



Contextual Analysis of Decision-Making Processes in the Primary Education Sector in Lao PDR

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Table of Contents

ຂໍ້ຄວາມສໍາຄັນ	1
Key Messages	4
1.Introduction	6
1.1 Purpose	6
1.2 Scope of study	6
1.3 Audience and use	6
1.4 Data collection	6
1.5 This report	7
2.Decisions on Primary Education Finance	8
2.1 Scope	8
2.2 Stakeholders and responsibilities	8
2.3 Budget proposal and approval	12
2.4 Budget allocation	12
2.5 Budget disbursement and expenditure	14
2.6 Lessons learned	18
3.Decisions on Primary Education Human Resource	21
3.1 Scope	21
3.2 Stakeholders and responsibilities	21
3.3 Allocation, recruitment and deployment of teachers and administrators	24
3.4 Management of teachers and education administrators	27
3.5 Lessons learned	27
4.Decisions on Primary Education Policy	31
4.1 Stakeholders and responsibilities	31
4.2 Lessons learned	31
5.Implications for DFAT Support to Primary Education in Lao PDR	34
Annexes	36
Acknowledgement	51

Acronyms

BEQUAL	Basic Education Quality Access in Lao PDR
DA	District Administration
DCSM	Department of Civil Service Management
DESB	District Education and Sports Bureau
DFAT	Department of Foreign Affairs and Trade (Australia)
DFO	District Finance Office
DoB	Department of Budget
DoF	Department of Finance
DoHA	District Office of Home Affairs
DOP	Department of Organisation and Personnel
GoL	Government of Lao PDR
MoES	Ministry of Education and Sports
MoF	Ministry of Finance
MoHA	Ministry of Home Affairs
NA	National Assembly
PA	Provincial Administration
PPA	Provincial People's Assembly
PESS	Provincial Education and Sports Service
PDoF	Provincial Department of Finance
PDoHA	Provincial Department of Home Affairs
PPWT	Provincial Public Works and Transport

List of Figures

Figure 1 - Institutions and functions in primary education finance (current status).....	11
Figure 2 - Allocation of education sector expenditure in Laos (2013-14)	14
Figure 3 - Education budget processes: formulation, allocation and disbursement.....	16
Figure 4 - Institutions and functions in primary education HR decisions (current status)	23
Figure 5 - Education HR processes: allocation, recruitment and deployment	26

ຂໍ້ຄວາມສໍາຄັນ

ຜົນການວິເຄາະຕົ້ນຕໍ ມີດັ່ງນີ້:

1. ພັກປະຊາຊົນປະຕິວັດລາວ ເປັນຜູ້ກໍານົດທິດທາງຂອງການພັດທະນາເສດຖະກິດ-ສັງຄົມຂອງປະເທດ. ລະບົບການເມືອງແບບລວມສູນນີ້ ມີສ່ວນຮັບປະກັນໃຫ້ພັກ ແລະ ບັນດາເຈົ້າແຂວງ ແລະ ເຈົ້າເມືອງ ມີອິດທິພົນຕໍ່ກັບ ຝ່າຍວິຊາການ ແລະ ຝ່າຍບໍລິຫານ ທີ່ໃຫ້ການບໍລິການດ້ານການສຶກສາຂັ້ນປະຖົມ. ບັນດາກະຊວງ ເຊັ່ນ: ກະຊວງການເງິນ ແລະ ກະຊວງພາຍໃນ ມີບົດບາດກໍານົດຊັບພະຍາກອນທາງດ້ານການເງິນ ແລະ ຊັບພະຍາກອນມະນຸດໃຫ້ແກ່ແຕ່ລະຂະແໜງການລັດ. ກະຊວງສຶກສາທິການ ແລະ ກິລາ ເປັນຜູ້ວາງນະໂຍບາຍຕ່າງໆ ທີ່ກ່ຽວຂ້ອງກັບດ້ານວິຊາການ ແລະ ດ້ານການບໍລິຫານ ເພື່ອເປັນທິດຊີ້ນຳໃຫ້ແກ່ການບໍລິການດ້ານການສຶກສາ. ພະແນກສຶກສາທິການ ແລະ ກິລາ ແຂວງ ແລະ ຫ້ອງການສຶກສາທິການ ແລະ ກິລາເມືອງ ມີໜ້າທີ່ຮັບຜິດຊອບ ດ້ານການໃຫ້ບໍລິການ ແລະ ການບໍລິຫານໃນລະດັບທ້ອງຖິ່ນຂອງຕົນ ພາຍໃຕ້ງົບປະມານທີ່ທາງແຂວງ (ຫ້ອງການປົກຄອງແຂວງ, ພະແນກການເງິນແຂວງ, ພະແນກພາຍໃນແຂວງ) ແລະ ເມືອງ (ຫ້ອງການປົກຄອງເມືອງ, ຫ້ອງການ ການເງິນເມືອງ, ຫ້ອງການພານໃນເມືອງ) ໄດ້ຈັດສັນໃຫ້ ແລະ ປະຕິບັດຕາມນະໂຍບາຍ ຫຼື ທິດຊີ້ນຳ ຈາກບັນດາ ກະຊວງ ຫຼື ອຳນາດການປົກຄອງຂັ້ນແຂວງ.
2. ຄວາມພະຍາຍາມໃນການກະຈາຍອຳນາດບໍລິຫານລັດ ໄດ້ເພີ່ມພາລະບົດບາດ ໃຫ້ແກ່ຫ້ອງການສຶກສາ ແລະ ກິລາ ຂັ້ນເມືອງ ໃນການຄຸ້ມຄອງການໃຫ້ບໍລິການດ້ານການສຶກສາຂັ້ນປະຖົມ ແລະ ການຕັດສິນໃຈໃນການຈັດສັນດ້ານຊັບພະຍາກອນ. ເຖິງຢ່າງໃດກໍຕາມ, ການຈັດສັນຊັບພະຍາກອນທາງດ້ານການເງິນ ແລະ ຊັບພະຍາກອນມະນຸດ ໃນພາກປະຕິບັດ ຍັງບໍ່ໄດ້ມີການຫັນປ່ຽນໄປຕາມພາລະບົດບາດໃໝ່ເທື່ອ. ຂໍ້ຈຳກັດດັ່ງກ່າວນີ້ ໄດ້ກະທົບໃສ່ລະບົບການບໍລິການດ້ານການສຶກສາຂັ້ນປະຖົມໃນພາກປະຕິບັດລະດັບໂຮງຮຽນ ແລະ ລະດັບເມືອງ ເຊິ່ງຕິດພັນກັບ ນັກຮຽນ ແລະ ຄອບຄົວຂອງເຂົາເຈົ້າ. ບັນດາການຈັດຕັ້ງຂັ້ນແຂວງ ແລະ ເມືອງ ແກ້ໄຂຂໍ້ຈຳກັດດັ່ງກ່າວນີ້ ດ້ວຍການດັດປັບນະໂຍບາຍຕ່າງໆ ໃຫ້ສອດຄ່ອງກັບເງື່ອນໄຂຂອງທ້ອງຖິ່ນ, ຊັບພະຍາກອນທີ່ມີ ແລະ ຄວາມຕ້ອງການຕົວຈິງ. ສະພາບຕົວຈິງດັ່ງກ່າວນີ້ ເຮັດໃຫ້ການຈັດຕັ້ງປະຕິບັດ ບໍ່ສອດຄ່ອງ ແລະ ບໍ່ເຂັ້ມງວດ ຕໍ່ກັບຈຸດປະສົງຂອງນະໂຍບາຍທີ່ຕັ້ງໄວ້ ພາໃຫ້ມີຄວາມແຕກໂຕນໃນດ້ານຄຸນນະພາບ ແລະ ການເຂົ້າເຖິງການບໍລິການການສຶກສາຂັ້ນປະຖົມທົ່ວ ສປປລາວ.

3. ການປະສານງານທາງສາຍຕັ້ງ ລະຫວ່າງ ລະດັບການປົກຄອງຂັ້ນຕ່າງໆ (ສູນກາງ, ແຂວງ, ເມືອງ ແລະ ບັນດາໂຮງຮຽນ) ຍັງ ບໍ່ເຂັ້ມແຂງ. ສະພາບດັ່ງກ່າວນີ້ ເຮັດໃຫ້ແຮງຈູງໃຈ ໃນການປະຕິບັດງານ ລະດັບທ້ອງຖິ່ນຍັງບໍ່ຫຼາຍ ແລະ ຄວາມຮັບຜິດຊອບ ໃນການນຳໃຊ້ຊັບພະຍາກອນທາງດ້ານການ ເງິນ ແລະ ຊັບພະຍາກອນມະນຸດ ເພື່ອການບໍລິການຍັງບໍ່ສູງ. ລັກສະນະການພົວພັນສາຍຕັ້ງ ແລະ ສາຍຂວາງ ແມ່ນນອນໃນຮູບແບບທຸລະກຳ ເຊັ່ນ: ອົງການຈັດຕັ້ງຂັ້ນສູງ ມີໜ້າທີ່ເບີກຈ່າຍ ແລະ ຈັດ ສັນຊັບພະຍາກອນ ແລະ ບັນດາອົງການທີ່ຈັດຕັ້ງ ປະຕິບັດວຽກງານ ບໍ່ໄດ້ຖືກຮຽກຮ້ອງໃຫ້ລາຍງານ ຜົນເທົ່າທີ່ຄວນ.
4. ການຈັດສັນຊັບພະຍາກອນໃນສະພາບທີ່ລາຍຮັບຂອງລັດຖິດຖອຍ ແລະ ງົບປະມານສຳລັບການດຳ ເນີນງານຈຳກັດ ເປັນທັງການສ້າງການແຂ່ງຂັນ ແລະ ທັງເປັນສິ່ງທີ່ທ້າທາຍ. ທ່າວ່າງທີ່ພາໃຫ້ເກີດ ຄວາມກົດດັນແມ່ນມີສູງຫຼາຍ. ງົບປະມານທີ່ໃຊ້ໃນກະຊວງສຶກສາກວມເອົາ ປະມານຫນຶ່ງສ່ວນສາມ ຂອງລາຍຈ່າຍທັງໝົດ ໃນຂະແໜງການສຶກສາ. 93% ຂອງງົບເງິນເດືອນ ແລະ ເງິນອຸດໜູນທັງ ຫມົດ (ສາລະບານງົບປະມານບົດທີ 60-62) ໃນຂະແໜງການສຶກສາ, ແມ່ນຖືກຄຸ້ມຄອງບໍລິຫານ ໂດຍ ພະແນກສຶກສາທິການ ແລະ ກິລາ ແຂວງ ແລະ ຫ້ອງການສຶກສາທິການ ແລະ ກິລາ ເມືອງ. ໃນງົບປະມານການລົງທຶນຂອງລັດ (ສາລະບານງົບປະມານ ບົດທີ 67), 82% ຂອງລາຍຈ່າຍການ ລົງທຶນຂອງລັດ ແມ່ນຖືກຄຸ້ມຄອງບໍລິຫານໂດຍກະຊວງສຶກສາທິການ ແລະ ກິລາ. ເງິນເດືອນກວມ ເອົາ 65% ຂອງງົບປະມານທັງໝົດຂອງຂະແໜງການສຶກສາ ແລະ ກວມເອົາ ປະມານ 90% ຂອງ ງົບປະມານຂອງຂະແໜງສຶກສາ ໃນທ້ອງຖິ່ນ (ພະແນກສຶກສາທິການ ແລະ ກິລາແຂວງ ແລະ ຫ້ອງການສຶກສາທິການ ແລະ ກິລາເມືອງ).

ຜົນກະທົບຕົ້ນຕໍຕໍ່ກັບການສະໜັບສະໜູນຂອງ DFAT ໃນການສຶກສາຂັ້ນປະຖົມໃນລາວ ມີດັ່ງນີ້:

- ໃນສະພາບ ການເງິນ ແລະ ຊັບພະຍາກອນມະນຸດ ໃນປະຈຸບັນ ນັ້ນໝາຍຄວາມວ່າ ກະຊວງສຶກ ສາທິການ ແລະ ກິລາ ຕ້ອງຊອກຫາຄວາມສົມດຸນລະຫວ່າງຈຸດປະສົງຂອງນະໂຍບາຍ ເຊິ່ງບາງຄັ້ງມີ ຄວາມແຕກຕ່າງກັນ. ໃນສະພາບການດັ່ງກ່າວນີ້, ການດຶງເອົາອົງການຈັດຕັ້ງທີ່ກ່ຽວຂ້ອງເຂົ້າມາມີສ່ວນ ຮ່ວມໃນການຂະຫຍາຍກິດຈະກຳຫຼັກ ຢ່າງເປັນລະບົບ (ເຊັ່ນ: ກະຊວງສຶກສາທິການ ແລະ ກິລາ/ ກົມ ສ້າງ ຄູໃນການຈັດຕັ້ງປະຕິບັດ ການຝຶກອົບຮົມຫຼັກສູດໃຫ້ແກ່ ວິທະຍາໄລຄູ, ຜູ້ບໍລິຫານໃນພະແນກ ສຶກສາທິການ ແລະ ກິລາແຂວງ, ຫ້ອງການສຶກສາທິການ ແລະ ກິລາເມືອງ, ແລະ ບັນດາຄູອາຈານ ປະຈຳການ) ໂດຍຜ່ານໜ່ວຍງານຕ່າງໆໃນຂັ້ນແຂວງ ແລະ ຂັ້ນເມືອງ ຈະຊ່ວຍເຮັດໃຫ້ແຜນງານມີ ປະສິດທິພາບເພີ່ມຂຶ້ນ. ຊັບພະຍາກອນຂອງແຜນງານຈຳເປັນຕ້ອງໄດ້ຮັບການຈັດສັນຄືນໃໝ່ ເພື່ອ

ສະໜັບສະໜູນການເຂົ້າຮ່ວມ, ກິດຈະກຳ ແລະ ການເບີກຈ່າຍ ທີ່ເພີ່ມຂຶ້ນ ໃນຂັ້ນແຂວງ, ຂັ້ນ ເມືອງ ແລະ ໂຮງຮຽນ.

- ນະໂຍບາຍ ຖືກຈັດຕັ້ງປະຕິບັດ ໂດຍພະແນກສຶກສາທິການ ແລະ ກິລາແຂວງ ແລະ ຫ້ອງການສຶກສາທິການ ແລະ ກິລາເມືອງ ເຊິ່ງເງື່ອນໄຂ ແລະ ສະພາບໃນທ້ອງຖິ່ນ ມີອິດທິພົນຕໍ່ກັບການຕັດສິນໃຈ. ໜ່ວຍງານເຫຼົ່ານີ້ ສົມດູນຄວາມຕຶງຄຽດ ລະຫວ່າງ ຄວາມຮັບຜິດຊອບດ້ານວິຊາການ, ຂໍ້ຈຳກັດດ້ານຊັບພະຍາກອນ ແລະ ສາຍພົວພັນພາຍໃນທ້ອງຖິ່ນ. ໃນການຈັດຕັ້ງປະຕິບັດກິດຈະກຳໃນສະພາບ ທີ່ ມີຄວາມສັບຊ້ອນ ແລະ ມີການແບ່ງຂັ້ນຄຸ້ມຄອງ, , ແຜນງານຊ່ວຍເຫຼືອ ຈຳຕ້ອງໄດ້ປັບໂຄງສ້າງ ແລະ ຈັດສັນ ແລະ ຊັບຊ້ອນຊັບພະຍາກອນໃຫ້ແທດເໝາະກັບລະດັບແຂວງ ແລະ ເມືອງ ເພື່ອໃຫ້ໄດ້ປະສິດທິຜົນສູງສຸດ ເພື່ອບັນລຸຈຸດປະສົງຂອງການຊ່ວຍເຫຼືອທີ່ເນັ້ນໃສ່ການປັບປຸງຄຸນນະພາບ ແລະ ການເຂົ້າເຖິງການສຶກສາຂັ້ນປະຖົມສຳລັບເດັກນ້ອຍໃນເຂດຫ່າງໄກສອກຫຼີກ.
- ການປະສານງານ ລະຫວ່າງສະຖາບັນທີ່ຍັງບໍ່ເຂັ້ມແຂງ ແລະ ແຮງຈູງໃຈໃນການປະຕິບັດວຽກງານໃນລະດັບທ້ອງຖິ່ນທີ່ຍັງບໍ່ຫລາຍ ໄດ້ມີສ່ວນເຮັດໃຫ້ການປະຕິບັດນະໂຍບາຍຍັງບໍ່ເປັນເອກະພາບ ແລະ ບໍ່ສອດຄ່ອງ - ໂດຍສະເພາະໃນຂົງເຂດວຽກງານທີ່ກ່ຽວພັນກັບຄຸນນະພາບຂອງການບໍລິການດ້ານການສຶກສາ ແລະ ການປັບປຸງການເຂົ້າເຖິງການສຶກສາໃນເຂດຫ່າງໄກສອກຫຼີກ ຊຶ່ງຢູ່ພາຍໃຕ້ຄວາມຮັບຜິດຊອບຂອງຫ້ອງ ການສຶກສາທິການ ແລະ ກິລາເມືອງ. ປັບປຸງການມີສ່ວນຮ່ວມ ໃນລະດັບແຂວງ ແລະ ລະດັບເມືອງ ສົມທົບກັບການປະສານງານ ລະຫວ່າງໜ່ວຍງານໃນສາຍຕັ້ງຢ່າງແທດເໝາະ ສາມາດອຳນວຍຄວາມສະດວກແກ່ການປະຕິບັດນະໂຍບາຍການປະຕິຮູບທີ່ສຳຄັນ ທີ່ອົດສະຕາລີໃຫ້ການສະໜັບສະໜູນ (ເຊັ່ນ: ການປະຕິຮູບຫຼັກສູດ ແລະ ການປັບປຸງການສອນ) ແລະ ເພີ່ມທະ ວິໂອກາດໃຫ້ແກ່ນັກຮຽນທີ່ອາໄສຢູ່ໃນເຂດຫ່າງໄກສອກຫຼີກ.

Key Messages

Salient points from the analysis are:

1. The Lao People's Revolutionary Party (LPRP or Party) sets the direction of the socio-economic development of the country. This centralised political system ensures discretionary influence of the Party, Provincial Governors and District Governors over the technical and administrative delivery of primary education services. Central ministries such as Ministry of Finance (MoF) and Ministry of Home Affairs (MoHA) set the financial and human resources envelopes available for each sector of the public service. Line ministries such as the Ministry of Education and Sports (MoES) set technical and administrative policies intended to direct or guide delivery of sectoral services. Line agencies such as the Provincial Education and Sports Service (PESS) and District Education and Sports Bureau (DESB) are responsible for service delivery and local administration within the limits set by resources allocated by provincial (Provincial Governor's Office, Department of Finance, Department of Home Affairs) and district (District Governor's Office, District Finance Office, Home Affairs) agencies and the policies or guidance from line ministries or provincial authorities.
2. Efforts to deconcentrate public administration have shifted management responsibility for primary education service delivery and resource-allocation decisions to DESB. However, the flow of financial and human resources have not changed to reflect these shifted responsibilities. This constrains functional delivery of primary education services in practice at school and district levels – where the system engages pupils and their families. Provincial and district agencies respond to this gap by adapting policies to the local context, resource availability and needs. This reality creates implementation inconsistencies and dilution of policy intent that results in considerable variation in the quality and accessibility of primary education services across Lao PDR.
3. Vertical institutional integration is weak between the different levels of governance (central, provincial, district and school facilities). There are limited incentives to perform at a local level and low accountability for use of financial and human resources in service delivery. Vertical and horizontal institutional relationships can be characterised as transactional, i.e. higher-level agencies disburse and allocate resources and implementing agencies have low requirements for reporting results.
4. Resource allocation in a context of contracting public revenue and very limited recurrent budget is contestable and contested. The potential for tension is high. The MoES share of the budget is about one third of total education sector spend.¹ Of the total salary and allowance (Chapters 60-62) budget in the education sector, 93% is accounted for by salary and allowance that is managed at the province (PESS) and district (DESB) levels. Of the capital (Chapter 67) budget, 82% of capital

¹ LADLF, 2016, *Education sector expenditure-actual, presentation*. Laos Australian Development Learning Facility, Vientiane, Lao PDR. This includes the School Block Grants which is disbursed to subnational agencies.

expenditure is managed by MoES. Salaries make up 65% of total education sector budget and about 90% of local (PESS and DESB) budget for education.

The main implications for DFAT support to primary education in Laos are:

- The current finance and human resource context means MoES must find a balance between policy objectives that are sometimes divergent. In this context, engaging line agencies to systematically roll-out key supported initiatives (e.g. MoES/ Department Teacher Training to implement curriculum training to TTCs, administrators in PESS, DESB and in-service teachers) through provincial and district agencies would enhance program effectiveness. Program resources would need to be re-allocated to support increased engagement, activities and disbursement at provincial, district and school levels.
- Policy implementation is driven sub-nationally by PESS and DESB where local contexts influence decisions. These agencies balance tensions between technical responsibility, resource limitations and local relationships. In this complex and decentralised context, aid programs need to be structured and resourced appropriately at provincial and district levels to maximise effectiveness, if their purpose is enhanced quality of, and access to, primary education for children in remote areas.
- Weak institutional links and limited incentives of performance at subnational levels have contributed to discretionary and inconsistent policy implementation – especially in areas relating to quality of delivery or improved access to education in remote areas under DESB responsibility. Enhanced engagement at provincial and district levels, with appropriate institutional vertical integration, could facilitate coherent implementation of key policy reforms supported by Australia (e.g. curriculum reform and teaching improvement) and enhance the prospect of results for students in remote areas.

1. Introduction

1.1 Purpose

The effective delivery of Australian aid in the Laos primary education sector requires an up-to-date understanding of how the Government of Laos makes financial, policy, and human resource management decisions relating to education service delivery and administration. Recent contextual changes such as the reduced fiscal space, revisions of the *Law on Local Administration* (2015), *Law on Civil Service* (2016), and deconcentration of some administrative functions to province and district levels, result in changed practices that should be fully understood and integrated in programmatic decisions.

This study is an attempt to answer the following key question:

“What is the decision-making ecosystem of the primary education sector in target provinces?”

In answering this question, the study aims to describe how decisions related to finance, human resource and policy flow between central ministries (e.g. MoF and MoHA), line ministries (e.g. MoES) and other line agencies (e.g. PESS and DESB) as well as local administrations (e.g. PA and DA) within selected BEQUAL target provinces, to enable delivery of better quality primary education services at school-level.

1.2 Scope of study

The study focuses on the intra- and inter-institutional processes and dynamics underpinning decisions about education finance, human resource allocation and policy in selected provinces. The study also examines the relationships and dynamics between district level entities as implementation units and provincial level entities as strategic units. Decision-making processes in this study are related to primary education recurrent budget, human resource allocation to education line agencies and primary school teaching staff.

Decision processes relating to secondary or tertiary education and the private education sector are not the focus of this study. Education financing (revenue and debt management), development budget and education infrastructure budget are also outside the study scope.

1.3 Audience and use

This report is intended for internal use by DFAT and the BEQUAL team. It is not intended for wider circulation. The overall purpose of the study is to provide information to support strategic and management decisions around DFAT current and future investment in the Laos primary education sector. The results of the study will also contribute to the mid-term review of the BEQUAL program, scheduled for August – September 2017.

1.4 Data collection

During April and May 2017 interviews were completed in six districts (Viengphoukha, Sing, Outhoumphone, Atsaphone, Nakai and Xebangfai) of three provinces (Luang Namtha, Khammouane and Savannakhet). Interviewees also included representatives from MoF, MoHA and MoES in Vientiane Capital. A total of 60 government officials were interviewed, 15 of which (20%) were women. The list of participants interviewed is provided in Annex 10.

In addition to interviews, selected documents related to education policies, finance and human resource were reviewed is presented in Annex 3. As a background to this study, an overview of the hierarchy of legislation in Lao PDR is presented in Annex 2.

1.5 This report

This report is purposefully concise. It contains the following sections:

- Section 2 outlines the education recurrent budget flows. Findings about the decision-making practices are discussed.
- Section 3 describes and discusses decisions related to education human resource and their flows from the central Ministry of Home Affairs through to local district administrations.
- Section 4 discusses decision-making in education policy implementation.
- Section 5 draws out strategic implications from the analysis for DFAT support in the Laos primary education sector.
- Additional background information is provided in the Annexes, including a brief overview of the governance context affecting decision-making in government institutions (see Annex 1).

2. Decisions on Primary Education Finance

2.1 Scope

Decisions on education finance flows explored for this study focus on the recurrent budget – for both salaries and operational expenses. This includes the following budgetary lines:

- budget and expenditures for civil service payroll (Chapter 60 salary and employee allowances);
- non-payroll (Chapter 61 compensation and allowances);
- operation and maintenance (Chapter 62 expenditure on administration);
- miscellaneous and contingencies (Chapter 63);
- debt service (Chapter 64 financial expenditure);
- other expenditures (Chapter 65); and
- fixed assets for administration (Chapter 66).

The findings in this section do not focus on other areas of education finances such as government revenue collection; development (capital) budget; education asset budget and public sector debt management.

Key terms:

Annual budget is approved at the central level by the NA and GoL (included Politburo and a Cabinet Committee made up of Executive members, ministers and provincial governors). The approved annual budget can only be amended at the central level by the NA and GoL.

Budget allocation of the approved annual budget is the assignment of budget figures by chapters and by entity (e.g. province, district and sectors).

Budget disbursement of the approved annual budget is regulated by Decree where disbursement for recurrent budget by MoF to line ministries and provinces occurs quarterly. MoES and provinces are responsible for managing the disbursement of recurrent funds.

Budget management by line agencies are guided by MoF regulation and procedures, however governance, enforcement and oversight of budget expenditures are limited. Inefficient budget management has resulted in delays for salaries and operational activities.

Budget proposals are a bottom-up process beginning at the district level. Education sector budget proposal is managed by MoES. Proposals from line agencies and provinces are consolidated into a single State Budget by MoF and are reviewed by the NA and GoL. The proposed budget functions as a request for funds, the approved annual budget rarely matches the proposal.

2.2 Stakeholders and responsibilities

Institutions involved in financial decisions and their respective responsibilities are (Figure 1):

- The **National Assembly (NA)** reviews, refines if needed and then approves budget submissions and the sector allocation proposed by the Government of Lao PDR. The **Government of Lao PDR (GoL)** (includes the Politburo and the Executive branch represented by a cabinet committee) reviews and approves the State Budget proposed by MoF before submitting to NA.
- **Ministry of Finance (MoF)** determines the budget formulation based on information received from: 1) line ministries, 2) provincial governments and 3) the National Treasury. At the Ministry of Finance, the Department of Budget determines the proportion of funding for each province, the resources available for public servants (thus setting the MoHA quota), and the allocation of recurrent expenditure to each sector (e.g. education, health, transport and public works). MoF is responsible for disbursing the recurrent budget to line ministries for their expenditure (about 30% of the education spend goes to MoES) and line agencies in the province (about 70% of the education spend).
- **Ministry of Education and Sports (MoES)** formulates the education budget for submission to MoF, allocates the approved budget (for salaries, administration and operations) within MoES and informs Provincial Education and Sports Services (PESS) of the budget allocated to them for education by MoF. MoES manages the budget for central level functions and consolidates reports from provinces. MoES departments advise MoF on the recurrent budget expenditure at both central and provincial levels. **MoES Department of Finance (DoF)** facilitates budget monitoring and reporting to MoF for central and subnational expenditures.
- The **Provincial Administration (PA)** has an important role in primary education budget management. Provincial governments contribute local revenue to the central revenue.² They also receive sector funding through budget allocation from national revenue by MoF.³ The **Provincial People's Assembly (PPA)** is established in the Constitution (2015) and its formal functions at the local level mirror that of the NA. For semi-autonomous (sometimes called “self-financing”) provinces, such as Savannakhet, the education budget is co-funded by the province and central government **Province Department of Finance (PDoF)** facilitates budget disbursements to PESS – from both local and national revenue sources.⁴ The main function of the **Provincial Education and Sports Services**

² Reporting of local revenue collected by provinces is not as transparent as the central government would like. Informants in this study acknowledged that provincial governments retain a proportion of their local revenue and that decision-making around local revenue reporting is discretionary.

³ The budget allocation decision is determined at the central level with MoF facilitating the budget process and approved by the NA and GoL. The Provincial Department of Finance (PDoF) manages the central funding and the Provincial Treasury. A single pool of government funding for the recurrent budget is managed by PDoF.

⁴ Calculation of the budget contribution from provincial government takes into account the amount of revenue collected from the province in the previous year. Informants from Savannakhet province reported that the local revenue collection is below what is required to support its education services. Informants reported that the province is considering a proposal to MoF to transfer responsibility for education budget to the central government. For this to happen, the province would have to demonstrate to MoF that local revenue sources have reduced to the point that it is no longer adequate to cover education services to national quality standards in Savannakhet province. Generally, the size of the local revenue base determines the provincial co-contribution to sector budgets. In this study we found that Savannakhet province contributes a higher share of education spending than Khammouane and

(PESS) is to deliver education services in practice consistent with MoES guidance and policies. The PESS develops an annual budget proposal for local education. Once the budget allocation has been approved centrally, PESS allocates the approved annual budget by district and chapters.

- The **District government authorities** manage and deliver primary education through the **District Education and Sports Bureau (DESB)**.⁵ District government authorities rely on central and provincial governments, development cooperation programs and the private sector to fund the recurrent and capital costs of primary education service delivery. District government authorities are not required by legislation to contribute to the education budget from their very limited local revenues.⁶ District Governors have a discretionary fund that is used at the Governor's discretion. The **District Finance Office (DFO)** manages the approved recurrent budget disbursed by the PDoF to the DESB.⁷ The budget for capital infrastructure is managed through the District Planning and Investment office.

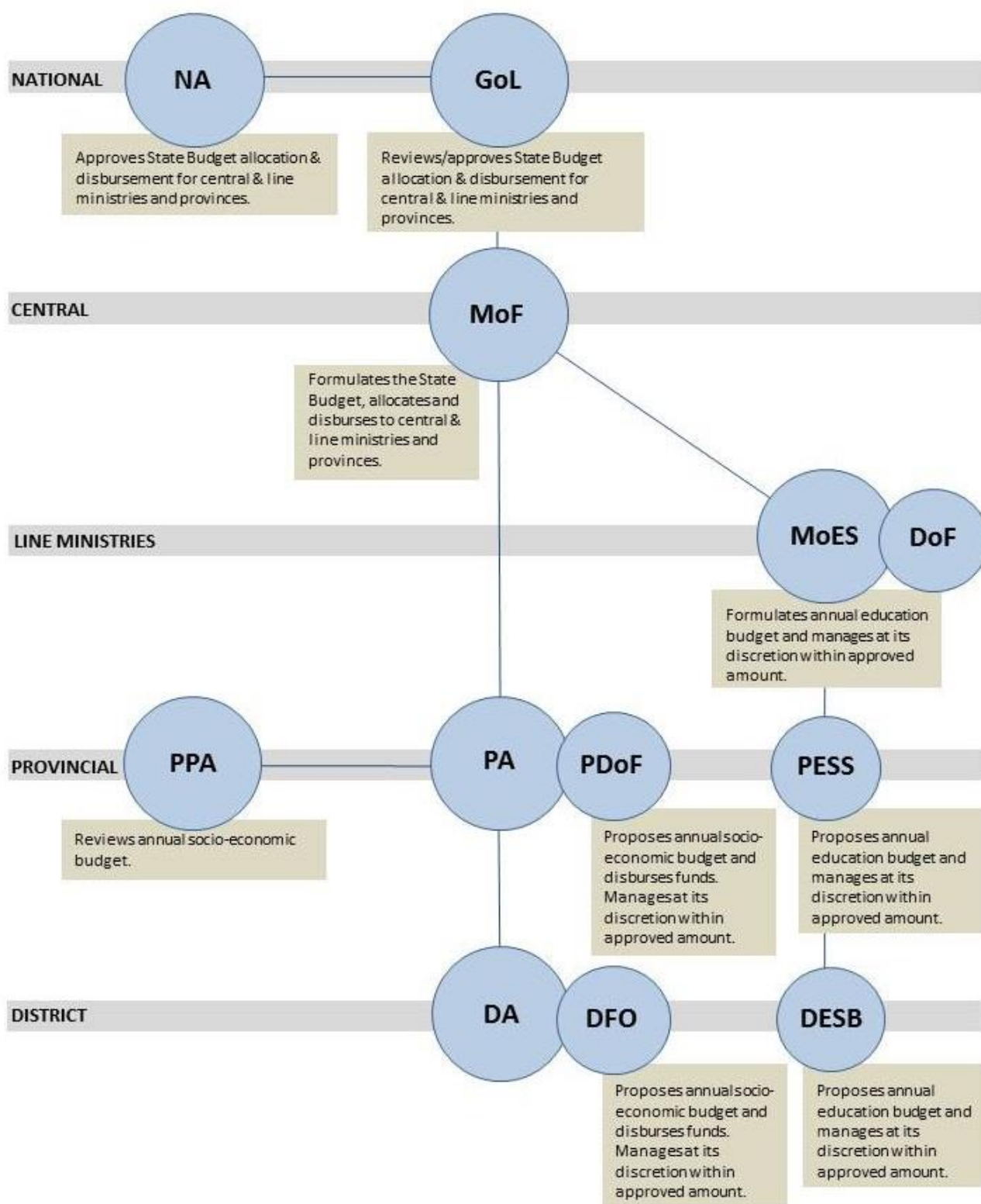
Luang Namtha provinces. Informants in Luang Namtha reported that its local revenue is limited and relies on the central government for its entire education budget.

⁵ According to the *Law on State Budget* (2016), District Administration authorities are not responsible for education financing.

⁶ District authorities can fund raise for education expenditure, for example Viengphoukha DESB requested the support of the District Administration office to carry out funding raising for local sports activities.

⁷ Administration fees collected from students and parents are sometimes managed by DFO, however in Atsaphone district (Savannakhet province), the DESB and the District Administration Office collect and report these fees rather than DFO.

Figure 1 - Institutions and functions in primary education finance (current status)



2.3 Budget proposal and approval

Budget planning and proposal in Lao PDR is a bottom up process beginning with proposals at the district level. The DESB submits the local budget proposal to PESS and some DESBs will submit the education budget proposal to the District Administration (DA) or District Finance Office (DFO).⁸ PESS consolidates all DESB budget proposals into a single provincial sector budget proposal to submit to MoES, Department of Finance (DoF). DoF formulates a single education budget proposal for MoES to submit to MoF. MoF consolidates sector budget proposals into a State Budget which is submitted for review by the GoL and NA. MoF is the key central institution supporting the review process which involves negotiations between executive members, ministers, provincial governors and Politburo members.⁹ During the approval process negotiations budget proposals are adjusted according to available revenue.¹⁰ Approval of actual budgets – total expenditure, allocation between sectors and provinces - rests with the NA and GoL.

Annex 4 describes the institutions involved in the budget process, while Annex 5 provides a summary of the actual budget formulation/planning process for education. The process steps as described by participants in this study do not greatly deviate from the process described in legislation and policy.

2.4 Budget allocation

There are two main types of budget decisions: allocation and disbursements. Both types of decisions are top-down processes. The process for allocation or assigning approved budget for expenditure occurs at various points:

- Importantly, the GoL and NA provide the high level approval for the total national budget and set the budget allocation (proportion of total national budget) for each sector and for each province.¹¹ **The NA approves the annual State Budget and the GoL issues a Decree to execute the budget.**¹² Within 15 days of the NA approval of the State Budget, MoF issues a notice to line ministries of their total budget and provides technical advisory on implementation of the annual State Budget plan by the end of the month.
- **The MoF Department of Budget** is tasked with disaggregating the approved recurrent budget to allocate amounts to each budget Chapter, for each line ministry and each province.¹³ MoF

⁸ Communication between DESB and District Administration can depend on the strength of relationship between the leadership. For example, Viengphoukha DA informants reported they do not receive DESB budget proposals and annual plans and this presents a challenge for the DA to assist with community mobilization or promoting education messages in villages.

⁹ The State Budget is reviewed at the biannual meeting of the NA and GoL (executive branch and Politburo heads). The State Budget is approved annually; however amendments can be made at the second biannual meeting.

¹⁰ This process is chaired by the MoF and MPI and takes place at the regional level e.g. North, Central and South. As the study is not focused on the capital investment the role of the MPI has not been mentioned here.

¹¹ For example, the NA determined this financial year that 17% of the national budget should be allocated to education. Informants in this study, reported that the lack of a systematic approach to determining needs and demands for government services across the country is a challenge for technical bureaucrats in formulating recommendations for resource allocation.

¹² The Executive branch headed by the Prime Minister's Office is charged with legislative power to issue Decrees.

¹³ Recurrent budget for administration in Chapter 62 is usually allocated based on past expenditure, such as the previous year's expenditure on utilities and maintenance. Formerly budget Chapters were allocated numbers in the tens.

notifies the provincial Departments of Finance of the central funding allocated for education and other sectors.

- **MoF Department of Budget** works closely with the MoES Department of Finance on budget and finance matters. The **MoES Department of Finance** communicates the recurrent and investment budget allocated to each PESS by the MoF Department of Budget. PESS then refines its sector budget plan and submits this to the Provincial Administration (PA) for review and approval.¹⁴ The Department of Finance allocates Chapters 60 to 63 budgets to PESS according to their revised work plans.¹⁵ The allocation of approved budget is approved by the Minister of MoES. All approved allocated budgets must be reported to MoF for consolidation within the month.
- The **Provincial Department of Finance** and Provincial Administration are informed by MoF of their recurrent budget allocation – particularly for salaries and allowances. For example in 2013-2014, Chapters 60 and 61, account for more than 90% of provincial expenditure on education and more than 65% of total education expenditure.¹⁶ Figure 2 shows the breakdown of allocations by budget Chapters at the central level (MoES and National University of Laos) and local (PESS and DESB) level. At the time of this study the **Provincial People's Assemblies (PPA)** were not fully functional and however they have a formal role in reviewing but not approving provincial education budgets.¹⁷
- **PESS** determines the disaggregation of its allocated budget and this must be approved by the Provincial Department of Finance and the PA. PESS can allocate the recurrent budget Chapters to DESBs, based on information such as district demography, education service coverage and DESB planned targets. The amount allocated is typically less than that requested by DESB.¹⁸ When allocating budget for Chapters 60 to 63 (salaries and non-salary budget) to DESB, PESS informants report that every attempt is made to consider the requests from all DESB against the approved budget from MoF.¹⁹ Once the budget allocation decision is approved and

¹⁴ The PA is interested in the investment component of the education budget as this provides for new projects.

¹⁵ Chapter 63, formerly Chapter 13, is used for miscellaneous (*dat som song seum*) expenditure, this includes operational and administrative costs. The amount allocated to Chapter 63 for PESS is based mainly on the size of education service coverage. A larger province typically receives more.

¹⁶ LADLF, 2016, Education sector expenditure- actual, presentation. Laos Australian Development Learning Facility, Vientiane, Lao PDR. TA subsidies, other allowances and operational expenses of the central level are much higher than the local allocation. It is not surprising that local agencies such as DESB responsible for education are confronted with difficulties.

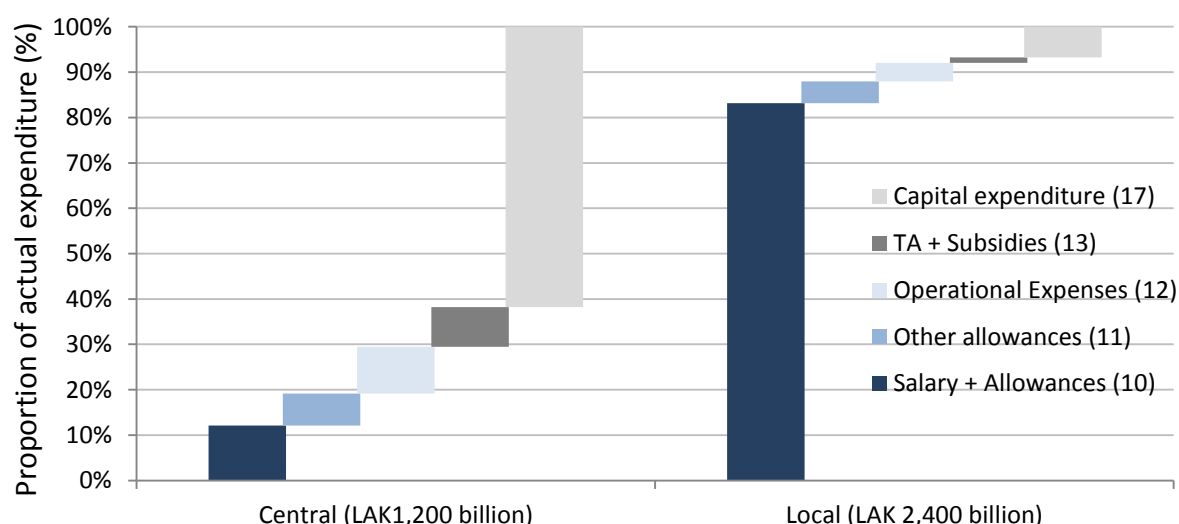
¹⁷ Article 78 in the *Lao PDR Constitution* (2015) provides authority to the Provincial People's Assembly in considering and adopting provincial strategic plans, local socio-economic development plan, annual local budget and annual budget execution report proposed by the provincial governor or capital city mayor. If PPA is well functioning the members will play a substantial role in representing the districts where they are elected from. According to Article 31 the members of NA constituencies have to participate in the formulation of the budget plans, in the inspection of the correctness in budget planning reporting and assessment, and in promotion of monitoring and control of budget execution by provincial divisions and district offices.

¹⁸ LADLF, 2017, *BEQUAL DOGs pilot baseline report*, Laos Australia Development Learning Facility, Vientiane Lao PDR.

¹⁹ Chapter 63 is often the part of the budget that DESBs can draw on for its operational activities and service delivery.

communicated to line agencies, these agencies adjust their budget plans according to the approved allocation. The adjusted budget is submitted vertically for approval.

Figure 2 - Allocation of education sector expenditure in Laos (2013-14)



Source: Official Gazette 2013/14, pp99-105 cited in LADLF, 2016, *Education sector expenditure - actual*.

Central: MoES, Local: Province and Districts

Note: Capital budget allocation to central level is managed and negotiated at central but expended at the subnational level.

2.5 Budget disbursement and expenditure

The Decree on execution of budget provides a mandate for MoF to give instructions to implement the budget and to commence disbursement after allocations are approved. Disbursements are scheduled quarterly to MoES for ministry salaries, administration and operations and to the Provincial Department of Finance for PESS and DESB recurrent budget including salaries of teachers, principals and local agency staff. MoF communicates the disbursements vertically through line ministries such as MoES down to departments in provinces and district authorities, but the actual disbursements are made from the national and provincial treasuries. Actual disbursement is often different from the approved allocated budgets to districts and provinces which are dependent on cash flow.²⁰

²⁰ The approved budget may vary from the actual disbursed budget because disbursement occurs quarterly from MoF. The Provincial Department of Finance uses its discretion to disburse allocated budget quarterly or monthly to district agencies. By the time the actual budget is disbursed, the allocated amount approved may have changed due to the availability and cash flow from the national treasury and provincial treasury. Informants from one DESB in this study reported that due to weak budget management in their province, the DESB received three quarters of disbursements, the fourth quarter budget disbursement was 'cancelled' in 2015-2016. Provincial cash flow issues continued for 2016-2017, where the DESB received one budget disbursement for administrative and fuel costs and disbursement for salaries was delayed by a quarter.

Figure 3 and Figure 4 provides an overview of the budget processes for proposals, allocations and disbursement.

Disbursement of allocated budget is scheduled to occur every quarter. The Provincial Department of Finance is tasked with disbursing the budget according to the approved allocation. MoF disburse funds to the Provincial Treasury and the Provincial Department of Finance administers the funds to PESS. The Provincial Department of Finance prioritises disbursement for salaries (Chapter 60), allowances (Chapter 61) and administration (Chapter 62) usually in that order. Disbursement for miscellaneous (Chapter 63) is made when there are funds available from MoF or Provincial Treasury (see Figure 3 for a diagram of the actual budget processes).²¹ For centrally funded provinces such as Luang Namtha this does not appear to be a significant issue. Informants from Luang Namtha province report that the Provincial Treasury receives monthly disbursement from the National Treasury as approved by MoF. This allows Luang Namtha PESS to receive funds on a regular basis.

²¹ Informants in this study report that due to poor cash flow, disbursement of Chapter 63 (for operational costs) is a low priority and is made when funds are available from MoF or the Provincial Treasury.

Figure 3 - Education budget processes: formulation, allocation and disbursement

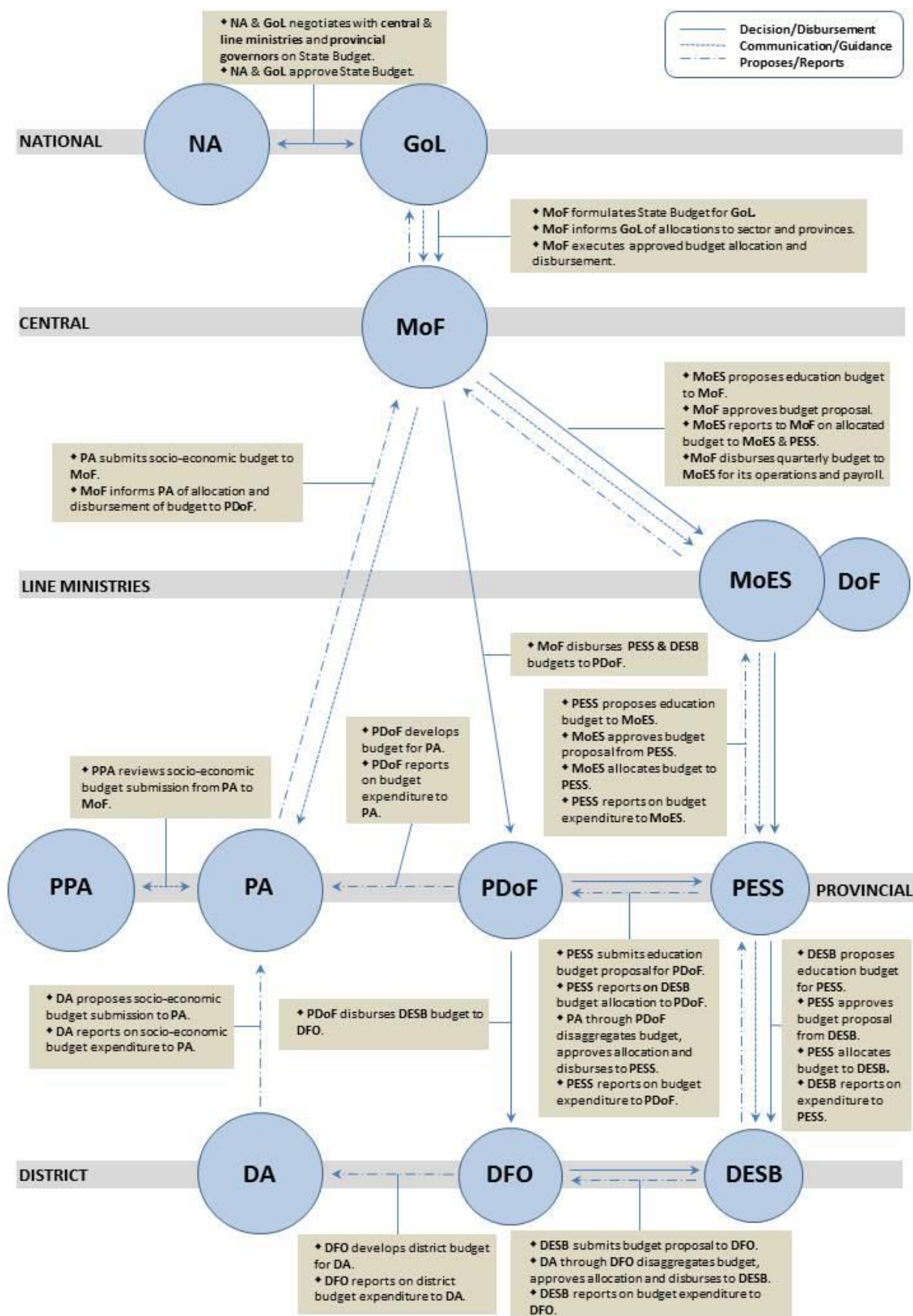
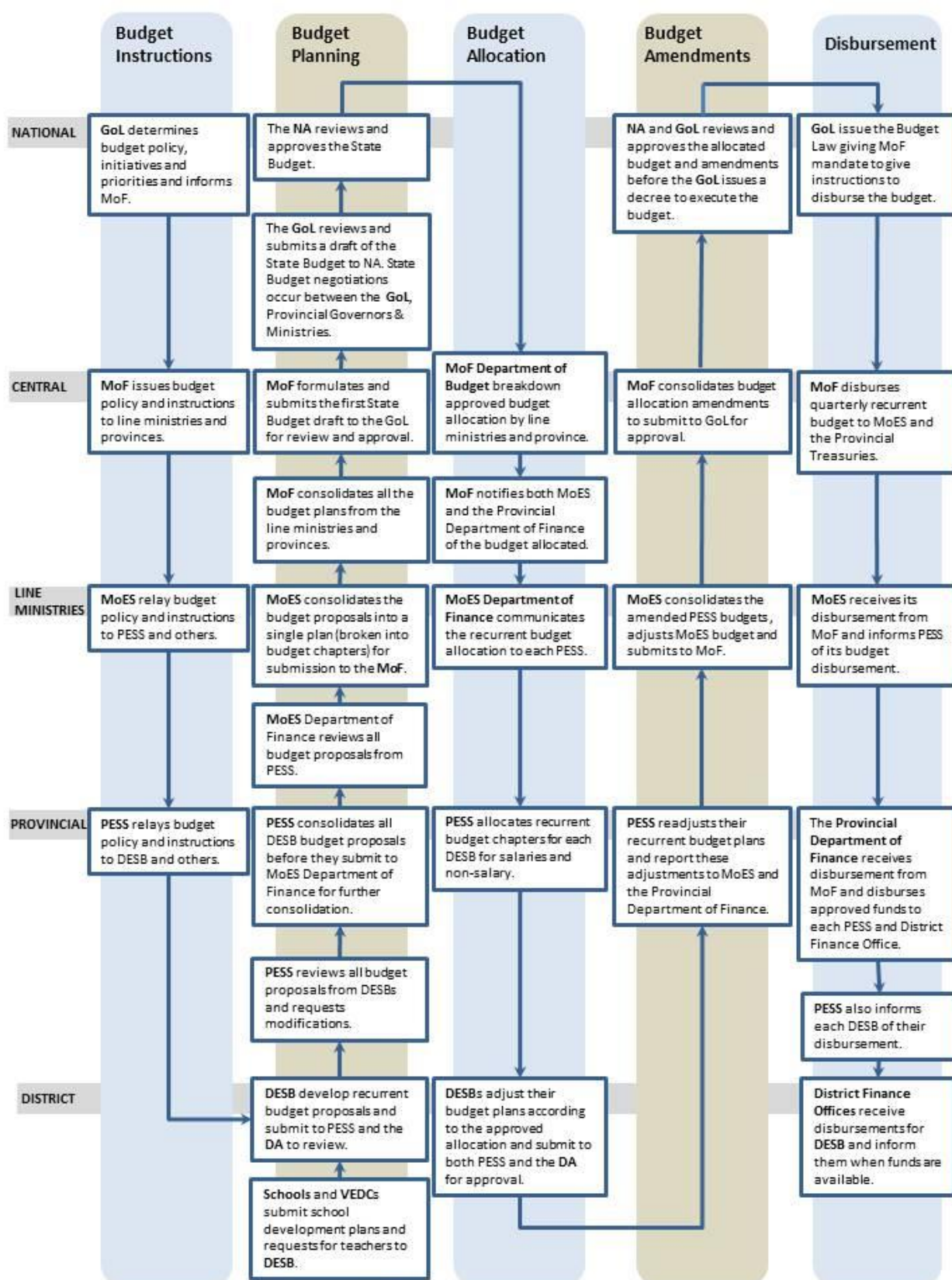


Figure 4 - Budget flow processes



2.6 Lessons learned

Each line agency has the responsibility for and discretion in managing the approved allocated budget in detailed Chapters. The agency (e.g. MoES for national-level expenditures and PESS for local-level expenditures) may expend Chapters 60 to 63 (recurrent salary and non-salary budget) at its discretion, within the limits of the approved budget.²² The change should be authorised within the agency and if required by higher level agency. A common budget management practice is to borrow and repay funds between Chapters. For example, salaries cannot be used operational expenses however, discretionary decisions can be made to use disbursement for salaries (Chapter 60) for operational activities and then reimburse Chapter 60 with the next disbursement. This discretion in budget management can both enable local responsiveness and create delays in education budget. For example, MoES can make discretionary approval to allocate 'top up' funds to DESB or PESS upon special requests to meet short falls in local budgets.²³ This discretionary practice also delays salary and benefits payment. In Khammouane province delays in salary payment is a concern for the authorities and it has created a regulation to establish a separate provincial bank account for salaries to ensure funds are not diverted to other expenses.

The current practice of disbursement of government funds via finance departments means the District Finance Office operates as an arm for Provincial Department of Finance in disbursing budget. PESS are informed by the Provincial Department of Finance of the budget disbursement to DESBs. The Provincial Department of Finance disburses DESB budget to the District Finance Office. The District Finance Office informs DESB when a disbursement has been received from the Provincial Department of Finance. Disbursements are scheduled quarterly; however disbursements from the province can be irregular due to cash flow issues. Provincial informants in this study report that disbursements to DESB are sometimes made monthly rather than quarter as a measure to manage cash flow at the provincial level. In this situation DESBs, who are responsible for service delivery, are most affected. DESB submit their scheduled administration budget requests to the District Finance Office and funds are released upon availability.

Provincial and district government authorities can prioritise their budget expenditures. The Provincial Department of Finance is charged with tracking expenses across Chapters and reporting the expenses according to the allocated budget. It was reported by provincial informants that the Provincial Administration use its discretion to ration payments as funds become available rather than disburse funds according to the annual or work plan. The education budget allocation once approved is fixed, however provincial authorities can prioritise expenditures within the approved budget and expenditure should comply with budget procedural norms.²⁴

²² Line agencies include MoES, PESS, DESB.

²³ The approval decision for this type of expenditure is carried out in a consultative process and does not rest with one department or person.

²⁴ Provinces are expected to contribute and co-fund education services where there is adequate local revenue. When there is a short fall in provincial budget, it can request financial assistance from MoF. In worst case scenario of local short fall, the province or district governor can use their discretionary funds to mitigate the situation. Once the budget is disbursed from MoF, funds should be transferred back to the special account of the province or district governors.

Similar to the provincial government, district authorities can prioritise expenditures within the approved allocation and should document expenditures according to financial procedures. Practically, this gives districts flexibility to respond to local needs. Governors of provinces and districts have a discretionary budget for meeting short falls however subnational informants had limited knowledge of how this discretionary budget operates. Provincial and District Administration authorities have discretionary responsibility to respond to requests from PESS and DESB. There is also a mutual obligation for these line agencies to collect revenue for the local administration in the form of education administration fees from students and parents.²⁵

Weak budget management systems are found throughout the central and sub-national levels. At the provincial level, disbursements to PESS and DESBs are unpredictable. Khammouane province relies on the central government for its education budget to disburse funds to the Provincial Department of Finance on schedule. Informants from Savannakhet report a declining local revenue base which means the province is struggling to keep up with co-funding education services. In both provinces, disbursements to PESS from the Provincial Treasury have been delayed due to unreliable cash flow at the provincial level. Under conditions of weak cash management systems, District authorities also practice rationing of payments of recurrent budget Chapters. This means delays in teacher salary payments and significant constraints on classroom consumables – both of which demotivate teachers and impact quality of primary education.

Weak cash management systems contribute to delays in budget disbursement to education. This appears to be a common occurrence in Savannakhet province. When there is a shortfall in the cash flow, the Provincial Department of Finance, in consultation with Provincial Administration, will make decisions about rationing payments. It was reported by informants that civil servant salaries have been prioritised for payment from provincial revenues in self-funding provinces.

There is limited accountability for managing budgets throughout the system. For example, DESBs provide quarterly Chapter expenditure summaries and an annual total expenditure to PESS.²⁶ PESS informants in this study report providing a summary of total expenditures for each recurrent budget Chapter to MoF and MoES. Reported expenditures always align with disbursed budget as the recurrent budget is limited and fixed. For example, in another study, a review of DESB annual reports (2015-2016) found that the recurrent budget expenditure included: salaries (86.7%), operations (5%), allowances (3.2%), miscellaneous (0.4%), and assets (4.7%).²⁷ District governments with limited budget management capacity may have their budget partially managed by the province. For example, Khammouane PESS, at the time of this study, are considering a proposal for the Provincial Department of Finance to retain half of DESB budget so that the District Finance Office is less likely to divert the budget or spend on unplanned activities. This proposed

²⁵ Education administration fees are collected from students, parents and sales of educational materials. Informants in this study reported that DESBs are obligated to collect and contribute to the DA revenue base which can range from 5 to 20mil LAK per year. PESS informants reported they are required to contribute between 40-50 mil LAK per year collected from administration fees to the PA revenue base. The contribution figure, according to informants is set by the Provincial and District Administration authorities. Khammouane PESS informants reported adopting a local regulation to cap their revenue contribution to the PA revenue pool.

²⁶ LADLF, 2017, *BEQUAL DOGs pilot Baseline report*, Vientiane Lao PDR.

²⁷ LADLF, 2017, p. 32.

solution to weak budget management at the district level demonstrates the paternal relationship between the province and district and the absence of accountability within and between agencies.

In a context of unpredictable cash flow, government entities compete for limited financial resources.

Provincial informants in this study described departments competing for funds at each budget release. Further to this, the education budget represents the largest budget line for provincial governments which draws heavily on local revenue. Any inefficiency in revenue or cash management directly affects the cash flow to PESS for its administration and operation.

For example, in Khammouane province the Provincial Department of Public Works and Transport (PPWT) and PESS submitted separate budget requests to the Department of Finance. Only the PPWT budget request was approved as there were not enough funds in the Provincial Treasury for both budget requests. Khammouane Provincial government informants explained that in this case, the PESS budget request would be considered when local revenue was available or the next disbursement from MoF is made to the provincial treasury.²⁸

²⁸ The influence of the individuals or relationship between concerning parties play a role in the approval of budget request.

3. Decisions on Primary Education Human Resource

3.1 Scope

Decisions on human resources (HR) analysed on this study relate to the following topics:

- HR planning for teachers and education administrators in MoES, PESS and DESB.
- HR management of teachers and education administrators, including recruitment, deployment, attrition, turnover and remuneration (salary and non-monetary incentives).

3.2 Stakeholders and responsibilities

Institutions involved in HR decisions and their responsibilities and actual practice include the following (Figure 5):

- **Ministry of Home Affairs (MoHA)** is responsible for human resource policies governing civil servants, regulation of the civil service quota system (the number of new civil servants that can be hired and the total number of public servants of different levels that can be on the public payroll – Box 1) and policies for deploying new civil servants to all three levels of government (line ministries, provinces and districts).²⁹ MoHA receives instructions from the Government of Lao PDR, informed by MoF advice about financial capacity, for the annual civil servant quota number and allocates this to each line ministry. In addition to this role, MoHA is involved in the recruitment for positions below Deputy Director General level.³⁰ This includes responsibility to manage the human resource allocation, recruitment, deployment, turnover and attrition of education administrators in MoES, PESS and DESB.³¹
- **MoES** has the responsibility for providing policy and guidance on recruitment, deployment, turnover and attrition of teachers under *Decree on Teachers* (2012) or commonly known as Decree 177. Each year MoES receives a civil servant position quota allocation, with most of the allocation being for teachers. MoES Department of Organisation and Personnel is charged with allocating the approved quota between education sub-sectors, between provinces and between different positions – with most being allocated to teaching positions in PESS across the country. The **Department of Organisation and Personnel (DOP)** is also responsible for human resource monitoring and reporting

²⁹ *Law on Civil Service*, MoHA 2016.

³⁰ The Home Affairs department in line ministries, provincial government authorities and district government authorities also provide direct reporting to MoHA. Positions for Director General and above are appointed through the Party structure.

³¹ Within MoES, PESS and DESB there are human resource units and departments to oversee, monitor, collect data and report on civil servants. The Party Personnel department also works closely with human resource units at all levels to ensure compliance with Party regulation and interests.

to MoHA about civil servant (teachers and administrator) positions in MoES, PESS and DESB.³² See Annex 11 for a summary of HR management responsibilities for different levels of personnel.

- Recruitment and management of provincial education administrators is a joint responsibility of Provincial Administration, **Provincial Department of Home Affairs (PDoHA)** and PESS Unit for Organisation and Personnel.³³ PESS administers civil servant exams for new teachers and education administrators.³⁴ **PESS** is currently responsible for the recruitment of new teacher positions allocated to their province. The recruitment of teachers at the provincial level ultimately lies with PESS, although the process can involve DESB representatives and sometimes MoES DoP.
- **DESB** is responsible for implementing the teacher HR policy, including instructions from PESS and performs a liaison function in human resource management. For example, each year PESS will inform DESBs of the teacher exams. DESBs are charged with informing and co-ordinating its volunteer teachers who are eligible to sit the exam at the provincial office. When HR issues arise such as misconduct by teachers, DESBs have the responsibility to report this issue to PESS, who must take action in consultation with DESB. In matters of teacher and DESB staff turnover (resignation) and attrition (retirement), MoHA provides approval through the line agencies of MoES and PESS.³⁵ **The District Office of Home Affairs (DOHA)** monitors and reports on education administrator HR matters covered under MoHA's civil service policy.

Annex 6 presents an overview HR legislation, institution functions and linkages, and Annex 7 a summary of HR functions and processes described in legislation and policy.

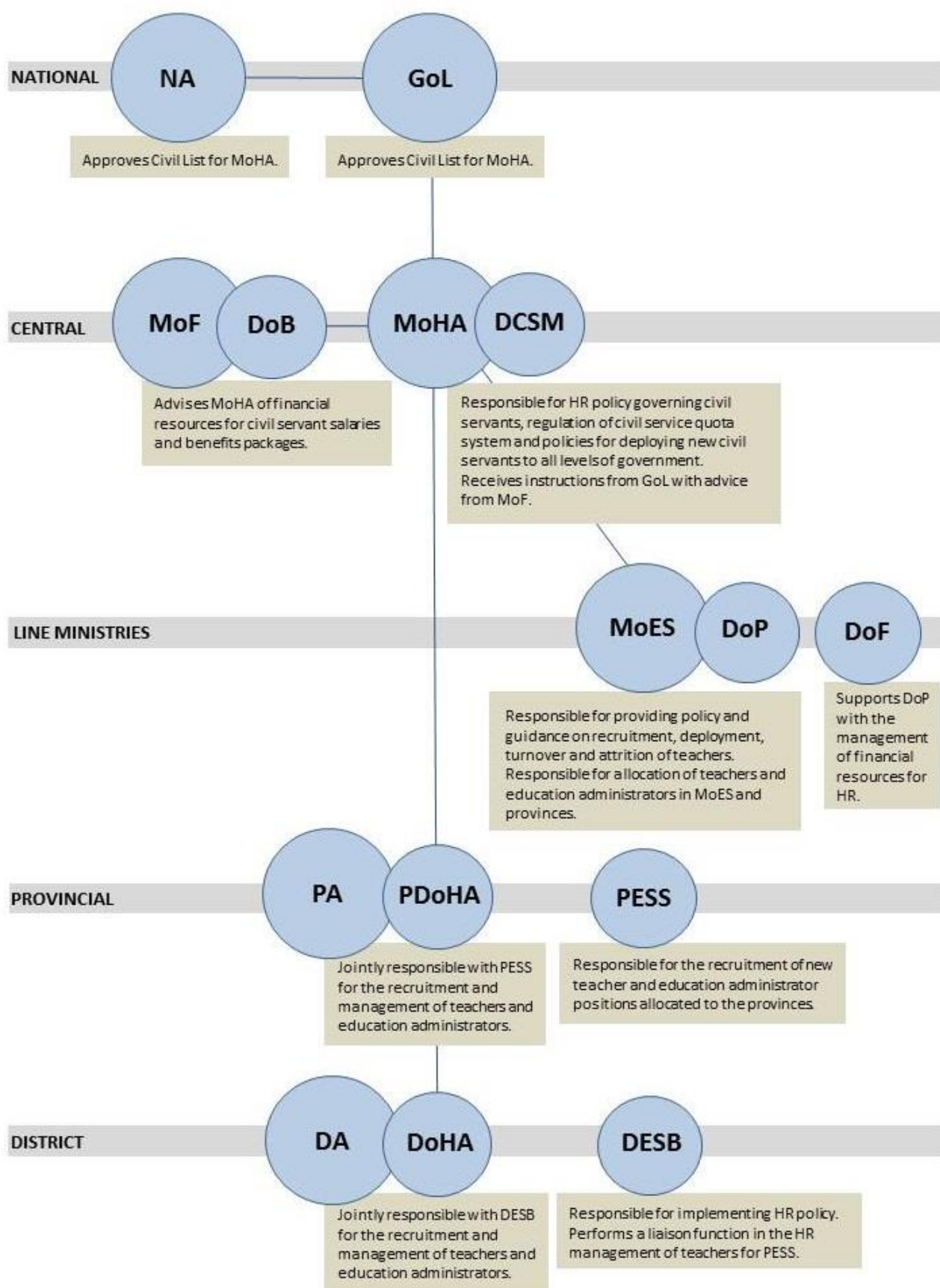
³² There are Party Committees within each ministry, which control and set HR direction to ensure alignment with Party guidance and strategies. The Party structure extends down to the provincial, district, kum ban (cluster) and village levels. In parallel to this there is a Party hierarchy that controls both the state hierarchy and provides candidates for all key positions.

³³ The Provincial Administration is involved in HR recruitment of senior level administrators. Local governors have influence over the appointments of head of PESS and DESB.

³⁴ MoES develops the civil service entrance exam for teachers. PESS is responsible for administering the teacher exam. MoHA develops the civil service exam. Provincial DoHA administers the exam for new civil servants in administrator positions.

³⁵ MoES is responsible for submitting an annual report on civil servant retirement to MoHA, which liaises with MoF to calculate the pension budget for retirees. In Lao PDR, retirement is set at 60 years for men and women, however women can elect to retire at 55 years of age (*Law on Civil Service* 2015, Article 70). Teachers and education administrators can submit a request for early retirement before the pension. MoHA is charged with reviewing these requests in consultation with MoES and MoF. Approval of early retirement of civil servants has budget implications as a pro rata age pension must be paid to early retirees. For this reason MoF are involved in approval decisions for early retirement of civil servants. The Ministry of Labour and Social Welfare is responsible for administering the aged pension. MoES is also responsible for liaising with MoHA about approval for civil servant resignations in the education sector. Civil servants who have been approved to resign from the civil service after 5 years of work will receive a lump sum payment from the government (*Law on Civil Service* 2015, Article 65). The implication of this type of pay-out is significant for the education budget which means MoHA is reluctant to approve resignations from civil servants. Informants in this study reported that resignations and early retirement requests are usually approved for senior bureaucrats or in exceptional circumstances only. Senior bureaucrats are often requested to remain in their position after the retirement age, this can inhibit opportunities to recruit new personnel.

Figure 5 - Institutions and functions in primary education HR decisions (current status)



Box 1 - The civil servant quota allocation system

The national budget deficit has created an environment where the contraction of public service numbers is likely to continue. GoL has established a civil servant quota allocation system to ensure the government can maintain its civil service workforce on payroll. The aim is to gradually reduce the number of civil servants, ensuring that the quota for approved new civil servant positions is lower than the anticipated annual human resource loss (through turnover and attrition). The GoL agenda to reduce the size of civil service workforce is an effort to manage the national budget within the available revenues.

Between 2010-2011 and 2016-2017, the annual quota allocation to MoES has reduced by almost 80%. Although this is a significant reduction, MoES continues to receive a significant portion of the new civil servant quota each year. The HR allocation to MoES represents 38% of all new positions approved by MoHA.

In 2016-2017, MoHA received submissions for 21,000 new civil servant positions nationally. MoES requested 9,000 new positions. MoHA approved 5,000 new public service positions nationally. Of this, 1,900 new positions were allocated to MoES. The anticipated human resource loss in the education sector for the same year is over 2,000 positions.³⁶

3.3 Allocation, recruitment and deployment of teachers and administrators

MoHA consolidates the total number of civil servants in technical (teaching) and administrative positions proposed by DESB, PESS and MoES, and works with MoF to develop the recurrent budget proposal and then approved budget for salaries, allowances and other compensation. MoHA allocation of new civil servant positions is approved at approximately the beginning of the new school year.³⁷ Annex 8 presents an overview of HR responsibilities according to legislation and policy.

After MoES is notified of its quota allocation (see Box 1), recruitment of new civil servants occurs twice a year. Approximately half of the allocated civil servant positions are recruited in the first half of the year and then a second recruitment drive in the last six months of the school.³⁸

³⁶ 16,000 volunteer teachers are reported as working across the country (*Vientiane Times*, 31/08/2017).

³⁷ *Advisory on Implementation* (2016) of *Law on Civil Service* (2015). *Advisory on Implementation* documents are policy instructions for implementation of the legislation. MoHA provides its *Advisory on Implementation* document to its line departments and MoES. MoES provides an *Advisory on Implementation* document to PESS to follow. *Advisory on Implementation* documents can change year to year. Feedback from provincial informants indicates there is selective implementation of instructions set in the *Advisory on Implementation* document. The quota approval is an extended process involving negotiations and layers of approval often resulting in delays in recruitment of teachers and administrators.

³⁸ Informants in MoF explained that by recruiting new civil servants in two stages eases the fiscal pressure on the ministry to find the budget for salaries. According to the *Decree on Teachers* (2012), the ratio of student per teacher is 30:1 for primary school. There is already a surplus of teachers of 21 per cent at the primary level. This surplus evidenced a large oversupply of teachers in urban areas, while a significant undersupply of teachers exists in rural and remote areas, these teachers are mostly young, inexperienced and low qualification (Julie Hudson and Kathryn Bennett: *Australia-Laos Education Delivery Strategy 2013–18*). The figures released by MoES reveals that in the last four school years (2012–2016), there is on average 26 students per teacher- below the regulated ratio. Within this period, only in 2012–2013 was the student-teacher ratio over the MoES regulation, with 37 students per teacher. This confirms

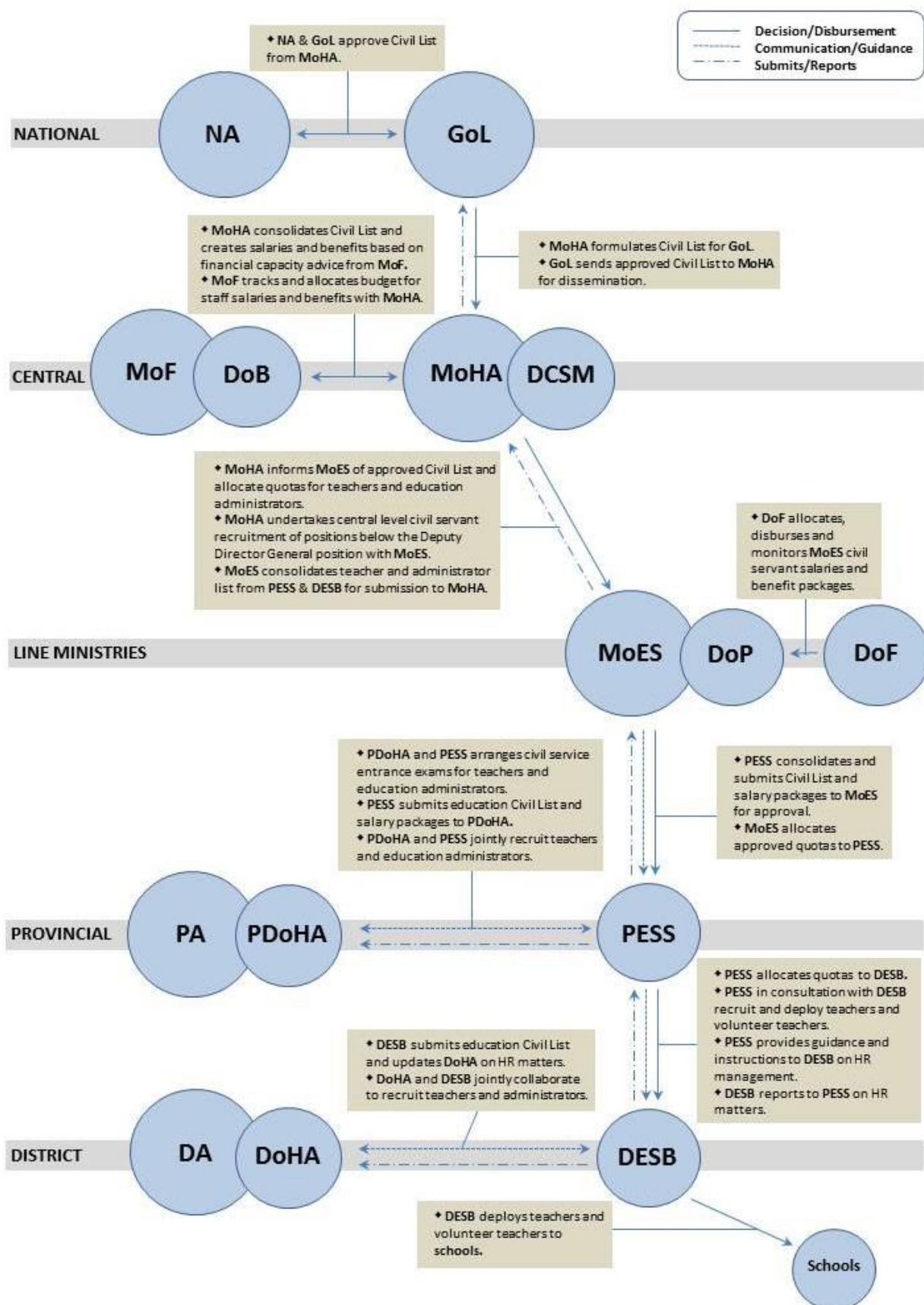
MoHA's provincial departments are involved in the recruitment of education administrators at the provincial level. PESS have the responsibility for teacher recruitment from a pool of candidates who pass the civil service entrance exam.³⁹ DESB staff interviewed for this study reported that the PESS selection criteria of successful candidates were not transparent to them. DESB staff report that they are informed of teacher graduates and volunteer teachers who pass the exam. Negotiations between PESS and DESB usually determine the deployment of new teachers into schools (Figure 6).

The PESS provides the Provincial Governor's Office with reports on HR needs and status. Informants reported that the Governor's Office has a role to support the PESS HR plan as the governor is also influential in recruitment of education administrators and teachers. The Office also provides support to PESS staff through professional development such as training opportunities in China and Vietnam.

that the surplus of teacher in primary school occurred since the school year 2013-2014. MoES, *School census 2015-2016*, <http://www.moes.edu.la/>

³⁹ PESS informants reported that they are not aware of the criteria used by MoES to allocate the quota numbers for education administrator and teacher positions. The PESS do not currently involve the Provincial People's Assembly in HR planning, management or reporting. The PPA is still forming its function and members are learning about their roles. In the 2015 Constitution the PPA will have responsibility for approving local legislation, decision making on local issues and supervision of local organisation.

Figure 6 - Education HR processes: allocation, recruitment and deployment



3.4 Management of teachers and education administrators

MoHA manages education administrator remuneration and performance under the *Law on Civil Service* (2015).⁴⁰ MoES is responsible for managing teacher performance and remuneration under the Decree 177 (2012). MoES has carriage of developing, implementing, monitoring and reporting on teacher performance. A teacher performance assessment framework and guide was recently developed by MoES for DESBs to assess local teacher performance and report to MoES via PESS.⁴¹ The new MoES Teacher Performance Assessment will be disseminated to the PESS and DESB later in 2017. MoES officials interviewed for this study reported DESBs will be encouraged to use the new guidelines, however there are no plans yet to train DESBs on how to assess teachers using the new guidelines and forms. There are no intended consequences if DESB decide not to use the new Teacher Performance Assessment.

Human resource management processes and tools provide limited scope to assess and drive teacher performance. The annual performance of teachers and civil servants informs the progression of teachers and administrators through the salary structure.⁴² According to informants in MoHA and MoES, the civil servant performance assessment is too broad and without clear indicators for assessment. The poor relevance of the performance assessment tool provides limited measurement of actual performance of civil servants.⁴³ Instead, progression through the remuneration structure for administrators and teachers appears to occur as a matter of course or is approved based on other measures. In practice, every year teachers can progress to another level (under Decree 177) and every two years administrators can progress up to another salary level under the *Law on Civil Service* (2015).⁴⁴

3.5 Lessons learned

The Province and District authorities have political influence in recruitment and other HR functions. This is evident in human resource deployment (Box 2). It was reported by government informants at all levels that a small number of positions in the quota are set aside for special requests to deploy individuals into an administrative or teaching position. Although this discretionary and informal decision-making practice is widely accepted throughout the system (MoES, PESS and DESB), the number of positions set aside each year for special requests for deployment could not be specified. It was also reported by informants from MoES, PESS and DESB that ‘fixing’ this number would make the process transparent and enable the agencies responsible for recruitment at national, provincial and district levels to better manage expectations of human resource allocation each year.

⁴⁰ MoHA, 2013, *Civil Service Performance Assessment Manual*, Vientiane Lao PDR. MoHA performance assessment framework assesses three key areas of performance, these are: 1) political and ideological morals, 2) Technical knowledge and skills, 3) Technical achievements. There is a strong focus on the assessment of Party ideology.

⁴¹ MoES, 2017, *Teacher Performance Assessment Manual*, Vientiane Lao PDR.

⁴² Most civil servants do not have a Job Description. Even with a good performance assessment tool in place, it may not effectively assess performance without defined position descriptions.

⁴³ Teachers can and are encouraged to become Party members. As part of their performance assessment, teachers are also monitored for political and ideological suitability for local Party Committee membership. Teachers with aspirations for political promotion need to demonstrate suitability and commitment.

⁴⁴ Civil servants in a teaching position often progress more quickly through the remuneration framework than civil servants in an administrator position. This can be an incentive for taking up a teaching position.

These informal discretionary decision making practices are occurring in parallel to a national reforms to strengthen public administration, governance and civil service management. MoHA is leading the national reform, currently there is a priority focus on legal frameworks, restructuring administration agencies and improving service delivery.⁴⁵ There appears to be recognition by the Party and the Government that the national reform of public administration will support development and economic goals. One of the main challenges for all levels of government in the roll out of reforms to improve the civil service is addressing staff capacity, particularly at the district and village levels, limited or ineffective administration systems and lack of institutional accountability. Another challenge to the reformist agenda being able to restrain decision-making based on local loyalties and patronage.

Box 2 – Examples of political influence in local administrative functions⁴⁶

In 2016, PESS allocated four quota positions to volunteer teachers in a DESB, these volunteers had been working in schools for at least two years and passed the civil service exam. The son of a District Deputy Governor was a volunteer teacher who also passed the entrance exam but was not allocated a salaried teaching position. The District Deputy Governor contested PESS' selection and allocation decision after the provincial government had endorsed the decision to be submitted to MoES. The District Deputy Governor then contacted MoES to request an additional quota allocation for a teacher in the province. MoES allocated another quota position at its discretion and the District Deputy Governor's son received a salaried teaching position on the government payroll. In this case, MoES Department of Organisation and Personnel identified an unfilled quota position at the central level and was able to respond to the District Deputy Governor's request. In making this informal decision, the Department of Organisation and Personnel consulted with other related Departments in MoES before re-allocating an unfilled quota position. This type of special request was possible due to the District Deputy Governor's relationship with personnel in MoES and the request was met without taking away an allocated quota position or a resource that was already committed at the DESB or central levels.

In another DESB, staff identified that the annual promotion of teachers has contributed to a disincentive among teachers to perform and improve learning in the classroom. Although the teacher performance assessment should determine progression through salary levels, the performance assessment is carried out procedurally and does not affect approval for teacher promotion. In this academic year (2016-2017), DESB requested approval from the District Administration office to instruct teachers to repeat lessons (without overtime payment) with students who failed their final exams.⁴⁷ This proposal from DESB aimed to introduce

⁴⁵ Legal frameworks and regulations include a Code of Conduct for the Civil Service, Job Descriptions for line ministries, a Gender Governance Strategy and Regulations on Municipalities.

⁴⁶ Real province and district locations have been removed in these examples. The examples aim to show the informal but influential relationships between political local entities and technical institutions.

⁴⁷ The *Decree on Teachers* (2012) specifies the maximum number of teaching hours per week. MoES supports this policy by discouraging extra-curricular teaching in schools. There are anecdotal reports of volunteer teachers and graduates paying money to PESS and DESB officers to secure a place in the 'queue' for a salaried position.

a disciplinary measure for teachers who are performing poorly and to motivate other teachers to ensure students pass their exams.⁴⁸

Volunteer teachers are mobilised to respond to local supply gaps and inefficiencies in policy. The practice of deploying volunteer teachers in many rural and remote schools is common as the limited supply of salaried teachers in these areas remain unresolved. Volunteer teachers are not on the government's payroll and they are not recognised as civil servants by MoHA or by MoES.⁴⁹ MoES formally discourage the use of volunteer teachers in schools.⁵⁰ Volunteer teachers are graduates from the Teacher Training Centres who passed the PESS teachers' exam but could not be deployed into a teaching position. Volunteer teachers are a common feature of many rural and remote schools.⁵¹ These volunteer teachers fill a gap of salaried teacher who cannot be deployed due to supply and demand issues.⁵² At the subnational level, PESS and DESB deploy volunteer teachers to deliver education services, in this way ensuring they can carry out their mandated responsibility.⁵³

Qualified teacher graduates accept the volunteer placement knowing the position is unsalaried because the deployment provides teaching experience and a place in the system. The placement in the school system has raised expectations among volunteer teachers of being in the 'queue' for a salaried position when MoHA allocates the civil servant quota numbers. This expectation of a salaried position through volunteering is reinforced by an informal recruitment procedure for volunteer teachers. For example, when annual teacher exams are held, PESS will notify DESB of the exam and the criteria for selecting candidates to sit the exam, one of which includes volunteer teachers in the district.⁵⁴ As the allocation for new civil servant positions contract, salaried teaching positions are competitive and contentious.⁵⁵ Informal procedures developed by PESS for placing volunteer teachers in schools are an example of augmentation of HR recruitment policies set by MoES. This informal practice enables PESS and DESBs to deliver education services and to manage local

⁴⁸ In this case, DESB did not make the proposal to PESS. Perhaps due to the request having neutral budget implications for the provincial disbursement and it may be that the District Administration office has more influence with local teachers.

⁴⁹ Volunteer teachers are supported by the village in which they teach. In kind and cash support from parents association are be provided to volunteer teachers, for example, villagers can provide accommodation, provide meals or a cash contribution. Presently there is not legislation on the status or management of volunteer teachers.

⁵⁰ Approximately 16,000 teacher volunteers are working across the country without receiving salary from the government. Most volunteers are working remote and disadvantage areas.

⁵¹ Primary schools in rural and remote areas face teacher shortages. In theory MoES's quota system requires newly trained teachers to return to their home district after pre-service training. However, many new graduate teachers decline to be deployed to their districts. Exacerbating the supply of teachers to rural and remote areas that contracting quota for teachers and the new teacher deployments often goes to urban centres.

⁵² LADLF, 2016, *Teacher recruitment and deployment*, Vientiane, Lao PDR.

⁵³ Volunteer teachers are deployed by DESB into schools that require a teacher. Some PESS will inform DESB at the beginning of each new school year how many volunteer teachers are available for deployment. For example, Sekong PESS identified 52 volunteer teachers to deploy in 2016-2017. In Champassak PESS, 180 volunteer teachers were identified for deployment in this same year (BEQUAL DOGs pilot baseline interviews with Paksong DESB and Thatheng DESB, 2016).

⁵⁴ PESS informants from Khammouane and Savannakhet provinces reported introducing the selection criteria of volunteer teachers with a minimum of two years of teaching experience are eligible to sit the teacher's exam. In this way, volunteers are prioritised for selection and in turn created an informal pathway into teaching through volunteerism.

⁵⁵ Civil service entry is limited to people aged between 18-35 years under the *Law on Civil Service* (2015). This age restriction increases the competition among volunteer teachers to obtain a salaried position.

competition to minimise complaints about ‘queue jumping’ and preferential treatment of new graduates over volunteer teachers.⁵⁶

⁵⁶ DESB and PESS informants in this study report that complaints about placement and allocation can be sensitive as these often involve mediating and preserving local relationships.

4. Decisions on Primary Education Policy

4.1 Stakeholders and responsibilities

Institutions involved in education policy decisions and their responsibilities include the following;

- **Central ministries such as MoF and MoHA determine and set a national policy framework and resources for education service delivery.** The institutional functions of **MoES at the central level is a strategic role** involving the development of education policy, setting policy directions for the sector, management of financial resources within the ministry and human resource allocation to provinces.
- **Subnational institutions such as PESS and DESB function largely as policy implementers.**⁵⁷ It is recognised by actors at all three levels of government interviewed in this study that the fiscal constraints limit the capacity of subnational institutions to adhere closely to policy directives developed by MoES. For example, because of limited non-salary recurrent budget, training on the new teacher performance assessment guidelines and tool is unlikely to be provided by MoES to PESS and by PESS to DESB to implement. Limited and uneven distribution of capacity at the subnational level contributes to ineffective implementation of policies. Weak accountability across agencies also constrains policy implementation. In this situation, there is room for PESS and DESB to interpret policy guidance and adapt the implementation to suit local resources and priorities. DESB is the lowest branch of the national educational administration and are usually ill equipped with financial and human resources to pursue the goals set by MoES. It is often argued that the lack of resources at the DESB level is as major constraint; however, the weakness of the institutional foundation of DESB itself inhibits the continuity in implementing the education policy and strategy.⁵⁸ There is an absence of measures to enforce policy compliance within and between agencies.

4.2 Lessons learned

Limited financial and human resource contributes to the weak vertical integration between MoES policy and PESS and DESB implementation. This weakness in the system means PESS and DESB has some flexibility to adapt policy to local context. This allows local diversity in the approaches to the implementing the *Decree on Teachers* (2012) across provinces and the procedures used by DESBs to manage, monitor and report on schools, teaching and learning (see Annex 9 for examples of provincial approaches *Decree on Teachers*).⁵⁹

⁵⁷ Recent GoL efforts to decentralise and deconcentrate the civil service administration and management to provide provincial government authorities with a strategic role and district governments with a greater planning role have not been realised. The financial and human resources have not followed to facilitate this.

⁵⁸ Benvensiste. L, Marhsall. J and Santibanez. L, 2007, *Teaching in Lao PDR*, Human Development Sector East Asia and the Pacific Region; the World Bank and the Ministry of Education, Lao People's Democratic Republic.

⁵⁹ See the study on teacher employment and deployment in Phongsaly, Khammouane, Savannakhet and Saravan provinces. LADLF, 2016, *Teacher employment and deployment in Lao PDR: reasons behind the current challenges*. LADLF, Vientiane, Lao PDR.

However this also creates implementation inconsistency and potentially dilutes policy effects. The weakness in technical integration is exacerbated by hierarchical relations that emphasis loyalty and subservience over performance and achievement.⁶⁰ In the absence of benefits and disincentives in the system to support policy implementation, local loyalties become a strong incentive as civil servants and teachers receive in-kind support in return.

There is weak administrative accountability across the system. Reporting on policy implementation activities and results closely adheres to policy guidelines. In this way vertical reporting by DESB and PESS to MoES appears to closely follow the required guidelines. Informants in the study explained that deviations in the reporting on policy implementation and results will require subnational agencies to explain and defend the variation. Perversely, this would require DESB and PESS to be accountable for any local implementation that vary from policy instructions.

Decisions to deviate from policy instructions (e.g. *Decree on Teachers*) will require some explanation to MoES. Decisions concerning policy implementation which have a direct impact on financial and human resources allocated to MoES generally need approval by the Ministry. Except in the case of serious fraud, there are limited consequences for individuals and agencies at the subnational level. For example, PESS and DESBs deploying volunteer teachers in spite of MoES directives to do otherwise. This decision is motivated by the responsibility placed on PESS and DESB to meet education targets of access and retention. Deploying volunteer teachers is a tactic to ensure they can achieve a minimum of service delivery and without impacting on financial resources.⁶¹ MoES overlooks this informal practice as they 1) the ministry has limited capacity to sanction the practice and 2) understand the challenge faced by subnational line agencies, in meeting their responsibilities and within allocated resources.

The devolution of administrative management responsibilities to subnational agencies has enabled some flexibility in implementation, although within the limits. PESS and DESB authorities have room to make implementation decisions to adapt and respond to local needs and issues. This can be done to the extent that they obtain internal consensus and consult with the relevant authorities such as the Office of Administration or Home Affairs at the Provincial and District levels. Further to this, the scope of decision is confined to shifting allocated resources within the organisation or changing process or procedures. Rarely will line agencies renegotiate to increase the allocated resources from MoHA or MoF. An exception is when the Provincial or District Governor or Deputy intervene on behalf of PESS or DESB to request or renegotiate a resource with MoES.

The decision to deviate from the policy instruction (e.g. maximum teaching hours) is intended to respond to the local needs where formal mechanisms (guidelines, procedures) are not functioning or not relevant. DESB have limited jurisdiction or ability to enforce policy, for example on teacher promotion or renegotiate

⁶⁰ Slater and Keoka, 2012.

⁶¹ The PESS and DESB also use their discretion to deploy teachers to urban centres as part of the client- patron relationship, while remote and rural teaching positions are filled by volunteer teachers. The deployment of volunteer teachers is a stop gap response to an inefficient administration of teaching resources.

recurrent budget. Local solutions often bypass the need to request additional resources or support (where none can be provided) and instead draws in the political influence of provincial or district governments.

5. Implications for DFAT Support to Primary Education in Lao PDR

Given the overarching objectives of BEQUAL, the findings of the study point to three broad implications for DFAT support to the primary education sector in Laos.

1. Targeted support that empowers provinces and districts is necessary to drive sought-after changes in key reform areas.

The allocation of financial and human public resource to the education sector is decided by the National Assembly using advice from MoF and MoHA. MoES must work within the given resource envelopes to achieve national education targets. The current macro-economic environment and the associated contraction of public finance limits the funds and human resources available to the sector: though the policy on primary education expansion requires a more efficient administration and management of teachers every year, resources made available for human capital (teacher quotas) has reduced each year following the government agenda to reduce the size of the civil service in 2015. In addition to limiting significantly the non-salary recurrent budget which facilitates policy implementation, the resource context exacerbates the need for MoES to find a balance between policy objectives which are not always coherent. For instance, the policy focus to improve access to education is constrained by the policy instruction to limit (school) infrastructure investment which currently relies on donor funding. Similarly, MoES policy on increasing pedagogical support to teachers is constrained by limited financial resource under Chapter 63 in the budget, and MoES policy on quality teaching, with its implied requirement for more teachers to cover all primary grades, faces limited quota allocation from MoHA.

In this context, DFAT support should consider strategies that target support to MoES, PESS and DESB to ‘do more with less’. This requires: a good understanding of the different stakeholders’ responsibilities, motivations and agency; the ability to work at different levels of government; and the ability to leverage support to transform more than transact. This means in practice specifically targeting reform areas and responsible agencies that can support systematic rollout of reforms that can realistically be implemented in the current context at subnational levels.

2. Aid programs need to be structured and resourced appropriately at provincial and district levels to operate in a complex subnational context.

To ensure delivery of results towards the three BEQUAL objectives, it is necessary to maximise effectiveness of subnational implementation. It is therefore important to understand local factors that drive decisions and then work at those levels to leverage sought-after changes. Broadly speaking, MoF and MOHA set the resource envelope and budget strategy, the recurrent finance and human resource allocation is made by MoES for national functions and by provinces for local service delivery. Policy implementation is driven by PESS and DESB where local contexts influence decisions but guided by MoES in an attempt to achieve national quality standards and consistent access to primary education. However, institutions at the subnational level exist in both vertical and horizontal structures. While MoES is essentially accountable to the central government, PESS and DESB are accountable to their governors, under the guidance of MoES and other national policies. Province and District authorities have discretionary influence to manage their

allocated resources, which means PESS and DESB agencies are to some extent reliant and beholden to local administrations.

Given the complexity of these relationships, adequate support to PESS and DESB is instrumental to alleviate identified constraints, fulfil respective functions and achieve the targeted education reforms. This requires a programme structure that devotes enough resource at these levels, and leverage on that capacity to incentivise behavioural changes. A program resource strategy should follow and align with identified purposes and objectives of the program.

3. Enhanced MoES institutional integration would facilitate coherent implementation of key targeted reforms.

The weakness of the institutional integration and the willingness of the agencies at all levels in the system are implicated in the problem. Without a strong commitment from the government towards expanding the recurrent budget for the education sector and commitment to a reform agenda systematic change will not be possible. Education policy and technical guidance decisions are the jurisdiction of MoES (e.g. curriculum and policies on teacher management). PESS have the responsibility to implement MoES policies to achieve education targets. Given the weak level of integration and the apparent disconnect between central (MoES) and subnational agencies (PESS and DESB), there are limited opportunities for a “trickling-down effect” of capacity between these different levels. Though they have increasing responsibility for achieving education outcomes, PESS have limited capacity and influence on the level of recurrent resource to perform their functions. In addition, when making decisions on how to use their limited resources, PESS and DESB are faced with sometimes diverging policy directions. This situation creates low incentives to perform. The implementation of central policy directives at local level is the suboptimal result of a constant balance between technical outcome targets (education quality), constraining resources and low level of capacity.

Initiatives to improve system performance should strengthen the vertical relationship between different levels of governance to deliver reforms. DFAT support to improve MoES performance and capacity for teaching improvement and curriculum reform will likely have limited influence on the performance of PESS and DESB – and so limited results against the three BEQUAL outcomes. If the purpose of the investment is to influence and maintain central relationships, the program outcomes should reflect this.



Annexes

Annexes

Annex 1 - Governance context for decision-making in Lao PDR

Lao PDR is a one-party, socialist republic governed by the Lao People's Revolutionary Party (LPRP) which came in power in 1975. The LPRP is the first national independent authority to govern the whole country. The challenges associated with nation building is compounded by the country's diverse geography, languages, ethnic groups, its low population density and economic divisions. Administrative and policy decisions at all levels should be viewed in this context of overarching socio-economic and political challenges associated with a relatively young statehood.

The traditional Lao socio-political structure was one clan-based and decentralised governance units linked by a hierarchy of loyalties described by academics as a concentric *mandala* power structure.⁶² Regional independence of the north, central and south of Laos has characterised governance for most of the country's history. These regional divisions and tensions remain in the Lao PDR modern nation state.⁶³

The LPRP leadership formed after the country's independence in December 1975. This core group comprised of socialist revolutionaries from disenfranchised mountainous groups with military connections and ties to the Vietnamese regime. Since independence, the LPRP and government bureaucracy have incorporated and, according to some commenters, have become more beholden to traditionally powerful regionally based clans. Some also make the observation that political balance is being provided by the small military and increasing number of overseas-educated technocrats in ministries.⁶⁴ Regional clans occupy high-level ranks in the party's Central Committee, which governs the country from Vientiane. The Party also exercised a great deal of influence through their placement in and connections with provincial governor's offices which remain powerful in the country's overall political balance. Due to the political nature of the bureaucracy and state apparatus, decision-making in Lao PDR is concentrated among high-level officials in the Central Committee, which includes Party members, key ministers and provincial governors.⁶⁵

Lao PDR governance has been characterised by decentralisation and recentralisation over the last three decades. Under the New Market Mechanism economic reforms in the 1980's, the government devolved control over revenues and budgetary expenditures, and some management of civil service to provincial authorities. By the end of this decade public service at the subnational level had deteriorated due to a combination of weak government administration and provincial politics. The 1990's saw a shift towards greater centralisation of revenues and public administration, for example, line ministries gained more direct control over their provincial technical branches.⁶⁶ Through their prominent position in the LPRP

⁶² Stuart-Fox. M, 1996, *Buddhist kingdom Marxist state: the making of modern Laos*, White Lotus.

⁶³ Stuart-Fox. M, 2005, *Politics and reform in the Lao People's Democratic Republic*, Asia Research Centre.

⁶⁴ Stuart-Fox. M, 1997, *A history of Laos*. Cambridge, UK: Cambridge University Press. p. 207.

⁶⁵ Slaton. R and Keoka. K, 2012, *Trends in the governance sector of the Lao PDR*. Swiss Development and Cooperation Agency.
Soukamneuth. B, 2006, *'The political economy of the transition in Laos: From peripheral socialism to the margins of the global capital'*. PhD thesis, Cornell University.

⁶⁶ Evans. G, 2002, *A short history of Laos: The land in-between*. Chiang Mai: Silkworm Books.

ranks, Provincial governors maintained their autonomy and authority to manage their local administration. In the early 2000's the provinces were officially provided with a measure of fiscal and administrative functional autonomy, as part of the Government's goal of building the provinces as strategic decision-making units, and districts as the planning, budgeting and implementation units. At present, Lao PDR can be characterised as a deconcentrated system which continues to pursue a principle of *democratic centralism*.⁶⁷ The GoL is progressively building a centralised state apparatus to enforce national policies and devolving management and operational responsibilities to subnational authorities. This means central ministries, such as Ministry of Finance, Ministry of Home Affairs and Ministry of Investment Planning retain the function to set and drive financial and human resources in the public sector.⁶⁸ At the same time, the deconcentrated system has shifted management and operation responsibilities to provinces and districts, reinforcing the political influence of local governors.

The party-state structure extends throughout the country, from central to provincial, district and village levels. Appointments are made or at least directed by higher levels in the party-state structure. Regionalism remains strong and provinces assert a degree of autonomy both in their economic relationships and relations with the central government - which struggles at times to enforce policies in the provinces or to extract tax revenue.⁶⁹

Governance and public administration reforms introduced over the last three decades have supported economic reforms, however the efficiency of administrative capacity and public service delivery remains a major constraint in both central and line ministries. Other studies have identified inefficiencies such as state capture of resources and administrative rent-seeking are increasingly problematic under the current fiscal deficit. This has played out in institutional challenges such as weaknesses in accountability, regulatory quality, and government effectiveness. According to studies on governance in Lao PDR, important advances have and are being made to improve public financial management systems, internal oversight mechanisms and public administration.⁷⁰ It is within this context and this historical lens that decision-making in primary education needs to be viewed.

⁶⁷ Slater. R and Keoka. K, 2012, *Trends in the governance sector in the Lao PDR*, Swiss Agency for Development and Cooperation SDC.

⁶⁸ Slater and Keoka, 2012. Pp.19-21.

⁶⁹ Bertelsmann Stiftung Transformation Index, Laos country Reports. <http://www.bti-project.org/en/reports/country-reports/detail/itc/lao/> Accessed 3 July 2017.

⁷⁰ LADLF, 2015, *Samsang in practice: early lessons from pilot implementation*, Laos-Australia Development Learning Facility. Motteux. N and Saphangthong. T, 2016, *Stocktake of participatory approaches in the Lao PDR*, SDC. Richter-Funke. R, *Local governance and planning, Northern Upland Sustainable Development Programme Sector Working Group* (n.d). Slater and Keoka, 2012.

Annex 2 - Hierarchy of legislation in Laos PDR (Law on Legislation, 2013)

General Legislation	
1. Article 3 of the Lao PDR Constitution 2015 continues to assert the Party as the leading nucleus of government and the Article 5 is slightly amended by adding the local council role and reaffirms <i>democratic centralism</i> as the basis of the system of governance. The Party has a “leading role” in all the main governance institutions of the country including the executive, legislature/assembly, judiciary and other mass organisations and the military.	
2. Law	<ul style="list-style-type: none">• All draft laws are passed by the Ministry of Justice before going to debate in the NA.• Drafted by technical agencies/ministries (e.g. MoES), endorsed by National Assembly, and promulgated by the President.• Effective nationwide and over long periods of time.
3. Resolution of National Assembly	<ul style="list-style-type: none">• An agreement reached during a NA session regarding national socio-economic development plans, government budget plans, law enforcement, and so on within the roles and responsibilities of NA.• NA resolutions need to be made publically available (through websites, print media, or other means).
4. Resolution of National Assembly’s Commission	<ul style="list-style-type: none">• An agreement reached during a NA session regarding implementation of NA’s resolution, monitoring and inspection of implementation of the constitution and laws.• Created by NA’s Cabinet or related Commission.• Commission’s resolutions need not be made publically available (through websites, print media, or other means).
5. Provision of the President	<ul style="list-style-type: none">• The second level of legislation after laws, issued by the President following proposals from NA.• Created with the same process as laws.
6. Decree of the Government	<ul style="list-style-type: none">• Proposed by technical agencies/ministries on an annual basis.
7. Resolution of the Government	<ul style="list-style-type: none">• An agreement reached during a government meeting such as the NSEDP, and government budget plans.
8. Order, Agreement of the Prime Minister	<ul style="list-style-type: none">• Orders are directed at individuals or organisations to implement plans, laws, government resolutions, and other legislation.• Agreements lay out roles and responsibilities of implementers of legislations.
9. Order, Agreement, Instruction of Minister, Head of Government Agency	<ul style="list-style-type: none">• Issued by heads of agencies, drafted by Cabinet Office with relevant technical departments.• Orders and agreements are same as above.• Instructions are issued to implement NSEDP, government budget plans, laws, legislation, plans, and other specific tasks by indicating the understanding of the related legislation, approach, steps, resources, timing, and coordination.
10. Order, Agreement, Instruction of Provincial Governor	
11. Order, Agreement, Instruction of District Governor	
12. Village regulation	
Specific Legislation	
1. Decree to promulgate laws	
2. Decree, Agreement on praising or appointing individuals to specific positions or tasks	
3. Notification	

Annex 3 - List of legislation and policy reviewed

Finance

- Ministerial Agreement on *State Budget Expenditure*, MoF 2016
- *Law on Local Administration*, 2015
- *District Socio-Economic Development Planning Guidelines*, MPI 2013
- Ministerial Agreement on *Organisation and Operation of Department of Finance*, MoES 2012
- Ministerial Agreement on *Organisation and Operation of Department of Planning*, MoES 2012
- *Decree on Organisation and Operation of Ministry of Finance*, PM Office 2007

Human resource

- Ministerial Instruction on Implementation of *Law on Civil Service*, MoHA 2016
- Ministerial Instruction on *Entrance Examination for Civil Servants*, MoHA 2016
- Ministerial Instruction on *Reporting Number of Civil Servants*, MoHA 2016
- *Manual for Annual Planning, Employing, and Use of Teachers*, MoES 2013
- *Decree on Teachers*, Government of Lao PDR 2012

Annex 4 - Institutions, functions and roles in education budget processes

National Assembly <ul style="list-style-type: none"> Approves State Budget for each line ministry and provinces by Chapters. 		
Government of Lao PDR <ul style="list-style-type: none"> Approves State Budget submissions from MoF. Approves State Budget allocation to line ministries and provinces by Chapters. 		
Ministry of Finance, Department of Budget <ul style="list-style-type: none"> Formulates the State Budget submission to GoL. Determines the proportion of budget contribution from central revenue and provincial revenue to be assigned to line ministries and provinces. Role in deciding and disbursing major expenses (salaries, allowances) Instructs line ministries and provinces of the approved budget. Release quarterly budget to central line ministries and provincial treasury. 		
Ministry of Education and Sport, Department of Finance <ul style="list-style-type: none"> Formulates MoES annual budget Reviews and approves PESS budget proposal submissions Allocates approved budget for education into Chapters, taking into the approved civil service quota allocation for teachers and education administrators. Allocates budget for salaries (Chapters 60) allowances (Chapters 61-62) and miscellaneous (Chapter 63) to PESS. Informs MoF of its allocation of the approved budget, disaggregated by allocation to MoES (payroll, administration, operations and assets) and PESS (payroll, administration, operation, etc.). Manage MoES budget at its discretion within the approved budget. 		
Provincial People's Assembly (PPA) <ul style="list-style-type: none"> Early stage of institution formation. PPA currently performs the role of reviewing the provincial budget submissions to Provincial Administration. Provincial Administration <ul style="list-style-type: none"> Oversee and approve provincial budget submission, allocation and disbursement. 	Provincial Department of Finance, Directors and Budget Unit <ul style="list-style-type: none"> Formulates the provincial budget submission. Determines the approved budget allocation to PESS. Disburse budget from MoF to PESS for its budget and District Finance Office for DESB budget (administration and teachers). Consolidates provincial budget expenditure reports to MoF and Provincial Administration. 	Provincial Education and Sport Service, Directors and Budget Unit <ul style="list-style-type: none"> Formulates the provincial education budget and submits to Provincial Department of Finance and MoES. Reviews and approves the DESB budget submissions. Allocates budget to DESB by Chapters according to approved budget from Provincial Department of Finance. Informs Department of Finance of the budget allocation to DESB. Consolidates all DESB budget expenditure reports for Provincial Department of Finance and MoES, Department of Finance.
District Administration <ul style="list-style-type: none"> Reviews and endorses DESB budget submission to PESS. Formulates the District Social and Economic Development Plan, including budget submission to the Provincial Administration. Maintains oversight of sector budget, expenditure and reporting. 	District Finance Office <ul style="list-style-type: none"> Formulates the district budget submission to the Provincial Department of Finance. Provides budget plan to District Administration Office to develop the District Development Plan. Disburse budget to DESB for Chapters for payroll, administration, operation and miscellaneous expenditure etc. Consolidates budget expenditure reports to Provincial Department of Finance and District Administration. 	District Education and Sports Bureau, Finance Unit <ul style="list-style-type: none"> Formulates DESB budget based on work plan activities and human resource. Submits annual budget to PESS and District Finance Office. Manage DESB budget approved by PESS and released by District Finance Office. Consolidates DESB budget expenditure reports to submit to PESS and District Finance Office.

Annex 5 - Current budget planning (proposal) process flows

Purpose	Process steps	Explanation
DESB budget proposal and submission	<ul style="list-style-type: none"> DESBs develop their budget proposals using data collected from schools and VEDCs. The budget proposal mainly includes administrative costs (Chapters 60-63). DESB developed costs in budget proposals using actual costs from the previous year's expenditure. Cost estimates are provided for expenses required to achieve education targets. For example, the cost of visits to schools and VEDCs are included in the annual budget submission in Chapter 63. Other costs in this Chapter are office supplies (e.g. maintenance, electricity and water bills). DESB budget proposal is submitted to PESS, and/or District Administration (DA). 	<p>According to the <i>Law on State Budget</i> 2016, DESBs are not required to submit its budget plans to the District Administration, as the district authority does not allocate its revenue for education services.</p> <p>In most cases, DESB submits its budget proposal and other plans to the District Administration for approval prior to sending it to PESS. In the case of Viengphoukha DESB, the DESB budget plan is sent directly to PESS.</p> <p>The practice of DA reviewing and approving DESB budget proposal for submissions ensures that local authorities are aware of the resources it has to manage and be accountable for.</p>
PESS budget plan, consolidate and submit	<ul style="list-style-type: none"> PESS reviews all budget proposal submissions from DESBs and suggestions for modification can be requested of DESBs. PESS consolidates all DESB budget proposals into a single budget proposal to submit to MoES. PESS submits its proposed budget plans to MoES Department of Finance. 	<p>There are 2 main types of budgets prepared by PESS: administrative (recurrent budget), and investment budget (capital expenditure). The administrative budget proposal is submitted to the Provincial Department of Finance for review and approval, while investment budget is submitted to the Provincial Department of Planning and Investment. Both departments in turn consult Provincial Administration for approval.</p> <p>Much like the process at district level, PESS consults and gets approval from Provincial Administration (PA) and Provincial Department of Finance prior to submission of the budget proposal to MoES.</p>
MoES budget plan, consolidate and submit	<ul style="list-style-type: none"> MoES Department Finance reviews all the budget plans (proposals) from PESS and consolidates all budget proposal submissions into a single budget plan (proposal) for Ministerial approval before submitting to MoF. The final MoES budget plan (proposal) submitted to MoF is disaggregated into budget Chapters. 	
MoF State Budget formulation, draft and submit	<ul style="list-style-type: none"> MoF reviews, refines and then consolidates all the proposed budget plans from line ministries and provinces. 	Negotiations with line ministries and provinces take place.
High level approval	<ul style="list-style-type: none"> The First Budget draft proposal is submitted to the GoL for review, 	Further drafts can be requested before National

Purpose	Process steps	Explanation
	refinement and ultimately approval. <ul style="list-style-type: none"> • The GoL formally submits a second draft State Budget to the National Assembly for consideration and approval. • The Government issues a decree on the execution of Budget Law. 	Assembly approval.
Document budget	<ul style="list-style-type: none"> • MoF breakdown of approved budget to detail by Budget Department and advise line ministry and Provinces of the actual budget limits approved centrally. 	

Annex 6 - Legislation relating to human resource management

Legislation	Purpose	Key Area of Focus	Key Linkage
<i>Decree on Teachers</i> , Government of Lao PDR 2012	Set out policies, principles, regulations, and procedures for training, developing, managing, and using teachers	<ul style="list-style-type: none"> Teacher-pupil ratio is the formula used to calculate staffing needs. 	MoHA, MoF, MoES, PESS, DESB
Ministerial Instruction on Implementation of <i>Law on Civil Service</i> , MoHA 2016	Elaborate some of the contents of the Law for ease of implementation	<ul style="list-style-type: none"> Qualification and experience requirement for different levels of civil servants (related to salary and compensation packages). Terms for approving new civil servants (under quota system). Terms for deploying new civil servants. 	MoHA, Provincial Dep't Home Affairs, District Office of Home Affairs, MoES, PESS, DESB
Ministerial Instruction on <i>Entrance Examination for Civil Servants</i> , MoHA 2016	Set out the principles, standards, terms, contents, regulations, and committees for entrance examination for civil servants	<ul style="list-style-type: none"> Timing of examination. The makeup of examination committees. Examination process. Prohibition around examination. <p><i>Note: no section on candidate selection process</i></p>	Deputy Governor (Province/District), Director of PESS/DESB, Director of Provincial/District Home Affairs, Deputy Director of Dep't Organisation, Deputy Chair of Provincial/District Inspection, Representatives of Mass Organisations
Ministerial Instruction on <i>Reporting Number of Civil Servants</i> , MoHA 2016	Additional instruction on process of civil servant head count at central, provincial, and district level	<ul style="list-style-type: none"> Steps in reporting adding and removing of staff Timing of reports. Responsible agencies to receive reports. 	MoHA, Provincial Dep't Home Affairs, District Office of Home Affairs, MoES, PESS, DESB
Manual for <i>Annual Planning, Employing, and Use of Teachers</i> , MoES 2013	Ensure teacher employment follow standards set out in the Decree on Teachers (2012), with more detail provisions than the decree	<ul style="list-style-type: none"> As above, teacher-pupil ratio is the main formula to calculate staffing needs. Procedures on teacher recruitment. Roles and responsibilities of PESS, DESB, and schools in teacher recruitment. 	Dep't of Teacher Training, Dep't of Planning, PESS, DESB

Annex 7 - Current functions and processes in education human resource allocation

Timeframe	Institutions, Functions and Activities
June	<p>TTC graduates submit applications for jobs at DESB or schools.</p> <p>Schools with desperate needs accept graduate teachers immediately, who become volunteers, and inform DESB of the decision/action. DESB makes sure volunteers understand the risks of no future employment.</p> <p>DESB submits its proposed HR needs to PESS, who helps determine if DESB's HR requests are appropriate.</p> <p>PESS consolidates proposed district HR needs and submits it to the MoES Department of Organisation and Personnel, who helps determines if PESS proposed HR requests are appropriate.</p> <p>MoES submits its proposed HR needs to MoHA.</p>
July-August	<p>MoHA consolidates national HR need proposals, and proposes allocation options to government for consideration based on; missing job titles, civil service loss, newly formed institutions, submitted needs, previous allocation (principally, sectors receiving more the previous year would be a lower priority the following year).</p>
August-September	<p>GoL and NA approves quota allocation to each line ministry based on MoF's advice on projected budget availability.</p> <p>MoHA communicates the allocation to line ministries, and keep track of recruitment results.</p>
September-October	<p>MoES allocates quotas to PESS (for primary and secondary positions and some early childhood positions) and to some sub-sectors (e.g. for tertiary and TVET positions). Education received 1,900 quotas this year, while HR loss was around 2,000. MoES' allocation decision is based on a balance of needs and demand: the provinces needing more would get more quotas, though not the exact number requested for.</p> <p>Then PESS organises civil service entrance exams in collaboration with DESB. Teachers from districts travel to provincial centre to sit exams. Results are communicated to MoES.</p>
October	<p>MoES consolidates Civil Lists and submits to MoHA.</p> <p>MoHA works with MoF's Department of Budget to work out salary and allowance budget for civil service.</p>
January	<p>Civil servants commence their roles as government staff. Salary begins to be disbursed to teachers.</p>

Annex 8 - Policy areas governing teachers in *Decree on Teachers (2012)*

Recruitment	<p>Teachers are to be recruited to match the needs of learners, with the following pupil-teacher ratio (PTR):</p> <ul style="list-style-type: none"> • Childcare and kindergarten: 15 learners per teacher • Pre and primary education: 34 learners per teacher <p>Technically, new/graduate teachers would be granted a work placement without having to complete a probation period (unlike other civil servants) but we know that in practice most have to go through some years of volunteer work first.</p>
Remuneration	<p>Teacher salary is awarded according to rank, level, and index. The ranking system is the same as for other civil servants, but level and index come into their own system.</p> <p>Qualification and years of experience place individual teachers on different levels and indexes at the start of the job but always start at the first rank.</p> <p>Teaching hours differ for different grades:</p> <ul style="list-style-type: none"> • Childcare and kindergarten: no more than 30 hours/week • Pre and primary education: no more than 25 hours/week <p>The rest of the time is to be spent on administration and lesson planning. Over time teaching hours are calculated and paid on top of these set hours and according to individuals' ranks, levels, and indexes.</p> <p>Preschool and primary teaching receives a subsidy of 25% of their base salary (the highest level of subsidy in teaching grades). Teachers in remote areas receive additional subsidy calculated from distance to town centre (approved by District Administration).</p>
Performance Assessment	<p>Teachers are evaluated (performance assessment) at the end of every semester by a dedicated committee set up within their schools (made up of school principals and VEDC). The evaluation would broadly group teachers into 3 categories:</p> <ol style="list-style-type: none"> 1. Good 2. Average 3. Poor <p>Results of the teacher assessment are recorded and reported up through DESB, PESS and to MoES. The performance assessment tool is developed by MoES. Currently there is not a unified assessment system for teacher performance evaluation across the country.</p>
Promotion	<p>Teacher promotion is supposed to follow the performance assessment.</p> <ul style="list-style-type: none"> • Category 1 will be awarded 1 salary level in that year • Category 2 will be awarded 1 salary level in 2 years • Category 3 will be removed from teaching responsibility and transferred to other job titles as appropriate, or employment in the civil service terminated.

Annex 9 - Current implementation of *Decree on Teachers (2012)* in Luang Namtha, Khammouane and Savannakhet provinces

	Luang Namtha	Khammouane	Savannakhet
Recruitment	PESS prioritise volunteer teachers who have a minimum of 2 years teaching experience to take civil service entrance exam. This informal recruitment process has had the effect of motivating teaching graduates who are unsuccessful in getting a salaried position to become volunteer teachers.		
Remuneration	Disbursement for salaries, allowances and compensation follow policies.		
Performance Assessment	PESS and DESB uses performance evaluation tool from MoES and Ministry of Home Affairs. These tools have broad indicators and cover mostly political compliance rather than technical competencies. Sing DESB is in the process of piloting its own teacher performance assessment tool to ensure local ownership and improve teacher performance.	PESS and DESB use a tool to broadly assess and group teachers into 3 categories of 'good', 'average', and 'poor' performers.	PESS and DESB do not assess teacher performance.
Promotion	Teachers who did not receive a category 1 in their performance assessment will not automatically receive salary upgrade.	Teachers are automatically 'promoted' because of the lack of thorough performance assessment.	

Annex 10 - Study participants list

Date	Interview participants
24.4.2017	<ul style="list-style-type: none"> Luang Namtha Provincial Governor's Office, Chief of Cabinet Luang Namtha PESS, Deputy Director
25.4.2017	<ul style="list-style-type: none"> Luang Namtha PPA, Vice President / Provincial Party Committee Luang Namtha Department of Finance, Deputy Luang Namtha Department of Finance, Budget Unit Officer
26.4.2017	<ul style="list-style-type: none"> Luang Namtha Department of Home Affairs, Director Luang Namtha Department of Home Affairs, Management Development Unit Officer
27.4.2017	<ul style="list-style-type: none"> Viengphoukha District Governor's Office, Deputy Governor / Party Standing Committee Member Viengphoukha Home Affairs Office, Deputy Director Viengphoukha Finance Office, Deputy Director Viengphoukha Finance Office Budget Unit Officer Viengphoukha DESB, Deputy Director Viengphoukha DESB Pre-school Unit Officer
28.4.2017	<ul style="list-style-type: none"> Sing District Administration Office, Home Affairs Office, Director / Party Secretariat Sing DESB, Deputy Director / Deputy Party Secretariat
2.5.2017	<ul style="list-style-type: none"> Savannakhet Provincial Governor's Office, Deputy Director / Party Standing Committee Member Savannakhet Provincial Governor's Office, Deputy Chief of Cabinet Savannakhet Department of Home Affairs, Deputy Director Savannakhet Department of Home Affairs, Performance Appraisal and Civil Service Development, Officer Savannakhet Party Organisation Department, Deputy Director
3.5.2017	<ul style="list-style-type: none"> Savannakhet PPA, Vice President Savannakhet Department of Finance, Budget Unit Officer Savannakhet PESS Director
4.5.2017	<ul style="list-style-type: none"> Outhoumphone DESB Director / Party Committee Member Outhoumphone DESB Planning and Statistics Unit
5.5.2017	<ul style="list-style-type: none"> Atsaphone District Deputy Governor / Party Standing Committee Member Atsaphone District Director of District Home Affairs Office / Party Secretariat Atsaphone District Finance Office, Deputy Director Atsaphone DESB Deputy Director Atsaphone DESB Planning and Statistics Unit Officer
8.5.2017	<ul style="list-style-type: none"> Khammouane Provincial Governor's Office, Deputy Governor Khammouane PESS, Deputy Director
9.5.2017	<ul style="list-style-type: none"> Khammouane PPA, Socio-Cultural and Ethnic Committee/ Standing Committee Member
10.5.2017	<ul style="list-style-type: none"> Khammouane Department of Home Affairs, Deputy Director Khammouane Department of Home Affairs, Civil Service Management Officer Khammouane Department of Finance, Director / Party Secretariat
11.5.2017	<ul style="list-style-type: none"> Xebangfai District, Deputy Governor / Party Standing Committee Member Xebangfai District, Deputy Chief of Cabinet Xebangfai District, Deputy Director of Home Affairs Office Xebangfai District Finance Office Deputy Director Xebangfai District, District Treasury, Director Xebangfai DESB, Deputy Director
12.5.2017	<ul style="list-style-type: none"> Nakai District Administration, Chief of Cabinet / District Party Committee Nakai District Finance Office Deputy Director Nakai District Budget Unit Officer Nakai District Home Affairs Office, Deputy Director Nakai DESB, Deputy Director

17.5.2017	<ul style="list-style-type: none"> • MoES Department of Planning • Division of International Cooperation, Director • MoES Department of Organisation and Personnel, Officer • MoES Division of Legislation and Organisation, Officer
19.5.2017	<ul style="list-style-type: none"> • MoES Department of Finance, Deputy Director • MoES Division of Civil Service Development, Deputy Director • MoES Party Personnel Department, Department of Civil Service Development, Deputy Director
22.5.2017	<ul style="list-style-type: none"> • MoF Department of Financial Policy, Deputy Director • MoF Division of Expenditure Policy, Deputy Director
23.5.2017	<ul style="list-style-type: none"> • MoHA Division of Planning and Allocation of Civil Service, Deputy Director
24.5.2017	<ul style="list-style-type: none"> • MoF Department of Budget, Division of Local Budget, Deputy Director • MoF Department of Budget, Technical Officer
25.5.2017	<ul style="list-style-type: none"> • MoHA Department of Civil Service Assessment and Development, Technical Officer

Annex 11 - HR management responsibilities by personnel group

Area of responsibilities	Personnel				
	Teachers	Principals	DESB	PESS	MoES
Allocation	MoHA allocates Civil Service quota. MoES allocates the number of Civil Service positions in schools for each province.	MoHA allocates Civil Service quota. MoES allocates the number of Civil Service positions in schools for each province.	MoHA allocates Civil Service quota. MoES allocates the number of Civil Service positions for education administrators to each province.	MoHA allocates Civil Service quota. MoES allocates the number of Civil Service positions for education administrators to each province.	MoHA allocates Civil Service quota. MoES allocates the number of Civil Service positions for education administrators in MoES.
Recruitment/ deployment/ transfer	PESS organises the Civil Service entrance exams for new teachers. PESS in consultation with DESB deploy new teachers and transfer in service teachers.	PESS in consultation with DESB, deploy and transfer principals.	PESS organises the Civil Service entrance exams for education administrators.	Provincial DoHA organises the Civil Service entrance exam for education administrators. PESS management and DoHA recruit, deploy and transfer education administrators within PESS and PA.	MoES DOP organise the Civil Service entrance exam for education administrators. MoES management and DOP recruit, deploy and transfer education administrators within MoES.
Remuneration	MoES sets the policy on teacher remuneration (allowances, benefits, salary) and guidelines. Policy is informed by MoHA HR policy for Civil Service.	MoES sets the policy on principal remuneration (allowances, benefits, salary) and guidelines. Policy is informed by MoHA HR policy for Civil Service.	MoES sets the policy on education administrator (allowances, benefits, salary) and guidelines. Policy is informed by MoHA HR policy for Civil Service.	MoES sets the policy on education administrator (allowances, benefits, salary) and guidelines. Policy is informed by MoHA HR policy for Civil Service.	MoES sets the policy on education administrator (allowances, benefits, salary) and guidelines. Policy is informed by MoHA HR policy for Civil Service.
Performance management	DESB conducts school staff performance assessments and report to PESS.	DESB conducts school staff performance assessments and report to PESS.	District DoHA conducts performance assessments of education administrators.	Provincial DoHA conducts performance assessments of education administrators.	MoES Dept of Organisation and Personnel conducts performance assessments of education administrators.

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