

East Asia Department Urban and Social Sectors Division

EDUCATION SECTOR

1. Objective and Priorities
 - Education in PRC and MON
2. Future Opportunities

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Support for Education in the PRC

Objective

- Promote inclusive growth and sustainable development

Priority areas

- Development of technical and vocational education and training (TVET)



Support for Education in Mongolia

Objective

- Providing good quality and improving access to education to enhance the quality of the skilled labor force

Priority Areas

- Strengthen the sector governance through improving sector planning, & management through capacity building, and donor coordination
- Increase equity in access to and improve quality of basic and secondary education
- Rationalize the higher education & TVET systems for quality improvement



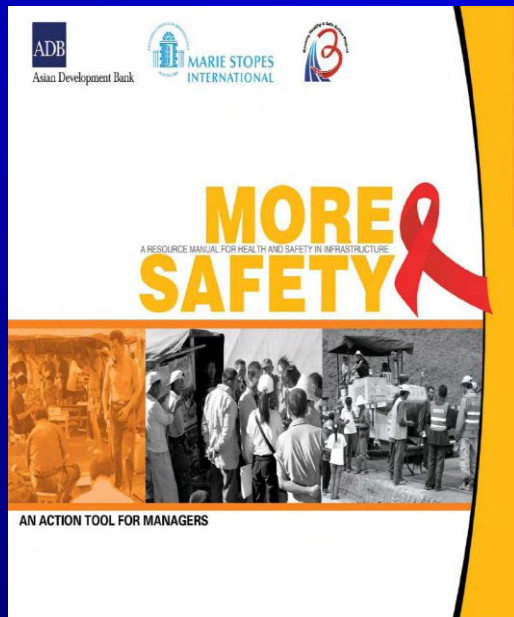
Future Opportunities

- Technical assistance and lending program
- First lending in education sector in the PRC (pipeline in 2013 and 2014)

Ongoing and Planned operations

- MON
 - Higher Education Sector Reform Project (loan, approved in 2011)
 - Education Sector Development Project (loan, 2013)
- PRC
 - Vocational Education Demonstration Project 1 (loan, 2013)
 - Vocational Education Demonstration Project 2 (loan, 2014)

Knowledge Sharing in Education and Health Sectors produced by EASS



Investing for the Future Education for All in the People's Republic of China

Asian Development Bank provided technical assistance to the Ministry of Education in the People's Republic of China to conduct the Support for Reform in Compulsory Education financing study. The study will propose effective financing policies to promote 9 years of compulsory education across country. While there has been significant progress, there are still challenges to ensuring full access to, and completion of, high-quality compulsory education. One key issue is lack of funding for education and the equitable distribution of funds.



Study makes the following recommendations to improve current Fund Guarantee Mechanism for compulsory education, established by the national government:

Set poor, rural boarding students. "Two Exemption One Subsidy" is a national policy that grants poor students exemption from textbook and miscellaneous fees, and provides subsidies for living expenses. Current subsidies are 22 per day for primary school students and 200 per day for secondary school students, which are much lower than actual expenses. These low subsidies pose a potential barrier to poor students completing 9 years of compulsory education, and must be doubled as soon as possible.

Minimize disparities in financing of schools. Since 2000, central government has increased its financial assistance to education in the disadvantaged rural areas of the western and central regions. Despite this, financial disparities between schools widened. Strong regional disparities, urban-rural disparities, interurban and/or intraurban disparities between schools exist. Disparities must be eliminated to strengthen and decentralize Fund Guarantee Mechanism. It must have sufficient resources to ensure delegation of fiscal authority for each government level, thereby ensuring.

Reduce nonpersonal expenditure. The quality of education largely depends on the physical learning environment—schools and classrooms. Current nonpersonal expenditures, including school housing costs and equipment costs, does not reflect market prices and the actual needs of schools. As a result, schools operate

ineffectively and provide insufficient learning resources. There is an urgent need to increase nonpersonal expenditures.

Standardize the calculation of nonpersonal expenditure. Various methods are used to calculate nonpersonal expenditures. This makes it difficult to have an accurate countrywide profile of nonpersonal expenditures, and to effectively allocate funds. The calculation method must be standardized, and must consider the link between financial input and educational output such as the learning achievement of students.

Establish a monitoring and evaluation system. Regular monitoring is vital to assessing progress toward financing plan targets, and improving the Fund Guarantee Mechanism. It is equally important that evaluation outcomes guide policy development. Monitoring and evaluation need to be conducted at each government level, and monitoring and evaluation of budgeting and actual budget implementation in schools are imperative.

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Ministry of
Education
People's Republic of China



Financing Technical and Vocational Education and Training in the People's Republic of China

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School-Enterprise Cooperation Technical and Vocational Education and Training

Shanxi Province in the People's Republic of China

Asian Development Bank

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