driven by the MoF through the PFMAP with education sector PEM reforms is key priority. Five examples where this needs to occur include the following: i) reforms to improve education budget preparation by improving links between Government education related policies, budget ceilings and budget allocations; ii) introduction of a medium term perspective in the budget by coordinating pilots for top down medium term fiscal forecasting and analysis with bottom up policy-based medium term education sector expenditure plans; iii) support for the removal of key bottlenecks in budget execution processes including education sector accounting, cash management and procurement reform; iv) improving timeliness and quality of in-year and end-of-year education sector reporting; and v) strengthening arrangements for internal audit within education ministries. In addition, the process for setting a coherent framework for consideration of effective decentralization policies particularly applies to education ministries. In addition, sequencing of efforts to improve the way education budget holders are held to account for their performance needs to be well sequenced. Moving too quickly can have significant adverse impacts. For example, overstretching pro-active anti-corruption efforts can inadvertently cause budget execution to significantly deteriorate, given that well-meaning technocrats are generally risk averse. An important condition for successful strengthening of mechanisms to hold education budget holders to account is the establishment of a credible education budget.

98. Education fiscal policy challenges remain and will continue without tough decisions when the time is right. Some of these challenges include the following: i) achieving sufficient levels of non-salary expenditure and an appropriate share of the budget; ii) improving the impact of existing resources; iii) resolving the competing fiscal priorities of employment generation and stability with the establishment of a sufficient cadre of well qualified teachers located in the right areas; and iv) establishing a credible education sector strategy that is well costed within a well functioning medium term fiscal framework.

SUMMARY OF FINDINGS

99. Implementing the government PFM Action Plan will be a challenge for government unless it is linked with policy, administrative, civil service and functional restructuring, around a new service delivery model. To move from a rather supply-driven approach to one driven by performance outcomes will also require the entire education sector to be costed within a medium term fiscal framework, including setting and costing service delivery benchmarks. Whilst this will take many years to achieve, efforts to fully integrate PFM into the reform and modernization program is essential to success and, as a result, key international cooperation partners such as the IMF, World Bank, UN agencies, DFID, USAID and the EC will need to be fully involved at all levels of the process.

100. Rationalising the relationship between central, regional and sub-national administration is perhaps best served within a framework seeking fiscal decentralisation rather than fiscal federalism, although this will need to be determined by the Council of Ministers and Council of Representatives. Moreover, the establishment of an integrated budget will also require both recurrent and capital functions to be grouped as a common function and the migration of planning functions from the MoPDC to support a sector-wide approach will also need to be considered. Moreover, in elaborating a new service delivery model for the education system as a whole, for both general and higher education, will also require a National Education Policy to be established, setting national priorities and also clarifying public and private roles in delivery. If the budget is to be the central tool of government policy, and expenditure management capacities to be strengthened, a whole-of-government approach is going to be vital to success.

PART IX LESSONS IN DECENTRALISED EDUCATION

INTRODUCTION

101. **Important to this work, in the light of recent CoR legislation to de-concentrate certain central education functions to the provinces, is an understanding of the potential costs and benefits of decentralized service delivery.** Figure 1 (above) highlights the complex interplay between different levels of governance (central, regional, provincial, district and sub-district) and functional roles (policy, resourcing, planning and execution) and underscores that any change in service delivery mandates must be driven by a capacity to deliver, not just political intent. To this end, decentralisation is best seen as an ever shifting process – towards improved delivery, accountability, transparency and ownership – and not an end in itself.

102. **It is important to outline the various options for increasing sub-national responsibility in decision-making, given that the education system will need to be guided by what makes sense in the context of Iraq.** Box 4 below provides a short summary of the three basic options to be considered in Iraq: de-concentration, delegation and devolution. Devolution is the most complete form of decentralisation and this approach usually follows the election of sub-national governments, as part of an inter-governmental system. Currently, federal structures in Iraq include the Region of Kurdistan and the rest of Iraq. To this end, even though provincial councils have been elected, current lack of fiscal and administrative devolution means that outside of Kurdistan the inter-governmental system is not fully formed. As a result, fiscal federalism will have limited traction and a focus on fiscal decentralisation within existing systems would appear the logical direction to evolve.

Box 4 Variants Of Decentralization

This report uses the terms de-concentration, delegation and devolution to describe different variants of “decentralization” or the relationship between central and sub-national entities. In practice, most intergovernmental systems have some elements of each of these variants. This box clarifies these terms.

De-concentration: De-concentration refers to decentralization of central government ministries and arrangements whereby sub-national governments act as agents of the center. Sometimes regional branches of central offices and agent governments have some authority to make independent decisions, usually within central guidelines. Often, though, de-concentrated local government lacks authority over the scope or quality of local services and how they are provided.

Delegation: Under delegation, sub-national governments rather than branches of central government are responsible for delivering certain services, subject to some supervision by the central government. Delegation may improve efficiency when sub-national governments can better administer programs of national interest—including certain aspects of education, water, and health—in ways that better reflect local circumstances. The center, or intermediate government, determines what should be spent, and may also set minimum service standards, while sub-national governments define the details. The design of inter-governmental fiscal transfers and the degree of central monitoring influence the balance between decision-making under delegation.

Devolution: Devolution is the most complete form of decentralization. Independent or semi-independent and, typically, elected sub-national governments are responsible for delivering a set of public services and for imposing fees and taxes to finance those services. Sub-national governments have considerable flexibility in selecting the mix and level of services they provide. Other levels of government may provide intergovernmental transfers. For devolution to work, the central and local governments must act as partners, with the former keeping its commitment to devolve functions, and local officials agreeing to make difficult choices and develop the capacity to exercise their powers effectively.

From “East Asia Decentralizes”, Chapter 1, World Bank, 2005

103. In 2005 UNESCO conducted an international workshop to draw out key lessons in relation to decentralized service delivery in general education. In order to think through what decentralised delivery may involve in the context of Iraq, it is valuable to consider the benefits and potential costs before either de-concentration, delegation and devolution approaches are considered.

- ***The Primacy of State Delivery Responsibility:*** Decentralization strategies and policies should not offer national States a justification to be released from their unquestioned responsibilities. They should guarantee democratic equality, citizens' rights and the right to education, in order to achieve national integration and unity.
- ***Decentralization is not a goal in itself.*** It is a strategy, a means of enhancing the quality and relevance of education and improving its administration. Decentralization may also contribute to more rapid decision-making and more effective use of funds.
- ***Decentralization should be adapted to the country's needs within a framework of continuity.*** Care should be taken not to interrupt the process in the event of a change of government. In this sense, decentralization of the education system usually forms a part of more general structural reforms of public administration. Often, the education sector reflects the model of government in the country.
- ***The decentralization process calls for consensus building among all the stakeholders in civil society.*** Decentralization should always be supported by the dissemination of information, consultation and explanatory action among the population. It is also important to maintain commitments to the process of direct participatory management and the development of a critical citizenry. In this sense, decentralization policies should be tools of social participation that foster individual development and the development of society rather than the exclusive claims and interests of elites or blind application of the market model.
- ***Decentralization policies also require national capacity building.*** Decision-makers at all levels should be trained for their new roles, functions and responsibilities. Decentralization should, therefore, include strategies directed towards intensive, continuing training, including financial training, for all managers, in particular school principals and their district administrators, in accordance with a collective management philosophy.
- ***Decentralization may make for an increased number of imprecise operations and bad practices at local level.*** The implementation of good monitoring structures and procedures and increased responsibility may reduce these effects. Decentralization practices should give rise to behaviour marked by greater transparency and more ethical conduct.
- ***Decentralization should not begin without good planning and preparation:*** it requires an approved legislative framework, new and clear distribution of roles and responsibilities, a balance between centralized and decentralized functions (decentralization usually leads to an increase in the central function of supervision and to greater responsibilities at sub-national administration or school levels), and the allocation of additional financial resources to set the process in motion.
- ***Public education policies that put decentralization procedures into effect should be aimed principally at ensuring the continued improvement of educational quality and the strengthening of the school's role in the decision-making process of the education system.*** Decentralization should enhance responsibility, transparency, effectiveness and sustainability.

- **Parallel to the establishment of decentralization policies and action to encourage school autonomy**, efforts should also be made to build institutional networks between schools, civil society and employers, particularly the private sector.
- **Vital Need for information**. It is important not to overlook the bodies and mechanisms for monitoring and constructing indicators, which contribute to and validate decentralization processes. The strategic value of the information produced in the education system should accordingly be recognized so that the system becomes a knowledge-producing entity.

SUMMARY OF FINDINGS

104. **Recent moves by CoR to devolve the Ministry of Municipalities and Public Works, after the 2008 Provincial Powers Act and subsequent budget laws is well meaning, although such high levels of devolution cut across the entire legacy of administrative and fiscal tradition in Iraq.** What is required is a rational approach that puts service delivery effectiveness and efficiency first, and this will determine the logic of decentralised delivery on a sector-by-sector and ministry-by-ministry basis. Decentralisation also demands that laws, regulations, capacities, financing, oversight and monitoring capacities are re-shaped to reflect new arrangements, calling for substantial investment in training and capacity building. The logical approach would be to strengthen existing systems where possible first, as a basic principle before seeking to restructure, unless such a requirement was necessary, in the light of a newly adopted service delivery model. Options for first and basic generation, as well as advanced reforms are presented in section XI below.

PART X PUBLIC PARTICIPATION

Introduction:

105.Improving public participation in education service delivery will be a particular challenge for both Central and Regional Governments. The quickest route to improvement is to allow a more formalised relationship with the Provincial Councils to emerge, to provide civilian oversight of delivery, and to improve accountability and transparency. The long term route will be allowing civil society organisations, cooperatives, associations, professional bodies, as well as the Universities and technical colleges not only to broaden the base of delivery, but also to support national policy and strategy development.

SUB-NATIONAL ADMINISTRATION, CIVIL SOCIETY AND PRIVATE SECTOR

106.The Governorates Law specifies a number of education-related responsibilities of sub-national governments, including setting up universities, colleges and technical institutes (provincial governments) and evaluating the quality of education (district governments). These imply creating significant bureaucracies to carry out these functions. Recent budget laws aim to transfer responsibility for the provincial operations of the MOE to the provinces, along with their personnel and budgets and functions, which currently far exceed the provincial government’s abilities to carry this out. As part of the process of developing policy, strategy, service delivery model strengthening and subsequent functional restructuring, forums for public participation at central, regional, provincial and district levels needs to be convened to benefit from the ideas and suggestions of those who actually consume educational services. Such public policy dialogue would need also to include the private sector and Council of Representatives.⁹

107.The Private Sector is involved in education. This is evident in the provision and delivery of education services at the primary, secondary and tertiary levels by the private sector at the governorates and district levels. There appear, however, to be few mechanisms for the private sector to influence Ministry strategy, policy and overall operations. However there are various professional bodies such as lawyers and doctors’ associations that have access to the Education Ministries in providing advice and inputs in areas of “professional” education. Stakeholder input is not systematically sought and incorporated into operations. The wider implication is that there is the need to establish and encourage the formation of stakeholder’s bodies and participatory processes.

108.Decree 135/1996: provides for an “Opinion Body”- a collective consultative body at each ministry composed of Deputy-Ministers, DGs, and 2 experts from inside or outside the Ministry. While laws exist for private education institutions, civil society involvement and contribution to the operations of the education system is lacking. Meanwhile, successful policy formulation and execution of educational policies, development and implementation of educational plans also depend on bodies other than the sector ministries. This should include the participation and involvement of development partners, private actors, civil society and non-governmental organizations to ensure wide social ownership of policies and measures and to provide for a broad base of input to the operations of the education system.

⁹ Conflicting legislation with regards sub-national roles and responsibilities towards education service delivery need to be addressed. This includes, the lack of a common comprehensive framework outlining the powers, duties, and responsibilities of local authorities towards education presents a challenge for legal or regulatory reforms in this area. Decree 37/1964 amended by Decree 24/1966, Decree 28/1980: Management of preschools, primary schools, and literacy centres on, Governorates Law 159/1969 amended by Law 1225/1985; Decree 386/1987 and Decree 386/1987 are examples of legacy laws that contradict constitutional and subsequent jurisprudence.

PART XI REFORM AND MODERNIZATION OPTIONS

INTRODUCTION

109. **This scoping study has sought to provide insights, observations and ideas aimed at strengthening service delivery in the areas of general and higher education.** It has not dealt in detail with pre-school education, special, intermediary or vocational training, although these areas of the educational system would benefit substantially from the set of reform and modernization options outlined below. In this regard, the report recognises that there is no one approach to reform that must be followed, and as a result the set of ‘basic’, ‘first generation’ and ‘advanced’ reforms outlined here are presented as options for discussion. However, the report outlines the need for an overall sector modernization strategy (which includes policy, institutional and functional restructuring around a new service delivery model) comprising the following:

- i. Improving institutional (policy, legislation, regulations) governance, management and administrative systems;
- ii. The creation of sustained capacity for policy, planning and budget;
- iii. Improving “client” service delivery in all areas of its mandate;
- iv. Improving the allocation and utilization of financial, human and other resources; and,
- v. Developing staff, management capabilities and competencies for core and generic functions.

REFORM CHALLENGES

110. **In regards to general education, including that in the Region of Kurdistan, a number of systemic challenges will need to be overcome if a more effective - decentralised - approach to delivery is to be developed.** Challenges include (i) overcoming systemic contradictions through legal, policy and regulatory reforms (ii) institutional and organisational rationalisation and strengthening (iii) structured support for strengthening core sub-national capacities (iv) enhancing operational performance and (v) developing an incentive framework and reform culture.

- **Challenge 1:** Developing an incentive framework and culture that can handle reform and change management will be a key enabling outcome. Options for decompressing salaries – particularly at the upper level in return for reform and modernization, would be one of a number of options in this regard. Creating a new Education Reform and Modernization Commission, with a mandated life span of 5 years, to instigate and propose reforms whilst leading on policy and institutional restructuring would limit service disruption and create independent space to consider appropriate reforms for the sector.
- **Challenge 2:** Establish an overall direction for reform of the entire educational institutional system, which, while building on the current one, diminishes the existing levels of systemic contradiction and begins to reduce the unproductively “uncertain” set of current arrangements. This would include policy, legislative and regulatory strengthening in the first order. Such an approach would link with, and be shaped by, the ongoing PFM Action Plan, Anti Corruption Strategy and eGovernance strategies.
- **Challenge 3:** The second major reform area is to focus on strengthening the performance of MoE and MoHESR through improving their organizational structures. The focus would be on MoE in particular, given the urgent need for functional restructuring around a new mandate.
- **Challenge 4:** The third major challenge is to provide sufficient resources for the key organs of sub-national authorities to play future service delivery roles.

- **Challenge 5.** The final challenge is to enhance the operational performance of all of the various organs at the sub-national level through providing them with the systems and capacities that they require.

CONSIDERATIONS FOR CHANGE

The findings of this study indicate a number of external and internal areas requiring particular attention if improved education outcomes and impact are to be realised. **Figure 1** above describes the service delivery model for General Education and **Table 6** below provides a preliminary framework for rethinking (i) basic and first generation and (ii) advanced reforms, as possible entry points.

- i. **Vision, Leadership and Policy Development:** The country's leaders' vision, political will and commitment to education sector modernization need to be focused and mobilized to achieve significant improvement in the sector's operations, through the establishment of a National Education Policy, which embodies general and higher education into a systematic approach;
- ii. **Legal and Regulatory Strengthening:** The legislative and administrative context within which the system operates, such as the relevant education sector laws, broader civil service laws and regulations, the government's financial administration and planning systems, and other related factors, need to be modernized to create an enabling context for improving the education system's operations;
- iii. **National Education Strategy Development:** The National Education Strategy (NES) must urgently focus on investing in functional system strengthening, efficiency and effectiveness, through linking new policy, planning and budgeting approaches to improve service delivery effectiveness;
- iv. **Building Change Management Capacities:** Internal factors, such as the Ministries' ability to define and improve their strategies, policies, fiscal processes, human resources and management systems, need to be strengthened to increase the system's performance;
- v. **Service Delivery Model Strengthening:** A strengthened service delivery model requires elaboration - based on the existing system - whilst addressing the challenges outlined above;
- vi. **Shaping Decentralization:** Appropriate levels of decentralization (de-concentration, delegation or devolution) of both functions and authorities need to be defined to determine the optimum degree of decentralization to sub-national levels, cognizant of the balance of power;
- vii. **Participation and Representation:** Ongoing and dynamic linkages need to be improved with the "consumers" of the education system's services – employers (especially the private sector) and civil society – to ensure the relevance of its services to the country.

ENTRY POINTS FOR REFORM AND MODERNISATION

111. **The road map to reform and modernization of the education system, from a service delivery point of view, indicates a number of strategic focal areas of intervention that would need to be mapped into national education programs (See Table 7 below).** These are not developed here in detail but are provided as overall areas of investment focus, to be discussed and detailed in due course. It is, therefore, suggested that in addition to the continued focus to strengthen the education sector strategy (the pace of which has been too slow to meet the educational challenges of the future), the GoI I-PSM program will need to focus on structural reforms to include:

| Table 7 General Reform and Modernization Areas and Objectives | |
|---|--|
| Reform-Modernization Area | Possible Actions |
| 1. Improved Sector Governance: <i>To meet national development and employment objectives.</i> | To include (i) supplementing the strategic policy framework with critical ministry policies (ii) to implement Directorate risk management in critical areas (iii) and to implement early warning system for governance, risk and compliance. |
| 2. Improved Administrative Efficiency: <i>To maximise the rates of education returns to public spending.</i> | To (i) update legal and regulatory frameworks including definition of legal structures and (ii) Improve monitoring and control system in particular for off budget expenditures. |
| 3. Sector Ministry Re-organisation: <i>To improve functional alignment to meet policy goals.</i> | To include (i) streamlining of Government Machinery (ii) rightsizing Ministry functions at national and sub-national levels with a view to making service delivery affordable and efficient (iii) and developing Ministry Organisation (Restructuring, reorganization, rationalization and realignment), |
| 4. Strengthening Organisational Management: <i>To maximise delivery of quality education.</i> | To include (i) strengthening Ministry Policy and Strategic Management Capacity (ii) strengthening capacity and approach to managing for results in the sector (ii) developing capacity for overall sectoral planning and policy formulation. |
| 5. Human Resource Management: <i>To improve quality education and terms of service.</i> | To include (i) Developing a human capacity and capability model in line with the modernization and structural alignment (ii) reviewing of Ministries staffing structure (iii) developing capacity for HR planning, utilization and information. |
| 6. Decentralized Service Delivery: <i>To broaden the base and improve accountability, transparency and ownership.</i> | Reforms linked to key aspects of the GoI decentralisation programme: (i) developing a new improved service delivery model (ii) developing an administrative and operating model for decentralisation. |
| 7. Strengthening Financial Management and Accountability: <i>To improve operational efficiencies and improve fiduciary standards.</i> | To include (i) reviewing the budget system and process with a view to a unified budget (ii) strengthening the system for expenditure adjustment and prioritization and (iii) strengthening the case for developing a sector based Medium Term Expenditure Framework, following MoF/DFID fiscal work. |
| 8. Developing Strategies on Strengthening and Improving the Education System: <i>To reinforce the focus on service delivery improvement.</i> | To include (i) Improving access to quality and equitable education (ii) Improving quality of Teachers' Education (iii) Improving school and classroom environment (iv) Increasing inclusiveness of the system. |

SUMMARY OF FINDINGS

112. This scoping report has sought to outline issues and options for the reform of the educational system as a whole, from a public sector governance point of view. The approach has been to consider policy, institutional, structural, service delivery, delivery capacity, human resource and expenditure management options for improved delivery. The report acknowledges the considerable efforts of the Ministries of Education and Higher Education and Scientific Research, UNICEF, UNESCO and the World Bank in taking the sector from the verge of collapse to the beginnings of renewal. This work had been elaborated to provide a progressive framework for reform and modernization, around a palette of options that competent authorities can consider as part of the forward process. The challenge of re-gearing the education system to meet the employment challenges of the future requires concerted and expedited measures to be adopted, a new model of academic excellence, in support of the constitutional vision for this most vital human development sector. Table 6 below outlines issues and options for consideration.

Table 8 Basic & First Generation and Advanced Education Sector Reform Options

| Function | Category | Basic and First Generation Reforms (Quick Wins) | Advanced Reforms |
|--|---|---|--|
| Education Policy: Role and Load | Legal Framework | Formulate and Pass a Modern Education Law | Prepare consolidated legislation for the education system |
| | National Education Policy Education Policy Discharge Oversight/Regulatory Framework | Establish a National Education Policy Clarify Central, Regional and Sub-national Policy Mandates Confirm oversight and regulatory functions, assess capacity gaps and institutionalize | Increase decentralized policy mandates Rationalize the deconcentration of oversight and regulatory functions to Provincial Councils |
| National Education Strategy (NES) | Sector Objectives NES Execution Mandates | Recast/agree sector objectives for 2010-2014 (5 Year Plan) Confirm and strengthen existing strategy mandates | Develop Sector Wide Approach (SWAP) Restructure, deconcentrate, decentralize strategy discharge functions to Regions and Provinces |
| | National Programs Benchmarks Costing Outcomes and Impact | Formally Establish Public Investment Programs in Education Confirm Five Year Planning Benchmark/Targets (MDGs) Cost primary, secondary and tertiary education service delivery Establish outcome and impact performance targets for 2014 | Establish functional/program expenditure framework Align sector benchmarks with Education Policy Cost within a Medium Term Budget and Expenditure Framework Establish performance based monitoring system |
| Administrative Structures | Agency Shape and Size | Conduct a full entity wide- functional review to simplify and consolidate ministry structures (I-PSM) | Progressive deconcentration of certain non-policy functions and right-sizing of administrative units (dept's, DGs etc.) |
| | Decentralisation | Centrally driven, progressive but conservative fiscal and administrative decentralisation based on clearly defined service delivery models | Formal adoption of inter-governmental transfer arrangements based on standard transfer formula, accountability and transparency rules |
| | Contracting | Limited use of works, supply and service contracts between government and some arm's length agencies | Extensive use of management contracts across the public sector |
| | Agency Targets State Owned Enterprises | Indicative targets and annual plans Steady restructuring/rationalization of Education SOEs | Specific binding targets within a medium term framework Establish Public-Private Partnership Framework |
| Public Expenditure Management | PFM/PEM | Outline PFM Action Plan Activities for the Education Sector | Implement full package of PFM reforms |
| | Recurrent Costs | Set Hard Budget Constraints to rein in recurrent spending | Block or frame budgeting |
| | Capital Investments / O&M | Increase Capital to Recurrent Spending Ratios | Link capital budget to strategic outcomes |
| | Budget Integration | Unify recurrent and capital budget management | Migrate capital planning from MOPDC to MOE/MoHESR |
| | Efficiency Improvements | Strengthen existing input-oriented, line-item budgeting with some performance information | Changing budget reporting and formats public investment programs and Sector Wide Plans |
| EMIS | Strengthen/Operationalize Existing MIS | Fully automated MIS, legacy system phased out | |
| Auditing Reforms | Strengthen traditional financial and compliance audit and undertaking some performance auditing | Institutionalize performance auditing in the supreme audit institution and in internal audit (ongoing UNDP program) | |
| Inter-governmental | Cautious increase in fiscal transfers to governorates | Formal adoption of standardized sub-national block grant for | |

| | Transfers | | education service delivery |
|---|--------------------------------|---|---|
| Public Service & Human Resource Management | Public Service Council | Establish Public Service Council at Centre, Region & Province | Establish HR Departments in MOE and MoHESR |
| | Public Service Law | Introduce new public service law | Enhance regulations, secondary legislation |
| | Right-sizing | Confirm staffing establishment within existing policy | Retrenchment, redeployment and retraining. |
| | Openness | Encouraging career development within existing closed system | Moves toward position-based systems, with encouragement of lateral entry |
| | Career Management | Enhance job security and career development | Decreasing tenure, establish Senior Executive Service (SES) and succession planning for key functions, pensions |
| | Unity of the Public Service | Revise civil service legal framework and review terms and conditions including pay and grading structures | Fragment and diversify pay arrangements |
| | Individual Incentives | Application of standard promotion and reward rules | Annual performance targets based on performance appraisal |
| | Senior Executive Service (SES) | Introduce SES in selected Directorates | SES fully operational across both Ministries |
| Service Delivery Model | Service Delivery Model | Review existing model (Figure 1 above) for major structural and efficiency weaknesses | Develop new costed service delivery model informed by new policy framework and measures |
| | Public and Private Sectors | Strengthen existing contracting-out protocol | Adopt firm policy of public-private partnerships and strengthen contracting and procurement arrangements |
| | State Owned Enterprises | Review and strengthen existing SOEs | Restructure and rationalize within new delivery model |
| | Geographical Equity | Establish criteria for equitable service delivery | Set provincial budget ceilings based on access and quality |
| | Service Rationalization | Minor reductions in service provision | Major shedding of previously accepted government tasks |
| | Contracting Out | Contracting out physical infrastructure development | Contract out operational tasks, such as payroll management |

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