

**YANGON UNIVERSITY OF ECONOMICS  
MASTER OF DEVELOPMENT STUDIES PROGRAMME**

**A STUDY ON OFFICIAL DEVELOPMENT ASSISTANCE  
FOR EDUCATION SECTOR IN MYANMAR  
(CASE STUDY: EUROPEAN UNION AID)**

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EMDevS – 10 (16<sup>th</sup> BATCH)**

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FOR EDUCATION SECTOR IN MYANMAR  
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A thesis submitted in partial fulfillment towards requirements for the  
Master of Development Studies (MDevS)

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## **ABSTRACT**

Many developing countries depend on official development assistance (ODA) to fulfil the country's development objectives. Myanmar is implementing various development reform processes in many sectors including education sector and the government welcome aid and assistance from many donors for the reforms. The study examined the flow of ODA and analyse the European Union (EU) aid to basic Education sector of Myanmar. The study used descriptive method and conducted in-depth interview with nine interviewees from Ministry of Education, EU and partner organizations. The study found that major type of aids flow into the country are in the form of grants and loans. The aids and assistance provided to different sectors from various donor organizations and EU is one of the biggest donor to the country. The received aids are using effectively however there are limitations such as lack of expertise and inadequate resources create barriers for more efficient use of aid and assistance. One of the significant advantages of EU aid to the education sector is that the government spending for education sector vividly increased by approximately eight percent. The major constraint is the lack of communication between donor and government due to weak technical and language skills set which is necessity for the smooth corporation in implementing the reform programmes.

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## LIST OF ABBREVIATIONS

ADB	Asian Development Bank
ADF	African Development Fund
ADRA	Adventist Development & Relief Agency
AE	Alternative education
AIMS	Aid Information Management System
ASEAN	Association of Southeast Asian Nations
AY	Academic Year
CESR	Comprehensive Education Sector Review
CSO	Central Statistical Organization
CSOs	Civil Society Organizations
DAC	Development Assistance Committee
DACU	Development Assistance Coordination Unit
DAP	Development Assistance Policy
DFID	Department for International Development
DG-DEVCO	Directorate-General for International Cooperation and Development
DG-ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DICA	Directorate of Investment and Company Administration
DP	Developing Partners
DRR	Disaster Risk Reduction
EBA	Everything But Arms
EC	European Commission
ECCD	Early Childhood Care and Development
ECHO	European Civil Protection and Humanitarian Aid Operations
EFA	Education for All
EPIC	Education Promotion Implementation Committee
EU	European Union
EUR	Euro
FDI	Foreign Direct Investment
FERD	Foreign Economic Relations Department
FY	Financial Year

GDP	Gross Domestic Product
GER	Germany
HEIs	Higher Education Institutions
IDA	International Development Association
IDP	Internally Displaced People
IMF	International Monetary Fund
INGOs	International Non-Government Organizations
ITC	Information and communication technology
JICA	Japan International Cooperation Agency
JPN	Japan
JPY	Japanese Yen
KG	Kindergarten
LDCs	Less Developed Countries
LWF	Lutheran World Federation
MIFER	Ministry of Investment and Foreign Economic Relations
MOE	Ministry of Education
MOFA	Ministry of Foreign Affairs
MSWRR	Ministry of Social Welfare, Relief and Resettlement
NEDA	Neighbouring Countries Economic Development Cooperation Agency
NESP	National Education Strategic Plan
NFPE EP	Primary Education Equivalency Programme
NGOs	Non-Government Organizations
NLD	National League for Democracy
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
OECD-DAC	Development Assistance Committee of the Organization for Economic Co-operation and Development
PID	Partners in Development
PIP	Public Investment Programme
SBLP	Summer Basic Literacy Programme
SDG	Sustainable Development Goals
STEM	Strengthening Teacher Education in Myanmar
TC	Technical Cooperation
TCSF	Myanmar Teacher Competency Standards Framework

TICA	Thailand International Cooperation Agency
TVET	Technical vocational education and training
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programs
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Emergency Children's Fund
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
US	United States
USAID	United States Agency for International Development
USD	United States Dollar
WBG	World Bank Group
WCEFA	World Conference on Education For All
WFP	World Food Program
WWII	World War II

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Rationale of the Study**

Official development assistance (ODA) in simplest term is aid from governments in developed countries to government in developing countries. Aid has played a major role in developing countries called Third World Countries. ODA is important in facilitating development goals in these countries. It is also influential in facilitating development to meet basic needs and the economic and social development. The developing countries are dealing with numerous socio-economic challenges including poverty, unemployment, illiteracy, lack of human capital, trade deficit and environmental degradation etc. These problems arise primarily because of the scarcity of economic resources. In order to meet their development objectives, developing countries require sufficient amount of foreign resources. The inflow of foreign resources such as grants, loans and credit, budgetary support or technical assistance in the form of official development assistance (ODA) are necessary for the developing countries to achieve their development goals. Developing countries are not being able to utilize fully all these resources due to lack of infrastructural facilities, capital-intensive technology, friendly investment policies and trained labour.

For the developing countries to have social and economic development, education is the fundamental need for refining the quality of life and basic infrastructures within the country. Education is a key to creating, adapting and spreading knowledge. Among other socioeconomic variables, Education has important role in shaping the development of society. Education can also help reduce poverty by improving its effects on population health, nutrition, increase value and efficiency of the labor offered by the poor technology advances and new methods of production. Many developing countries have articulated ambitious educational goals. Most nations have compulsory primary education as an official policy. In reality, the growth of educational achievement in developing countries has been slower than that in the high-income countries. For the developing countries in order to achieve their ambitious educational goals, it is necessary for their government to have improved their

infrastructures. The developing countries accept aid and assistance from the development partners while trying to improve their infrastructures. Myanmar also depends a lot on the aid provided by the bilateral donor and other financial institutions. Myanmar accepted aid from both Western and socialist countries, those included United States, Japan, China, India, Russia and its Eastern European allies since the country gained the Independence in 1948.

Education is one of the most important elements for the development of Myanmar. Referring to data from UNESCO, in Myanmar the literacy rate has declined comparing the two years of 2000 and 2016. From the data, it is necessary that the country pay much attention to increase the literacy rate by upgrading the education standard. In order to upgrade the education level, Myanmar government has been making efforts to the reforms in the education sector. The reforms are implementing by the government increasing their educational expenditures, making both short-term and long-term development plans and most obviously, in 2016 the National Education Strategic Plan (NESP) being launched. After 2011, due to the changes in most of Myanmar's governmental policies, more development aid and assistance are giving to Education sector.

For such governmental reforms to take place, every developing nation's government needs the international support. Like other developing countries, Myanmar also depends a lot on the aid provided by the developed donor countries and financial institutions. There has been increasingly significant inflow of development aid to the country's education sector by many different donors like UNDP, UNICEF, US Aid, Australian Aid, European Union, etc. Among them European Union is one of the biggest donor. The focal sectors that EU fund to the country are education, health and livelihoods with funding channelled through multi-donor trust funds.

Like many other donors, European Union recently has been giving their focus to support the Myanmar's Education sector. The provided aids are mainly focus for the Basic Educational development as the government also give more attention to basic education. According to the data from Ministry of Education (MoE), in fiscal year 2017-18, Basic Education department has 60% of budget allocation received than the Higher Education department from the union education-spending total. In order to meet the development objectives of Myanmar, the country requires knowing how to allocate the received aid and assistance effectively and efficiently. The effective allocation of those aids as systematic management of foreign assistance, interest free loans and low-interest loans would lead to further inflow of aids. In this reason, effectively disbursed

international aid and assistance need to focus on Myanmar's priority sectors. The aid allocation has to be transparent, responsible and accountable in all areas of distribution and implementation processes of development. Like Educational aid, there are also several development aids flowing into the different sectors like health, livelihood, agriculture, etc. of the country by many donors. The effectiveness of the received development aids is essential for developing countries. To have the aid effectiveness, the donors have to distribute the resources with the sense of responsibility while the recipients are to use them with total responsibility and accountability.

While more aids are receiving by the Education sector from the different donors, this study intends to observe how the aids are receiving, distributed, allocated and utilizing in Myanmar and on the effectiveness of EU aid to the Education Sector.

## **1.2 Objectives of the Study**

The aims of this study are to examine the receiving and distribution of official development assistance (ODA) to Myanmar and to analyse the advantages and constraints of the utilization of EU aid to the basic education sector of Myanmar.

## **1.3 Method of Study**

The study use descriptive method based on both primary and secondary data. Secondary data sources are collected from the several websites, web articles, publications and reports by Myanmar government, other relevant institutions and the European Union. In addition, the primary data are collected by the qualitative approach. The required key information are gathered from the in-depth interview. The interviewees are from the EU Yangon office, representative from the Ministry of Education and the EU funded international non-government organizations.

## **1.4 Scope and Limitations of the Study**

The scope of the study focus on the official development assistances for only the education sector in Myanmar during 2011 to 2018. The study is not covered for all the other sectors that ODA flows into such as health, governance etc., nevertheless the aid and assistance made by EU to the basic education sector in Myanmar.

## **1.5 Organization of the Study**

The study is organized into five chapters. Chapter one is the introduction. The second chapter states the literature review on foreign aid nature, purpose and types, advantages and disadvantages of ODA and the effectiveness of aid for the education. Chapter three explains the background of ODA to Myanmar, aid providers of Myanmar and the flow of ODA to the country. The fourth chapter presents Myanmar education system and the reform processes, ODA and the education expenditure and the EU aid to the education sector in Myanmar. The conclusion will be drawn at the end in chapter V that will discuss the research findings and suggestion



## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Nature and Purpose of Foreign Aid or Official Development Assistance**

Foreign aid has an extremely diverse and heterogeneous nature. The term Foreign Aid defines as the resources given from one country to another. It is usually meant that money, materials, and manpower given or loaned by governments, organizations, and individuals in rich countries to help people in poor countries. Economists have defined foreign aid, as any flow of capital to a developing country that meets two criteria; (1) Its objective should be non-commercial from the point of view of the donor, and (2) it should be characterized by concessional terms; that is, the interest rate and repayment period for borrowed capital should be softer (less stringent) than commercial terms (Todaro & Smith, 2015).

Aid or official development assistance (ODA) includes development grants or loans (with maturities of more than one year) to less developed countries (LDCs) at concessional financial terms by official agencies. The Organization for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) a group of major donor countries defines ODA as government aid designed to promote the economic development and welfare of developing countries. Loans and credits for military purposes are excluded. The DAC adopted ODA as the “gold standard” of foreign aid in 1969 and it remains the main source of financing for development aid. Keeley (2012) expresses in one of OECD insights that ODA has three key characteristics:

1. It comes from governments, either at national or state level, or from their official agencies;
2. It targeted at improving the economic development and welfare of developing countries; and
3. It is either a grant, or a loan at a rate less than market interest rates.

The development world is complex. As well as traditional donor governments, like those of the DAC, there are emerging donors, like China and India, which are becoming important players. In addition, there are also government-supported aid agencies multi lateral organizations like the UN, development banks, any number of NGOs, and many more. Some examples of donors included European Union (EU) institutions; regional development banks such as the Asian Development Bank (ADB) and the African Development Fund (ADF); the United Nations Development Program (UNDP), the UN High Commission for Refugees (UNHCR), the World Food Program (WFP), the United Nations Children's Emergency Fund (UNICEF), the small International Monetary Fund (IMF) soft-loan window and the International Development Association (IDA). OECD data shows that in 2008, the official bilateral aid (given directly by one country to another) OECD member countries gave LDCs was \$122.8 billion, of which \$87.8 billion was grants or grant like contributions and \$35.0 billion was contributions to multilateral institutions.

Foreign aid involves a transfer of financial resources or commodities (e.g., food, machinery equipment) or technical advice and training. The resources take the form of grants, loans or concessional credits. The most common type of foreign aid is official development assistance (ODA), which is assistance given to support development and to combat poverty. The major source of ODA is primarily bilateral, though some of the aid is in the form of loans, and sometimes the aid is channeled through nongovernmental organizations (NGOs). For example, the European Union (EU), the International Monetary Fund (IMF), the World Bank, and the United Nations Children' Fund (UNICEF) have provided significant amounts of aid to countries and to NGOs involved in assistance activities. The grant like contributions were in the form of technical cooperation, development food aid, humanitarian aid, administrative costs, and contributions to nongovernmental organizations such as charitable, service, community, municipal, youth, women's, music, occupational, commerce and industry, and religious organizations (Nafziger, 2012).

Donor countries often offer aid to enrich their own security. Foreign aid can be used to achieve a country's diplomatic goals, enabling it to gain diplomatic recognition, to gain support for its positions in international organizations, or to increase its diplomats' access to foreign officials. Other purposes of aid include encouraging a country's exports and spreading its language, culture, or religion. Some donor countries provide aid to relieve suffering caused by natural or man-made disasters such as famine,

disease, and war, to stimulate economic development, to help establish or reinforce political institutions, and to address a variety of transnational problems including disease, terrorism and other crimes, and destruction of the environment. Most foreign aid programs are designed to serve several of these purposes simultaneously therefore it is difficult to identify any one of them as most important (Williams, 2007).

Loans and grants are the two forms of foreign aid in general. Loans are required to payback with interest, however, on concessional terms. One may call it 'soft' loan also. However, absolute grants do not have any obligation of interest payment or something else but grant-receiving countries occasionally may be asked to purchase commodity or 'consultancy services' from the donor countries.

Second type of foreign aid is in the form of project and programme aid. Project aid is embodied in loans or grants that are intended to pay for specific projects. Project aid allows the donor to influence and control the uses to which aid is put. Programme aid embodies more general support, for example, for the activities of sectors as a whole such as agriculture or education, or for balance of payments support without reference to the goods being bought with the proceeds of the transfer. Thirdly, there is commodity aid. It is another type of aid, which relates to commodities such as agricultural products, raw materials and consumer goods. This aid helps in controlling shortage and maintaining the tempo of industries by providing raw materials to the industrial sector. Commodity aid sometimes has a depressing effect on agriculture prices in a recipient country, so it serves as a disincentive effect for the agriculture sector.

Aid is often provided in a tied or non-tied form. Tied aid donors often force recipients to spend their loan amount in the country where the aid comes from. Projects using domestic inputs are sometimes ineligible for more aid comparing to those projects with large import content. This can make a permanent burden on the aid-receiving countries. If the project use imported inputs at the initial stage, it implies continuous demand for spare parts and on-going technical advice on operating the imported equipment. Non-tied form of aid is the foreign aid, which is not tied to any project or nation.

Foreign aid may have a various physical forms. It may take the shape of capital goods, technical assistance, agriculture commodities or even military support. Again, aid may be either bilateral or multilateral. Bilateral aid is that aid given from the government of one donor country to a recipient country. It is basically one to one relationship of two states. For multilateral aid is given by certain international financial

institutions, agencies or organizations to the governments of developing countries. In multilateral aids, the donor countries, “surrender control over the uses of those funds and agree to abide by the decisions which they make with other members of the agency or institution.” Finally foreign aid may be hard or soft loan. If repayment of loan requires foreign currency then such is called hard loan. Repayment of loan by home currency refers to soft loan. While the World Bank loan is hard loan, loan of its affiliates is soft loan (Kumar, 2020).

Foreign aid is very important to many developing countries around the world. It can have a substantial effect on the countries’ improvement by providing needed programs that create jobs, increase healthcare services, provide education that development the human resources of the country. Providing aid to developing countries can have positive outcomes for the donor countries as well. The aid’s ultimate goal is to support or stabilize the developing countries until they are capable of supporting themselves. There are benefits for all participating nations involved way once aid is provided. In most developed nations, foreign aid is still an important part of the legislation and the conversation (Hazzard, 2017).

Hazzard (2017) states 10 reasons why providing foreign aid is so important:

1. It can be used as humanitarian aid
2. It can help less-developed countries (LDCs) fight against diseases such as HIV/AIDS
3. It helps with economic growth in LDCs
4. It can help with market expansion
5. It helps with basic infrastructure in LDCs
6. It helps promote improvements in agriculture
7. It can help with poverty relief
8. It helps LDCs grow and become more independent
9. It promotes political ties
10. It makes the world safer

## **2.2 Historical Perspective on Foreign Aid**

Before the European colonisation of Latin America, Africa and Asia, nations used to trade resources, information, ideas and even technical assistance back and forth. However, after European colonisation, significant amounts of technical assistance in the form of missionaries and teachers flowed into the colonies (Smith, 1990).

International co-operation evolved further as a result of the two world wars. Most of this was necessarily collaborative (between the Allies), to support the war effort. In order to understand foreign aid overall (and education aid more specifically) today we need to place it in its relatively short historical context. Since the end of World War II (WWII), the aid business as a whole has gone through four phases, two in the Cold War and two following the end of the Cold War.

The aftermath of World War II saw the world's first large-scale development aid programmes in the Marshall Plan, which sought to rebuild Western Europe. The Marshall Plan aid from the US to Western Europe was meant to stop the spread of communism in the recipient countries and develop export markets for the US economy. During the colonial era, the traffic of education aid in developing countries was very restricted. However, beginning in the early 1960s when the bulk of the colonies received their political independence, aid negotiations started up with many of the new bilateral assistance agencies that came into being during the 1960s as well as with the multilateral agencies, in particular the World Bank which started its educational lending in 1963.

The perceptiveness for aid changed as foreign aid expanded to include developing countries. Poor, recently independent countries with small markets represented limited potential as consumers for the producers in industrialized countries. In the 1950s and 1960s, development efforts were concentrated on increasing levels of agricultural and industrial production as well as the exploitation of natural resources (mining, forestry, etc.). It was not until the early 1970s that leading donor agencies began to invest more heavily in integrated rural development programmes, as well as poverty alleviation, basic needs, education, and gender issues (Nordtveit, 2011). The World Bank held follow-up meetings with other donor organizations that later evolved into a group called the Donors to African Education (Chabbott, 2003). Throughout the 1980s and early 1990s, close attention was paid to national educational expansion and planning in the framework of national development and economic modernization.

Given the security focus that had previously been used to justify aid, it is not surprising that aid became less important after the end of the Cold War. Berthélemy & Tichit, 2002 performed a number of statistical tests on difference in aid between the 1980s and 1990s, and concluded that "a major outcome of the end of the Cold War has been the strong decline in aid commitments of bilateral donors". In the last decade of the century, donor financing has been geared toward social services such as health and

education (Stevens, 2008). With the recent emphasis being placed on improving human infrastructure, a large portion of the aggregate aid is diverted toward specific sectors and purposes. In the 1990s the international education aid community gave basic education the highest priority through the World Conference on Education For All (WCEFA) held in 1990 with the sponsorship of United Nations Children's Fund (UNICEF), United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Bank, and the United Nations Development Programme (UNDP). Aid agencies that had traditionally supported secondary, higher education, and/or vocational education began to switch to basic education.

In early 2002 at the Monterrey Conference, donors agreed to increase their funding for development, which lead towards a new paradigm of aid "aid as a partnership". Investment in education is critical for economic growth, improved health, and social progress is beyond question. However, alongside this, many people in today's global society, including many of its most prominent leaders and academics, maintain that terrorist activity is the result of ignorance and/or poverty.

### **2.3 Importance of Foreign Aid Effectiveness for Education**

Development aid is a limited resource, which needs to spend it in a way that as effectively as possible in order to achieve results. Better policies in developing countries, together with improved aid allocation mean that aid is more effective today at reducing poverty than ever before. International aid increasingly acts as a substance to spur the change needed to create conditions in which people in developing countries are able to raise their incomes and live longer, healthier and more productive lives. How successful the development community is in helping societies respond to complex and complicated challenges will depend on its ability to draw from best practices, and to make continual improvements in the way assistance is designed, allocated, managed and implemented.

Foreign aid has at times been a remarkable success. Botswana and the republic of Korea in the 1960s, Indonesia in the 1970s and Bolivia and Ghana in the late 1980s and Uganda and Vietnam in the 1990s are examples of countries where aid has contributed significantly and uplifted these countries from crisis to rapid development (Dollar & Pritchett, 1998). On the flip side, foreign aid has also been seen at times, as unmitigated failure. Consider Tanzania, where donors poured a colossal \$ 2 billion into building roads, over 20 years. Roads were built but due to the lack of maintenance,

roads deteriorated faster than they could be built (Dollar & Pritchett, 1998). This indicates that the aid assistance was not a success.

The aid effectiveness analysis is implemented through evaluation studies; this kind of evaluation is of highest importance as answers can be given to vital issues such as whether aid has any positive or negative results, what changes should be made in policies or which way is the most efficient in providing aid. Historically, aid has gone through various stages. The same applies to the work of researchers that tried to evaluate the effectiveness of aid. However, the study of aid effectiveness is bound, among others, by the underlying theory, the objectives, the development models and the data and equipment that are available at every historical moment. Still, there is no doubt that even with advanced methods, it is rather difficult to analyse the complicated process of growth and development (Vathis, 2013).

Education is a fundamental component of development. Most of the third World countries show disparities in terms of educational development. Some countries cannot cope with population growth and the demand for educational services. So education assistance is sought by most developing countries. Educational aid is provided to improve the educational services in order to address the social, political and economic needs of the society. It is generally assumed that education aid helps in human resource development and in turn the overall development in a country (Manetarai, 2008).

Aids to education sector are in different forms. Generally, it build schools, give training to teachers, help government and other NGOs to spread awareness about education and setting up new disciplines by providing financial resources, human resources etc. Donor countries also help in searching the way that is more efficient to have access to education, to improve the quality of education, fairness and to deal with the increasing demand of aid due to the increase in population in developing countries. Aid given to education and its assessment needs to be systemic and long-term, and the development of capability needs to be managed at national level and should be coordinated (Riddell, 2012).

UNESCO's Education for All (EFA) points up the mutually reinforcing relationship between low education and violent conflict. The fact that conflict harms education—by destroying infrastructure, injuring or killing students and teachers, and so on—is obvious. EFA notes that education also affects conflict, as conflict may originate in an ideology that may be widely disseminated through education. The EFA framework thus calls for “conflict-sensitive” education and policy initiatives, termed

“reconstruction education.” Broadly applicable lessons are stressed; for example, learning how to deal with educating displaced families in conflict areas is not region specific, and lessons learned even though the conflicts themselves are very different. EFA argues that education can contribute to peace, stability, and nation building (Todaro & Smith, 2015).

Sustainable education outcomes is difficult to achieve simply by reproducing yet more successful, but individual projects. Booth, 2011 has stated intelligently about the consistency in policy and development of institutions. The strong suggestion is very much evident: in order to have an effective and efficient impact of aid on educational systems, we should be having approaches which will cater and focus ahead of the short-term and ahead of particular or specific involvements. The approaches should be much longer term, and there is a need to pay much greater attention to the educational system as a whole, including the institutions, organizational practices and incentives, with greater understanding of the political, economic and social context which underpins it and with which it has a significantly important interface (Kemal & Jilani, 2016).

Since foreign aid can be viewed as foreign capital early theories to explain its effect on growth resorted to traditional economic development theories and the role of capital stock and flows in development. Much of the early empirical research utilized framework offered by development economists such as Harod (1939), Domar (1946), Rostow (1960) and other variations of those models. The majority of work done assigns growth rate as the independent variable and aid as one of the dependent variables in addition to the traditional variables assigned in different development models and run regressions to evaluate the significance of the relationship between aid and growth (Randy, 2012).

#### **2.4 Advantages and Disadvantages of Official Development Assistance**

Today’s world is more prosperous and has more advanced technology than ever before. However, there are still scarceness, pollution, water shortages and development problems in more than dozens of countries in the globe. In that case, many developed countries and organizations are providing aid and supporting undeveloped countries. In this context, ordinary people who live in rich countries also have greater awareness of helping their infrastructural development. Food, technological, educational aids, etc., have become an accepted policy of advanced countries to support in furthering the development of the human and material resources of poor countries. Although the initial



intention of foreign aid is to help, it does have its drawbacks.

Here below are the list of some of the advantages of foreign aid.

1. Foreign aid benefits the domestic economy
2. Foreign aid creates a stronger relationship for all the parties involved in the transaction.
3. Foreign aid can reduce poverty
4. Foreign aid provides economic opportunities for the donors and the recipient countries
5. Foreign aid allows countries to help others without direct interference

On the other side, the some of the disadvantages of ODA are as follows:

1. Increase dependency
2. Risks of corruption
3. Economic and political pressure from donor countries
4. Benefits employers but not to people who do not have jobs or proper livelihood
5. More expensive commodities due to inflation

## **2.5 Review on Previous Studies**

Regarding with the official development assistance many scholars and researchers conduct the research and among them below mentioned are some of the review from the previous studies.

Aung Naing Moe (2007) studied on the Official Development Assistance Programme of Japan to Myanmar. The study focused on the Japan's ODA policy and assessed the impacts and effects of Japan's ODA program to Myanmar. The study found out that Myanmar received the highest economic assistance from Japan in 1988 amounting nearly USD 260 million, ranking as the fourth on the list of ODA recipient countries in the South East Asia region. During 1970s, Myanmar received quite large Japan's ODA but Myanmar had to forgo the privilege along with the emergence of new ODA Charter enacted in the Japanese Diet in June 1992. The new ODA Charter has obligatory that full attention is necessary to efforts for promoting democratization, market economy system, basic human rights and freedoms in the recipient country. In Myanmar, those issues were not paid much attention at that time which makes it difficult for the country to receive more ODA from Japan. Japan's grant aid for Human Resources Development scholarship to Myanmar has declined yearly from JPY691 in

Year 2004 to JPY407 in Year 2007. In addition to the Human Resources Development, Japan also made some technology transfers under their ODA programme to Myanmar. The study recommend that to have a joint-governmental mechanism between Japan and Myanmar, which can operate independently and provide required information about Japanese universities, together with the awareness of Japan's educational scholarship programme, must be established so that many Myanmar students can get the opportunity to enjoy the programme. Another recommendation in the study is that Myanmar has to set up the appropriate structural adjustment to bring about to get an ODA friendly environment so that more donors will be willing to provide ODA into the country.

Elizabeth Asiedu and Boaz Nandwa (2007) examined "On the Impact of Foreign Aid in Education on Growth: How Relevant Is the Heterogeneity of Aid Flows and the Heterogeneity of Aid Recipients?". The study examined whether foreign aid in education has a significant effect on growth. The observer took into consideration the heterogeneous nature of aid as well as the heterogeneity of aid recipients—they disaggregate the aid data into primary, secondary, and higher education, and run separate regressions for low income and middle income countries. The study found out that the effect of aid varies by income as well as by the type of aid. The effect also depends on the level of development of the recipient country (low or middle income) as well as the level of education at which aid is being targeted (primary, secondary, or higher). The study suggest that increased aid in primary education to poor countries will provide double benefits that it will promote economic growth and also help the countries to achieve the millennium development goal of universal primary education.

Selwyn Kole Manetarai (2008) studied the aid impact on education development in the Solomon Islands. The objectives of the study are to examine the utilisation patterns of New Zealand aid in education sector, to assess the impacts of New Zealand aid on primary education in Solomon Islands, to examine the constraints in education development, to study the level of education in provinces and by gender in the Solomon Islands and there are many other objectives. The study found out that there are gender inequalities in the primary education sector not only in the teaching sector but also in the learning sector. The New Zealand education aid provided in the form of grants, curriculum materials and for educational infrastructure development such as classrooms, storage facilities and library resources. New Zealand educational aid has been an integral part of education that promotes human resources development

in Solomon Islands. Many of the Solomon Islands leaders have either directly or indirectly benefited educationally from the New Zealand aid programs. The study gave recommendations to both Solomon Islands government and to the aid-donors. The recommendations to government mostly regarding with the infrastructure and the policy making processes. The recommendations to aid-donors are to distribute the aid money effectively, to allow greater involvement of national level NGOs and CSOs for project implementations and to make deeper evaluation of aid programs for greater effectiveness.

Mumtaz Anwar and Sughra Aman (2010) observed the Aid Effectiveness in the Education Sector of Pakistan. The objective of the study is to empirically examine the effect of foreign aid on the education sector of Pakistan using time series data for the period 1991-2007. The results found out that both foreign aid given to education sector of Pakistan and total aid disbursement have significant positive relationship with literacy rate of the country. While the variable of political governance is found to be more significantly related with literacy rate than economic governance.

Htet Myat Ko (2010) studied on An Analysis on European Commission's (EC) Humanitarian and Development Aid in Myanmar (1998-2009). The study explore in details on EC humanitarian and development assistance in Myanmar by reviewing the funding by sectoral approach. The study focus the analysis on the humanitarian and development assistance provided by the EC to each sector of Health, Sanitizing, Nutrition and Food Aid in particular project areas of the country during the period of 1998-2009. The study found out that since the EC engage its assistance in Myanmar, the funding has been increased yearly. The total funding amount was increased by approximately 25% during the 12 years period of 1998-2009. The humanitarian assistance funded largest amount to Health sector and at the same time, development assistance funds were also focus to Health sector during the period of the study. EC is actively engaged in providing assistance in Myanmar but there were some limitation of Common Position and Sanctions delayed the achievement of EC's goals towards the development of the nation.

Mar Mar Myaing (2015) examined the Impact of ODA in the development process of Vietnam. The study analyzed the situations and effects of ODA on socio-economic development in Vietnam and Myanmar at that time. The study found out how ODA are committed and disbursed to Vietnam during the period of 2003 to 2012. During that period, Vietnam changed from less developed country to lower middle-

income country resulting from the country's rapid transformation to growth, impressive expansion of trade and attraction of ODA and investments. The successful transformation of Vietnam has contributed significantly by the international donors. The donors gave sizeable support to Vietnam in many forms of technical assistance, loans and budget support. With the support of the aid received and efficient, effective utilization of the aids and assistance received, the country has the impressive growth performance. Based on the analysis the study recommended that Myanmar Government should establish some kinds of institutions to support and manage for the aid allocation effectively like Vietnam, Government of Myanmar should take care of the main alternative views on the effectiveness of aid. Furthermore, the government should also stand the main driver seat to achieve effective and efficient utilization and reallocation of ODA in a way that can contribute to socio-economic development of the country.

## **CHAPTER III**

### **OFFICIAL DEVELOPMENT ASSISTANCE TO MYANMAR**

#### **3.1 Foreign Aid or Official Development Assistance to Myanmar**

Due to the relative international isolation for the past several decades, Myanmar has a unique history of development cooperation. There are clear legacies of this history today, including the presence of numerous activist groups based in Thailand, limited government experience liaising with development organizations, and limited donor understanding of the politics of development in many of Myanmar's states and regions. While much has changed since 2011, understanding the history remains crucial for effectiveness in the country's development cooperation of today (Carr, 2018).

The history of aid to Myanmar can be divided into four post-independence eras. The first era runs from independence, in 1948, through 1988. After Myanmar gained independence in 1948, the country started receiving and accepting development assistance from the developed countries. The donors were the Western and socialist countries such as United States, China, Japan, Russia and its allies. In 1953, Myanmar stopped receiving aid from the United States due to some political factors. The acceptance of aid drastically reduced in 1962, when Socialist political system took over political power in the country, except from Japan and the United Nations (UN) organizations. During that time, an extremely socialistic and control-oriented command economy emerged and the economic situation of the country was ruined. In the mid - 1970s, the government became softer its self-reliance policy by accepting foreign aid and loans from international donors and agencies, including official development assistance (ODA) loans. Aids were welcomed back after being rejected for more than a decade. With the reacceptance of ODA, the country's GDP growth rate significantly increase during the period of mid-1970s and early 1980s. After 1988, most aid providers closed their Myanmar programs, and support was restricted primarily to health and humanitarian channels. This changed in the third era, after the year 2011, with the reforms of the democratic government and subsequent large-scale reengagement by the international community. The forth era began with the National League for

Democracy(NLD) government assuming power in 2015, though it remains to be seen how significantly the new government's changing aid policies will reshape development cooperation in the country (Carr, 2018).

After the NLD won the elections in 2015, the funding amount accelerated and the most significant one is Japan's announcement of USD \$ 7.73 billion over the next five years at the ASEAN summit in Laos in October 2016. There were noticeable changes in government and donor structures for the management of aid. The government has established a new high-level platform for coordination, policy development, and decision-making on aid projects, the Development Assistance Coordination Unit (DACU), as well as several joint, donor-government decision-making bodies. With the aim to facilitate businesses, to harmoniously cooperate between foreign direct investment (FDI), technical assistance, official development assistance (ODA) and investment from abroad and home, while improving investment of the country, Ministry of Investment and Foreign Economic Relations (MIFER) was formed on 19 November 2018. MIFER consist of Directorate of Investment and Company Administration (DICA) and Foreign Economic Relations Department (FERD).

The FERD launched the Myanmar Development Assistance Policy (DAP) in January 2018. According to Ministry of Planning and Finance (2018) DAP aims to ensure that development assistance is:

1. aligned with Myanmar's national, sub-national and sector-level development priorities, and with relevant international accords that Myanmar has endorsed;
2. increasingly harmonized with Myanmar's national planning and budgeting processes;
3. delivered in ways that are results-driven, innovative, mutually accountable and transparent;
4. delivered in ways that strengthen Myanmar's human and institutional capacities at all levels; and
5. supportive of Myanmar's achievement of the Sustainable Development Goals (SDGs).

Myanmar government has identify three Development Assistance Core Principles in the DAP as follow:

1. The Government of Myanmar (GoM) will determine its own development plans and priorities; development assistance shall directly support these plans and priorities, at both the national, sub-national and sector level, to ensure maximum effectiveness, sustainability and country ownership.
2. Where sufficiently strong country systems are jointly determined to exist, Partners In Development (PID) should deliver their assistance through such systems, and when such systems do not exist, concrete steps shall be taken by the GoM (with the support of PID) to strengthen them.
3. In order to maximize the impact of development assistance, such assistance should be used in cases where it is not viable or appropriate to attract sufficient private sector financing in the short-term (including due to perceived risk). Further detail on specific criteria used to determine viability and appropriateness shall be developed as part of the Myanmar Public Investment Programme (PIP) (Ministry of Planning and Finance, 2018).

In Myanmar there are more aid providers working than at the start of the transition. Between five years times from 2011 to 2015, the number of donors shows in the Organization for Economic Co-operation and Development (OECD) system increased from 29 to 39. Even though this increase in number would be a conservative estimate of donor numbers: many implementing organizations bring smaller volumes of core funding into the country, and there are donors who are not documented by the OECD. The top 5 leading aid providers to Myanmar since 2011 January to 2018 December are shown as per below table (3.1).

**Table (3.1) Top 5 Donor Organizations to Myanmar during 2011 to 2018**

<b>Sr. No.</b>	<b>Donor Organization</b>	<b>Committed Fund Amount in USD</b>
1	Government of Japan	6.2 Bil
2	The World Bank	1.4 Bil
3	Asia Development Bank	1.3 Bil
4	World Food Programme	769.0 Mil
5	European Union	676.4 Mil

Source: Aid Information Management System, 2020

Referring to the table (3.1), Japan is the top donor to Myanmar with USD \$ 6.2 billion commitments to all sectors. World Bank is the second leading donor and the European Union is also one of the biggest donor to Myanmar with USD \$ 676.4 million commitments to all sectors.

During the transition period after 2011, aid providers have changed the sectors they targeted. Most aid to Myanmar are aimed for a relatively small number of sectors: approximately 50 percent of all funding commitments are allocated to the energy, health, and transport sectors. The current distribution of commitments across sectors is significantly different from before the transition. While health spending has been a priority for aid to Myanmar over a longer period, the dominance of the energy and transport sectors reflects a significant change in aid priorities for Myanmar. Since January 2011, the major aid-receiving sector of Myanmar is leading by Social Infrastructure and Services Sector. Below table (3.2) showing the sectors, those received the biggest amount of fund during the period from January 2011 to December 2018.

**Table (3.2) Major Sectors Receiving the Highest Amount of Funds during 2011 to 2018**

<b>Sector</b>	<b>Amounts in Billion USD</b>	<b>Percentage of funds received for each sector</b>
Social Infrastructure and Services	2.99	41%
Health	1.42	19%
Governance	1.16	16%
Agriculture	0.717	10%
Education	0.636	9%
Energy	0.246	3%
Transport	0.148	2%
Total	7.317	100%

Source: Aid Information Management System, 2020

According to the above table (3.2), in Myanmar, major sectors receiving large amount of ODA are social infrastructure and services, health, governance, agriculture, education, energy and transport sectors. The social infrastructure and services sector is the highest ODA received sector with USD \$ 2.99 billion which is 41% of the total aid



received during 2011 to 2018. The Health sector received 19% of total funds and the third highest sector that received aid is the Governance sector with 16% of funds received within 8 years. From the AIMS data shown in table (3.2), Education sector stands at the fifth place in the highest aid received sectors with the fund amount of USD \$ 676.4 million, 9% of total funds received.

### **3.2 Neighboring Aid Providers to Myanmar**

Carr (2018) states that improving development cooperation in Myanmar will require close engagement with neighboring countries. While the assistance provided by China, India, and Thailand may not technically classified as ODA, these countries are all important aid actors in Myanmar. Because of that, OECD donors in the country frequently highlighted that it is necessary to understand them better and engage with those countries. However, participation by these countries and other non-traditional donors in formal coordination structures has been limited despite efforts by both traditional donors and government to promote it. Both groups must make efforts to better collaborate in assisting Myanmar to achieve its development objectives.

Thailand is an important neighbor for Myanmar, accounting for a large proportion of migration and investment flows. Development assistance from Thailand comes primarily through the Neighboring Countries Economic Development Cooperation Agency (NEDA), though Myanmar is also covered by some projects from the Thailand International Cooperation Agency (TICA). Thailand has been providing development assistance to Myanmar consistently both in-cash and in-kind with an aim of improving the quality of people's lives. During 2012 - 2015, the Royal Thai Embassy in Yangon implemented various projects to raise the well-being of people in Rakhine State (Thailand MoFA, 2017). Moreover, in January 2017 the Thai government contributed USD \$ 200,000 for immediate assistance to the Myanmar government to help the affected people in Rakhine State. Thailand also completed a three - year bilateral development cooperation framework with Myanmar within the budget of USD \$ 4.2 million.

China is one of the neighbors of Myanmar sharing the same mountains and rivers. China has the comprehensive history of aid engagement in Myanmar, though economic relations between the two countries have alternated concerning the periods of cooperation and periods of tension since independence. China was the first country to recognize the new regime following the events in 1988, and the two countries entered

a relationship in which China gained access to Myanmar’s natural & energy resources, and strategic access to the Indian Ocean, while Myanmar relied heavily on China for political and economic support in the form of investment, trade, and aid. The bilateral relations between Myanmar and China is quite straightforward in the past 30 years since China’s reform and opening up. The two countries ties are economically close. Border trade and economic and technical cooperation is a unique feature in both countries economic relation. With the economic development of the both sides, China’s economic and technical cooperation with Myanmar has extended to investment, contracted project from unitary official aid in the past years. China has become Myanmar’s major partner in economic cooperation. China not only provides some aid, but also more participates in economic and technical cooperation, especially in large contracted project cooperation (Zhenming, 2008). While many other donors were pulling out of Myanmar in the early 1990s, China guaranteed its first major grant to Myanmar. Here below summarize in the table (3.3) the list of aid from China to Myanmar over the year from 1991 to 2006.

**Table (3.3) China Aid to Myanmar during 1991 to 2006**

<b>Year</b>	<b>Type of Aid</b>	<b>Project</b>	<b>Total Amount in USD</b>
1991	Grant	Not specify	8.9 Mil
1993	Interest free Loan	Yangon-Thanlyin Bridge	29.1 Mil
1997-2006	Grant	Not specify	24.2 Mil
	Subsidized Loans		482.7 Mil
	Debt Relief		1.2 Mil

Source: Carr, 2018

There is no complete record of Chinese aid to Myanmar since the transition began in 2011. The Aid Information Management System (AIMS) has a record of 13 projects since January 2011, totaling \$ 67 million USD in commitments. Much larger amounts of money have been made available in loans to the government, loans which may not be as concessional as required to meet ODA standards, but which may be intended as development finance.

While trying to improve its relationship with Myanmar, India has kept its focus on ‘Development Assistance’, supported through grants and loans, training

programmes, provisions for expert knowledge and capacity building. This is particularly visible in the sectors like education, health, infrastructural development and energy cooperation, trade, transportation, communication, parliamentary training and support for ethnic reconciliation initiatives. In its recent efforts under ‘India-Myanmar Friendship Project’ India has handed over 250 pre-fabricated houses in the Rakhine State for the rehabilitation of refugees after their return (Trivedi, 2019). The most notable projects are the Trilateral Highway, which will connect India, Myanmar, and Thailand, and the establishment of the Myanmar Institute of Information Technology and the founding and development of the India-Myanmar Centre for Enhancement of Information Technology Skills. Large loans have also been directed towards the modernization of agriculture.

Table (3.4) shows the summary of funded amount during Jan 2011 to Dec 2018 by neighboring donor countries to Myanmar. As indicated in the table below, India is the largest donor in the region with total amount of approximately USD \$ 135 million and the highest amount provided for transport sector, which is a consequence of the Trilateral Highway project that connect India, Myanmar and Thailand. Thailand being the lowest donation amount since its development cooperation projects started recently during 2012 in Rakhine State.

**Table (3.4) Neighbor Aid Providers to Myanmar during 2011 to 2018**

<b>Donor</b>	<b>Sectors</b>	<b>Amount in USD</b>	<b>Committed Total Amount in USD</b>
India	Transport	86.3 Mil	134.86 Mil
	Agriculture	15 Mil	
	Multi-sectors	33.56 Mil	
China	Governance	33.3 Mil	67.30 Mil
	Infrastructure	6.4 Mil	
	Multi-sectors	27.6 Mil	
Thailand	Multi-sectors		28.85 Mil

Source: Aid Information Management System and Organization for Economic Co-operation and Development, 2020

### **3.3 Myanmar and Its Development Partners**

The Foreign Economic Relations Department (FERD) is the focal point for government engagement with development partners. Ministry of Investment and Foreign Economic Relations (n.d.) mentioned that the overall policy objectives of FERD are:

1. Economic cooperation with foreign countries as well as external organizations for receiving external aids in forms of grants, financial assistance and technical assistance for economic and social development of the state in line with the fundamental institution development
2. Bi-lateral economic cooperation and coordination as well as United Nation Organizations

The aims of the FERD are to promote economic cooperation with foreign countries as well as external organizations for mobilization of external resources in forms of grants, loans and technical assistance for the economic and social development of the country; to contribute to the ASEAN economic integration; to enhanced foreign economic relation with a view to achieving people centred, inclusive and sustainable development of Myanmar and to support institutional development of the Government through coordination for training and scholarship programmes offered by development partnership (Ministry of Investment and Foreign Economic Relations, n.d.).

FERD coordinates for bilateral economic cooperation and bilateral foreign assistance to Myanmar between Ministries concerned and development partners from Asia, America, Europe, European Union Institutions, Eurasia, Africa and Oceania Countries. At the same time, Myanmar, being a member state in the Association of Southeast Asian Nations (ASEAN), the regional organization comprises the countries those territorial proximity to Myanmar, cooperate and coordinate in ASEAN economic community establishment actions and dialogue partners cooperation (individually as well as group of dialogue partners) as a focal ministry and secretariat of Myanmar Economic Minister. Apart from bilateral and ASEAN economic cooperation, MIFER engages with International Organizations (World Bank Group - WBG, Asia Development Bank - ADB) as well as United Nations agencies and organizations in order to support economic development of the country.

The earliest ODA programme from Japan to Myanmar was launched in 1968. In 1988, Japan's ODA programme to Myanmar was suspended due to the military take

over after 1988 uprising. However, in 1999, Japan resumed its suspended the JPY ¥ 2.5 billion grant loan for the Yangon International Airport Extension Project. During the 1990s, Myanmar included in the top ten list of ODA recipient countries from Japan. According to the data from Aid Information System, for Myanmar, Government of Japan is the largest ODA contributor with the amount of USD \$ 6.3 billion since the year 2000. Japan announce that in order to support Myanmar's effort for reforms towards democratization, national reconciliation and sustainable development, the economic cooperation policy of Japan was reviewed in April 2012.

Below table (3.5) is showing the ODA from Government of Japan to Myanmar for 5 years from 2011 to 2015. In 2013, Japan carried out a debt relief amounting to JPY ¥ 300 billion. In 2012, the government open up for new economy and more aid and assistance received including both soft and hard loans. Japan provided loans starting from 2012 and the loans received from Japan increased each year. Loan received from Japan is the highest in 2012 with 86% of total ODA received from Japan. Among the various ODA received from Japan, loan is the highest amount within 2012-2015 which is the 72% of all ODA is provided in the form of loan only. Grant is the second type of ODA received from Japan with 22% of all ODA and technical assistance stands at third place with 6% of total ODA from Japan.

**Table (3.5) Japan's ODA to Myanmar during 2011 to 2015**

Unit: JPY in Million

<b>Fiscal Year</b>	<b>Loans</b>	<b>Grants</b>	<b>Technical Assistance</b>	<b>Total of all Aid Types</b>
2011	0	45.13 (68%)	21.23 (32%)	66.36 (100%)
2012	1,988.81 (86%)	277.36 (12%)	42 (2%)	2,308.17 (100%)
2013	510.52 (66%)	199.76 (26%)	67.14 (9%)	777.42 (100%)
2014	983.44 (79%)	181.89 (15%)	75.18 (6%)	1,240.51 (100%)
2015	1,257.87 (83%)	176.05 (12%)	87.63 (6%)	1,521.55 (100%)
<b>Yearly Total</b>	<b>8,769.87 (72%)</b>	<b>2,747.43 (22%)</b>	<b>739.48 (6%)</b>	<b>12,256.8 (100%)</b>

Source: Japanese Embassy in Myanmar, 2020

The World Bank Group (WBG) seeks to support Myanmar through a challenging transition to achieve progress in the twin goals of reducing poverty and increasing shared prosperity. The aim of the WBG is to help Myanmar advance its economic transition sustainably, while ensuring that the benefits of the transition are shared more widely. The support is centred around the cross-cutting theme of promoting social inclusion for all people, including in conflict-affected areas. Under the new Myanmar Country Partnership Framework (FY2020-2023), the focus areas of WBG engagement are a) building human capital and fostering peaceful communities; b) fostering responsible private sector-led growth and inclusive economic opportunities; and c) enhancing climate and disaster resilience and sustainable natural resource and environmental management (World Bank, 2020). WBG is the second biggest donor to Myanmar with the aid-committed amount of USD \$ 1.8 billion since 2000.

The United Nations has been present in Myanmar since the 1950's, and even during the darkest days of the military dictatorship the Organization continued to provide some humanitarian assistance, although under a restricted mandate from 1993 to 2012, working directly with communities and individuals. There were two moments marked an increased presence of the Organization, each due to a different circumstance. The first was the humanitarian assistance provided after the catastrophic damage caused by Cyclone Nargis in 2008, mostly through United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) and the World Food Program (WFP). As a by-product, this led to a closer interaction of the UN with the military authorities. The second was the much wider presence of the United Nations System that accompanied the political process launched in 2010 – but accelerated after the 2012 by-elections of Parliament – with a significant increase in development cooperation, which led to a fully-fledged country programme in 2013. By 2014, the United Nations country team included 18 agencies.

### **3.4 Flow of Official Development Assistance to Myanmar**

The flow of ODA volumes in Myanmar has been increasing significantly since the governmental reforms were initiated by transition into the democratic government. The country resumed relations with bilateral donor countries and financial institutions such as World Bank and Asia Development Bank in 2011, which give access to large-scale development assistance. Myanmar currently has large donor community of more than 80 active donors including both bilateral and international organizations by the end of 2019.

The huge amount of ODA was committed and disbursed in 2008 with respect to the humanitarian aid and assistance received by Nargis Cyclone effected area. Since that time, many of the donors and non-government organizations (NGOs) become more active in the country. The ODA amount significantly increased again in 2013 due to the government effort to implement the distribution and utilization of the aid and assistance effectively by setting out guidelines and policies and other political reform processes. In 2015, when Myanmar started the election process, the aid commitment amount from all official donors increased by nearly USD \$ 776 million (27%) comparing from the 2014 committed amount. After the NLD government come into power in 2016, the international cooperation bodies recognize government transactional activities and the ODA disbursement increased constantly. Commitments are the amount of funds that donors intend to give to the recipient countries, while disbursements means actual payments made from donors to recipients. Commitments are often made for multi-year and may subsequently lead to disbursements over several years. In the data obtained from OECD, the commitments are recorded in total amount in the year they are signed. The disbursements amount are recorded in the year the funds are actually transferred. The total net ODA commitments and disbursements amount from official donors including DAC members and amounts from DAC member countries only are as shown in the below table (3.6) and (3.7) separately. Generally, committed amounts are always higher than the actual disbursed amount. In 2011, the disbursement amount is higher than commitment amount in both table (3.6) and (3.7).

**Table (3.6) Total Net ODA Commitment and Disbursement from Official Donors**

Amounts in Million USD

<b>Year</b>	<b>Commitment</b>	<b>Disbursement</b>
2011	323.76	334.38
2012	693.66	450.27
2013	7294.11	3625.39
2014	2829.74	1298.67
2015	3605.54	1227.70
2016	1633.95	1588.67
2017	2894.24	1592.90
2018	3519.86	1690.01

Source: Organization for Economic Co-operation and Development, 2020

The total Net ODA commitments and disbursements shown in table (3.6) made by official donors increased in 2013 when the government of Myanmar make efforts to implement ODA in the country effectively, the commitments and disbursements has expressively increased by USD \$ 6,600 million and USD \$ 3,180 million respectively compare to year 2012.

**Table (3.7) Total Net ODA Commitment and Disbursement from DAC Members**

Amounts in Million USD

<b>Year</b>	<b>Commitment</b>	<b>Disbursement</b>
2011	238.84	245.16
2012	387.65	296.66
2013	5713.39	3313.58
2014	2187.18	1087.3
2015	2367.41	919.75
2016	975.89	1087.38
2017	2106.18	1091.11
2018	2501.09	1244.06

Source: Organization for Economic Co-operation and Development, 2020

The total Net ODA commitments and disbursements showing in above mentioned table (3.7) donated by DAC member countries only also increased in 2013 by approximately more than USD \$ 3,000 million on both commitments and disbursements. In the table, the disbursement amount is higher in 2016 compare to the commitment amount of USD \$ 975.89 million. The higher disbursement amount was received when the NLD government takes power after the election in 2015.

Myanmar received ODA from different donors including DAC countries, other financial institutions, United Nations and non-traditional donor governments and so on. Among them table (3.8) presenting the top selected largest donors' commitments and disbursements amount to the country from year 2011 until 2018.



**Table (3.8) Total ODA Commitments and Disbursements by Donor with Highest Funded Amounts during 2011 to 2018**

Amounts in Million USD

Year / Donor	JPN	WBG	ADB	EU	US	UK	GER	UN	Total	
2011	Comm	38	-	-	48	57	21	9	32	205
	Disb	34	-	-	44	35	58	10	35	217
2012	Comm	123	77	-	149	51	34	28	37	499
	Disb	69	-	-	46	37	45	13	36	245
2013	Comm	4,463	552	554	105	98	119	27	40	5,957
	Disb	2,321	71	59	67	88	144	8	41	2,799
2014	Comm	940	324	61	148	152	37	435	53	2,150
	Disb	209	13	(22)	65	90	104	332	36	828
2015	Comm	1,682	947	92	104	124	98	54	70	3,172
	Disb	385	74	(10)	132	120	161	21	46	928
2016	Comm	231	318	279	18	191	48	79	38	1,201
	Disb	498	136	23	138	137	148	40	44	1,164
2017	Comm	1,412	329	195	48	123	24	111	58	2,300
	Disb	385	213	15	82	143	164	43	34	1,079
2018	Comm	1,475	-	616	340	185	103	81	41	2,841
	Disb	537	192	30	81	144	134	52	43	1,212

Source: Organization for Economic Co-operation and Development, 2020

Note: Comm = Commitment; Disb = Disbursement

\*(--) shown in table means the negative amount

According to the data from OECD as shown in above table (3.8), the disbursement amounts were highest in 2016 for most of the donors. In that year, Japan (JPN) stands at the top of the donor country list with the highest disbursement amount of USD \$ 498 million, USD \$ 266 million more than the original committed amount. The second donor with the amount of USD \$ 148 million USD \$ 100 million more than commitments is the United Kingdom (UK) in the same year. European Union (EU) is at the third place in 2016 with total disbursement amounting to USD \$ 138 million more than USD \$ 120 million of what has been committed. It can be assumed from analyzing the table that the donors made their disbursements amount higher in 2016 after the NLD

government come into power showing that the donors recognize the political reforms of the country.

In order to find out the biggest aid donor to Myanmar, how much percentage of the disbursed amounts yearly by each highest funded donors are calculated based on the OECD data.

**Table (3.9) Percentage of Disbursements made by donor with highest fund amount during 2011 to 2018**

<b>Year / Donor</b>	<b>JPN</b>	<b>WBG</b>	<b>ADB</b>	<b>EU</b>	<b>US</b>	<b>UK</b>	<b>GER</b>	<b>UN</b>	<b>Total</b>
2011	16%	-	-	20%	16%	27%	5%	16%	100%
2012	28%	-	-	19%	15%	18%	5%	15%	100%
2013	83%	3%	2%	2%	3%	5%	0%	1%	100%
2014	25%	2%	(3%)	8%	11%	13%	40%	4%	100%
2015	41%	8%	(1%)	14%	13%	17%	2%	5%	100%
2016	43%	12%	2%	12%	12%	13%	3%	4%	100%
2017	36%	20%	1%	8%	13%	15%	4%	3%	100%
2018	44%	16%	2%	7%	12%	11%	4%	4%	100%
Average	40%	10%	1%	11%	12%	15%	8%	7%	100%

Source: Organization for Economic Co-operation and Development, 2020

\*(-- --) shown in table means the negative amount

From the table (3.9), Japan is the biggest aid contributor to Myanmar with average 40% disbursement of the all ODA received through 2011 to 2018. Followed by the United Kingdom with 15%, United States with 12% and European Union stands at the fourth place as one of the biggest donor to Myanmar with 11% disbursement within the 8 years period from 2011 to 2018.

Aids and assistance received from the donors are in many different forms. The various types of aids and assistance received in Myanmar are Grants, Loans, Technical Cooperation (TC), Food and Humanitarian aid, etc. Below table indicates the major types and amounts of ODA received within the year 2011 to 2018.

**Table (3.10) Amounts of Distributed ODA to Myanmar for Major Aid Types during 2011 to 2018**

Amounts in USD Million

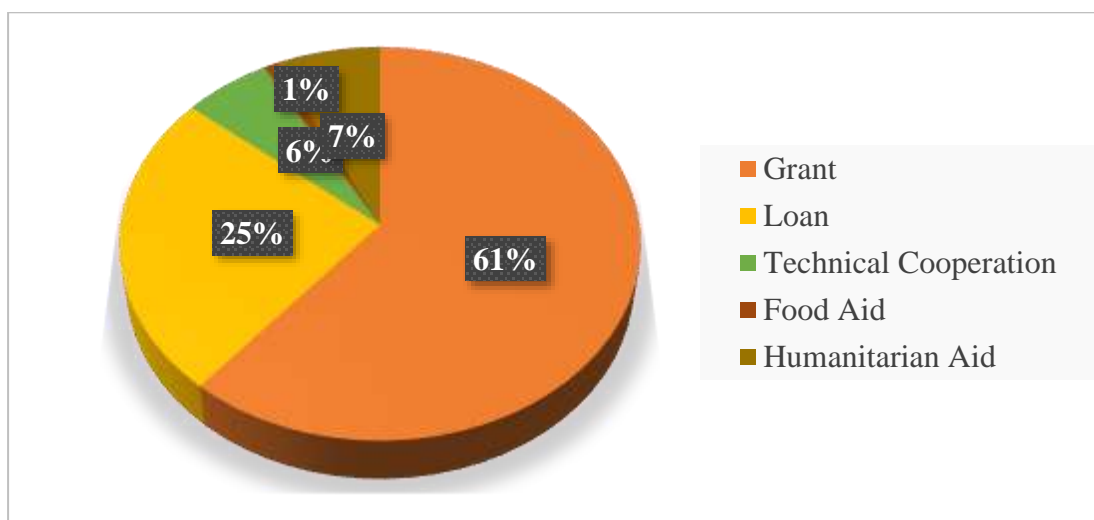
<b>Year</b>	<b>Grant</b>	<b>Loan</b>	<b>Technical Cooperation</b>	<b>Food Aid</b>	<b>Humanitarian Aid</b>
2011	355.42	5.64	52.17	15.71	82.03
2012	474.31	-	59.69	15.15	102.29
2013	4280.03	2775.33	87.8	6.6	201.09
2014	1718.79	296.42	144.77	4.64	174.41
2015	1126.04	159.3	145.56	39.24	192.99
2016	1271.01	392.31	215.62	39.8	190.86
2017	1198.34	444.25	198.54	37.65	211.31
2018	1108.51	627.7	219.43	20.88	182.09
<b>Total</b>	<b>11,532.45</b>	<b>4,700.95</b>	<b>1,123.58</b>	<b>179.67</b>	<b>1,337.07</b>

Source: Organization for Economic Co-operation and Development, 2020

From the table (3.10), grants are the major type of ODA received by Myanmar. The total amount of USD \$ 11,532.45 million worth grants received from the year 2011-2018. The grants amounts increased significantly in 2013 due to the government's efforts to the political reforms and the setting up of development assistance policies that open up for more cooperation of the development partners in supporting the development of the country from every aspects. Loans are the second leading type of aid to Myanmar. In 2013, the country received more than USD \$ 2,700 million loans to different sectors as development assistance. In addition to the grants and loans, donor countries support Myanmar with Technical cooperation (TC), Food and Humanitarian Aids.

The percentage share contributed to different types of aid and assistance are shown in the below figure (3.1).

**Figure (3.1) Share of Different Types of ODA to Myanmar**



Source: Organization for Economic Co-operation and Development, 2020

Grants are the biggest percentage of contributed aid with 61% share of the total ODA received from all official donors. Among the total net ODA received, 25% of share is for loan received, 7% as Humanitarian aid, 6% of share is contributed as Technical cooperation and 1% as Food aid.

Different donors contribute different types of aids into the country and below tables indicate the amount and percentage contribution for various aid types by major donors for 8 years period from 2011 to 2018.

**Table (3.11) Amount of Different Types of Aid by Major Donors during 2011 to 2018**

Amount in Million USD

Aid Type / Donor	JPN	WBG	ADB	EU	US	UK	GER	UN	Total
Grant	4,357	76	26	656	794	960	933	309	8,109
Loan	81	623	70	-	-	-	(416)	8	366
TC	510	-	17	50	32	58	119	4	788
Food	12	-	-	118	-	5	12	-	147
Hum	239	-	-	175	288	148	70	40	959

Source: Organization for Economic Co-operation and Development, 2020

\*(--) shown in table means the negative amount

**Table (3.12) Percentage Contribution of Different Types of Aid by Major Donors during 2011 to 2018**

<b>Aid Type / Donor</b>	<b>JPN</b>	<b>WBG</b>	<b>ADB</b>	<b>EU</b>	<b>US</b>	<b>UK</b>	<b>GER</b>	<b>UN</b>	<b>Total</b>
Grant	54%	1%	0.32 %	8%	10%	12%	12%	4%	100%
Loan	22%	170%	19%	-	-	-	(113%)	2%	100%
TC	65%	-	2%	6%	4%	7%	15%	-	100%
Food	8%	-	-	80%	-	3%	8%	-	100%
Hum	25%	-	-	18%	30%	15%	7%	4%	100%

Source: Organization for Economic Co-operation and Development, 2020

\*(--) shown in table means the negative amount

According to the data from OECD as shown in table (3.11 and 3.12), within 8 years from 2011-2018, Japan contributed more than USD \$ 4,300 million, almost 50% of the total grant received from major donors. Loans are contributed mainly from the World Bank Group (WBG). Myanmar has already repaid over 110% of loan amounts to Germany. The loan repayment to Germany was significant in 2014 with amount of USD \$ 373.67 Million (112.74%). WBG provide only grants and loans while EU, UK and US do not provide loans.

Aids and assistance contributed by donors' flow into different sectors of the country for different forms of development. The majority of aids flows into social infrastructure and services sector including education and health sectors. Table (3.13) below shows the amount of ODA committed and disbursed into major sector in Myanmar by official donors within the year 2011 to 2018 referring to the data from Aid Information Management System (AIMS).

**Table (3.13) ODA Disbursements to Major Sectors during 2011 to 2018**

Amounts in Billion USD

<b>Sector</b>	<b>Committed Amount</b>	<b>Disbursed Amount</b>
Social Infrastructure and Services	2.8	2.99
Transport	1.8	0.148
Energy	1.7	0.246
Governance	1.3	1.16
Agriculture	0.827	0.717
Health	0.791	1.42
Education	0.683	0.636

Source: Aid Information Management System, 2020

The aforementioned table (3.13) with data collected from AIMS is indicating that the net disbursement amounts are higher than the committed amount for two of the major sector out of seven. The social infrastructure and services sector received high ODA disbursed percentage of 107% and health sector received 180% disbursement from the original committed amount. Disbursements to Education sector are also high representing 93% of commitments were disbursed. The total disbursement amount to Education sector is USD \$ 636 million over the 8 years period according to the data from AIMS. Other sectors such as Transport sector and Energy sectors has low rate of disbursement compare to what has been committed. Transport sector has received only 8% disbursement while Energy sector received 14%.

Donors has been contributing ODA significantly to Myanmar since 2011 when the democratic government took power. As mentioned previously, different donors are providing the several forms of aids and assistances into the country. The aids received from the donors to the different sectors of Myanmar for various governmental reform processes to the development processes of the country. Among them below table (3.14) indicates OECD data of ODA disbursements amount in Myanmar by each year from 2011 to 2017 to the different sectors of the country. The table below showing that there are 6 big sectors receiving ODA and they are 1) social infrastructure and services sector, 2) economic infrastructure and services sector, 3) production sector, 4) programme assistance, 5) action relating to debt : Loan, and 6) humanitarian aid. Within the social

infrastructure and services sector, there are sub-sectors. Among them Education and water supply and sanitation are the big sub-sectors those received huge amount of ODA.

Similar to the social infrastructure sector, economic infrastructure sector has sub-sectors including energy sector and transport and communications sector. Production sector also has the sub-sectors namely agriculture, forestry and fishing sector; industry, mining and construction and trade and tourism sectors. Food aid is one of the sub-sector of the programme assistance. From the table, it can be concluded that high amounts of aids flows into social infrastructure and services sector and economic infrastructure and services sector. Economic infrastructure and services sector received more than USD \$ 3300 million from 2011 to 2017 and standing at highest ODA receiving sector in Myanmar. Social infrastructure and services sector stands at the third place of highest ODA received by receiving more than USD \$ 2700 million in the same year period. Among the social infrastructure and services sector, Education sub-sector received more than USD \$ 500 million during 2011-2017.

Next chapter of the study focus on education sector amongst several sectors because education sector has been receiving more aid and assistance from the donors since 2011. Foreign aid is one of the revenue sources for the union budget. With the huge amount of ODA flows into the country, government could be able to allocate more union budget to Education sector. With the increase in allocation of union budget to education sector, government also increased Education expenditure to perform the educational reforms effectively.

**Table (3.14) ODA Disbursements to each Sector in Myanmar during 2011 to 2017**

Amounts in Million USD

Sector / Year	2011	2012	2013	2014	2015	2016	2017	Total
1. SOCIAL INFRA & SERVICES	113	200	315	650	450	401	599	2,730
a. Education	39	54	55	178	73	87	78	564
b. Water supply and sanitation	11	5	25	230	122	58	235	686
2. ECONOMIC INFRA & SERVICES	13	46	499	534	1,272	243	775	3,382
a. Energy	0.02	2	318	29	603	10	201	1,163
b. Transport and Communications	4	29	106	497	633	166	549	1,984
3. PRODUCTION SECTORS	40	23	291	295	257	99	271	1,275
a. Agriculture, forestry and fishing	39	20	72	188	82	88	243	733
b. Industry, mining and construction	0.24	2	212	60	171	4	22	470
c. Trade and tourism	0.19	2	7	46	4	7	6	72
4. PROGRAMME ASSISTANCE	13	47	2,046	9	7	3	8	2,133
a. Food Aid	13	17	8	7	6	3	8	61
5. ACTION RELATING TO DEBT	0.34	0.26	2,622	538	0.08	0.04	0.02	3,161
6. HUMANITARIAN AID	72	99	208	151	126	151	146	953

Source: Organization for Economic Co-operation and Development, 2020



## **CHAPTER IV**

### **MYANMAR EDUCATION SECTOR AND EUROPEAN UNION AID TO EDUCATION SECTOR**

#### **4.1 Myanmar Education System and Current Reforms**

Myanmar society has valued and stressed the importance of education. In villages, secular schooling often takes place in monasteries. Secondary and higher education take place at government schools. In 1948 after gained independence, Myanmar's schools were regarded as among the best in Asia. In the early years after independence, Myanmar had an extensive network of missionary schools that employed foreign teachers that teaches English and other subjects. The country missed many advances during the past 50 years and has been struggling to catch up since an elected democratic government came to power in 2011. In 2010s, Myanmar left far behind the developed world in terms of educational standards.

Literacy represents the potential for further intellectual growth and contribution towards the socioeconomic and cultural development of a society. A literate population is essential for the development of a country. According to the UNESCO data, Myanmar's literacy rate declined from year 2000 to 2016 by 19% and 13% respectively for age group of 15-24 years and age group of 15 years and above. Based on the data, it is assumed that decreasing literate population means education level is low and which may slow down the development of the country. In such a case, the country needs to upgrade the education level. For that, the government should welcome more international aids and assistance those can facilitate in improving the education system of the country.

The education system of Myanmar is functioned by the Ministry of Education (MoE). In April 2015, the MOE has restructured its organizations to enhance the effective management system. Table (4.1) shows the restructuring departments of MoE.

**Table (4.1) Restructured Departments in Ministry of Education**

Sr. No	Department Name
1	Minister's Office
2	Department of Higher Education
3	Department of Educational Research, Planning and Training
4	Department of Basic Education
5	Department of Myanmar Examinations
6	Department of Myanmar Nationalities' Languages
7	Department of Alternative Education and Life Long Learning
8	Department of Technical, Vocational Education and Training
9	Department of Technology Promotion and Coordination
10	Department of Research and Innovation
11	Monitoring and Evaluation Team (Education)
12	Monitoring and Evaluation Team (Research)

Source: Myanmar Information Management Unit, 2020

To build the quality education system for the country is the long-term process. Therefore, Myanmar's governments have been implementing both short-term and long-term plans for the improvements of the education sector. In order to implement the reform in education sector, the Ministry of Education formulated the Special Four-Year Education Development Plan from the 2000-01 FY to the 2003-04 FY to develop the education sector and to strive for the development of highly qualified human resources. In addition to the short-term plans, in 2001, the Myanmar government set up a long-term plan, 30-Year Long-Term Basic Education Plan (FY 2001-02 to FY 2030-2031) to be implemented in six phases each of five-years duration. In recent years since 2011, under new democratic government has launched an ambiguous and wide-ranging series of economic, political and governance reforms that are effecting all aspects of Myanmar society.

In the social sectors, significant changes have been carried out to improve access to quality basic social services for all of its citizens. The government has identified education and poverty alleviation as main drivers to support the democratic and peace-building process and to accomplish the national goal of Myanmar becoming a Middle Income Country by 2030. The government acknowledge that quality and accessible education, through multiple formal and alternative education pathways, are crucial to enable students to achieve their career and lifelong learning objectives and ambitions.

Furthermore, the government understands that education plays a dominant role in economic growth and national development. Government initiate the practical reforms in the education sector in 2012. Comprehensive Education Sector Review (CESR) was officially launched in July 2012 with the collaboration of development partners and internal and external experts. The main task of CESR is to develop recommendations for reform of the education system. The objectives of CESR is to set up (1) a plan to understand what the current situation is and (2) a strategy to achieve quality improvement and development in the education sector. CESR emphases on the seven areas as follow:

- (1) Policy, legislation, management and finance;
- (2) Basic education;
- (3) Teacher education;
- (4) Non-formal education;
- (5) Technical vocational education and training (TVET);
- (6) Higher education; and
- (7) Information and communication technology (ICT).

The CESR has three phases, a rapid assessment (Phase 1); in-depth research and analysis of critical sub-sector challenges (Phase 2); and drafting and building ownership for an evidence-based and, costed National Education Strategic Plan (NESP) for the period 2016–21 (Phase 3). In October 2013, the government formed an Education Promotion Implementation Committee (EPIC) and 18 thematic working groups to formulate policies and plans for pragmatic education reforms. The main purpose of EPIC is to draft policies for the implementation of educational reform.

The NESP signifies an essential milestone for education in Myanmar, as the country's very first education sector plan within the framework of a major transition towards democracy. To work together with the NESP, a multi-year work plan and a monitoring and evaluation framework were created. In 2016, Myanmar government implement the NESP, a comprehensive, widely-owned and evidence-based roadmap intended to reform the entire education sector over the period from 2016-2021. The main reform priorities of the government in the NESP are:

1. Establish early childhood care programmes;
2. Improve primary education complication for every primary-aged child in school; and dedicated education programmes for children who face difficulties in accessing and achieving primary-level education, such as

children with mental or physical disabilities, children living in poverty, and children living in remote areas while creating learning opportunities progressively to enable all citizens to complete at least primary-level education and proceed towards further education.

3. Support and promote nationalities' languages and cultures, including curriculum development, implementation and monitoring by state and region governments to support primary-aged children who speak different languages;
4. Achieve an appropriate teacher-student ratio;
5. Improve the abilities and subject-matter expertise of teachers in all schools;
6. Prioritize the needs of schools in less developed areas in order to make education more accessible to all, especially in middle and high schools lacking facilities and equipment (Ministry of Education, 2016).

Myanmar's current education system can be divided into five segments: Early Childhood Care and Development (ECCD), basic education, alternative education, technical and vocational education and training (TVET), and higher education.

Following the initiation of the country's various reforms in 2011, public funding for education sector has extensively increased, leading to an important rise in accessibility. The primary net enrolment rate increased from 88 percent in 2009-10 to 93 percent in 2014-15. Net enrolment in pre-primary education has a remarkable growth between 2008 when roughly 1 in 20 children were enrolled when nearly 1 in 4 children were enrolled in 2014 (Global Partnership for Education, 2020).

#### **4.2 Education Expenditure and Foreign Aid**

In Myanmar, significant education sector reform began when the National League for Democracy (NLD) government came to power in April 2016. The government declared top priorities and announced increasing budgets for the education sector. The National Education Sector Plan (NESP) 2016-20 indicates that the allotted budget for reforming the education sector in FY 2012-13 rose from USD \$251.8 million to USD \$1.34 billion in FY 2017-18, which is approximately 8.5 percent of total government spending. Table (4.2) indicates the percentage of government expenditure on education has been increasing over the year.

**Table (4.2) Myanmar Education Spending**

<b>Year</b>	<b>Education Spending (% of total government expenditure)</b>	<b>Annual Change</b>
2011	5.93%	
2017	10.10%	4.17%
2018	10.35%	0.25%
2019	10.46%	0.11%

Source: World Bank, 2020

According to the table, in 2011 the government spending for Education sector was only 6% on total GDP but eventually the spending amount increases and the FY 2017-18 the spending became approximately 10% of total GDP. The Ministry of Education has received revenue allocations from the Union budget laws from 4 categories: (1) general receipts, (2) foreign aid, (3) loans and (4) capital receipts. The composition of these sources of revenue has grown over the period, especially with an increasing portion of funds allocated from grants and loans. In FY 2017-18, these revenues allocations represented 6.7% of the total allocations for expenditure. The Ministry's Department of Basic Education has received 77% of budget allocations, while 17% has received by the Department of Higher-Education. The two programmes together represent more than 94% of the total government's expenditure in education in FY 2017-18. As one of the revenue of the Ministry, the foreign aids are received from various types of donors.

With the acceleration of the Myanmar's educational reform processes by increasing the education expenditure for the development of the education system to reinforce the human capital, the need for the support from the development partners are also growing. In order to contribute to the country's educational development many development partners and donor organizations are providing foreign aid in many forms of grants, loans and budget support etc. Myanmar has received more than USD \$500 million aid to the education sector during the period from Jan 2011 to Dec 2018. The biggest donor include US, Japan and The World Bank with the amount nearly USD \$290 million combined only those three donors. Among the aid funded to Education sector, more than 80% of total ODA amount are targeted for various projects to support for improving the Basic Education sub-sector and remaining 20% goes to different sub-sectors within the Education sector.

**Table (4.3) List of Major Donors to Education Sector during 2011 to 2018**

<b>Donor</b>	<b>Amount in USD Million</b>
US	108.0
ADB	103.0
JPN	94.4
WB	87.1
GER	52.1
EU	49.0
UK	40.3
Total	533.9

Source: Aid Information Management System, 2020

Table (4.3) above listed the major donors with highest funded amount to the Education sector from Jan 2011 to Dec 2018. Referring to the table, US provided the highest amount of aid USD \$108.0 million to Education sector during 8 years, followed by ADB with \$103 million USD. Japan is the third biggest donor to Education with \$ 94.4 million USD. EU being one of the biggest donor to Myanmar has committed USD \$ 49.0 million to Education sector within 2011 to 2018.

The increase in foreign aid received by Education sector corresponds the government to be able to increase spending for the education reform processes. When government increase the education expenditure, the reform processes took place which include building schools, capacity building training provided to teachers, make public accessible to at least basic education level, etc., With government effort to implement reform processes the number of schools, teachers and students for basic education level has being increased. Below tables shows the number of basic education schools, teachers and students for 7 years from 2011 to 2017. In table (4.4), showing the number of basic education schools are increasing year by year. The number of primary schools were only 36206 in 2011 and in 2017, the number increased to a total number of 37422 primary schools (3%) in the whole Myanmar. The number of middle schools increase percentage is 77% and the numbers of high schools increased by 84% comparing two years of 2011 and 2017.

**Table (4.4) Number of Basic Education Schools (2011 – 2017)**

Year	Number of Schools (Units : Absolute Value)			
	Primary	Middle	High	Total
2011	36206	2225	1245	39676
2012	36359	2245	1343	39947
2013	37579	2267	1549	41395
2014	38651	2511	1779	42941
2015	38017	2615	1924	42556
2016	38197	2635	1972	42804
2017	37422	3936	2287	43645

Source: Central Statistical Organization, 2020

Table (4.5) shows the number of teachers in basic education level. The total number of teachers within the 7 years period increased dramatically. For the total number of students over the years, table (4.6) showed the steady increased of middle and high school level students but the number of primary students varied, sometimes increased and sometimes decreased.

**Table (4.5) Number of Basic Education Teachers (2011 – 2017)**

Year	Number of Teachers (Units : Absolute Value)			
	Primary	Middle	High	Total
2011	182390	68079	27175	277644
2012	184743	67883	27200	279826
2013	187327	69212	28817	285356
2014	197124	80660	33924	311708
2015	234605	96972	39001	370578
2016	226676	99500	39524	365700
2017	248584	104078	40157	392819

Source: Central Statistical Organization, 2020

**Table (4.6) Number of Basic Education Students (2011 – 2017)**

Year	Number of Students (Units : Absolute Value)			
	Primary	Middle	High	Total
2011	5064981	2278701	650273	7993955
2012	5139632	2370861	669056	8179549
2013	5166317	2542830	730866	8440013
2014	5121203	2687801	792670	8601674
2015	5071458	2730879	840706	8643043
2016	5139305	2698254	925140	8762699
2017	5038627	2935984	1009770	8984381

Source: Central Statistical Organization, 2020

The Ministry of Education together with the aid and assistance provided by the development partners has also been carrying out reform and revised tasks concerned with the curriculum so that it may reflect the needs of the varying society. Moreover, teaching-learning approaches also play a decisive role for learning to be effective. Many attempts have been made to move from the general lecture-style and memorization method of teaching to the child-centered approach in schools. Teaching is a complex act, and to be successful in teaching, teachers must possess two skills: academic and professional skills. To acquire these skills, teacher education is mandatory for all teachers. Teachers are trained in different subjects depending on the level at which they will be teaching. As the country raises the quality of the education system, teachers need to have the right values, skills and knowledge to be effective practitioners. For the teachers to become skilled professionals, one of the aid providing development partners the Department for International Development (DFID) has been funded the teachers' development training programs.

In January 2020, Education Development Implementation Conference 2020 was held in Nay Pyi Taw. The government reforms for education processes of both long-term and short-term plans emphasize that all children in Myanmar should have access to and complete a basic education. Reforms bring the development in basic education level over the years. As previously mentioned in table (4.5), total number of teachers has been increased. The increase in the number of teachers shows the results of getting to the appropriate teacher-student ratio. Getting the appropriate teacher-student ratio is one of the top reform priorities in NESP and that achieving the



appropriate ratio indicates the increase in the quality of basic education system. In other words, the increase in the education system indicates the government's efforts to the reform processes has been functioning effectively.

The compulsory education makes every citizens accessible at least to the basic education level. With the compulsory education system, the total number of students in the basic education level increase. The increase in number of students was shown in table (4.6). In accordance with the increase in the number of schools indicated in table (4.4), the net enrolment rate to basic education schools are also rising.

**Table (4.7) Net Enrollment Rate of Basic Education Level**

<b>Basic Education Level</b>	<b>2017</b>	<b>2018</b>	<b>% increase</b>
Primary	97.66	97.93	0.28%
Secondary	59.62	64.05	7.43%

Source: World Bank Group, 2020

According to the world development indicators published by the World Bank Group (WBG) shown in table (4.7), indicated the net enrolment rate in primary schools are 97.66% for 2017 and 97.93% for 2018. Similarly, the net enrolment rate to secondary schools are 59.62% for 2017 and 64.05% for 2018. Although the primary schools increase in net enrolment rate are not significant, there is more than 7% increase in the secondary school net enrolment rate comparing the year 2017 and 2018. The increasing number of basic education schools and teachers are the result of government reforms with the support of the developing partners.

### **4.3 European Union Aid and Education Sector**

Official development assistance (ODA) is all the funding or financing provided by public actors from the most wealthy countries to improve living conditions in the less developing countries. ODA is an essential component of international financing for development, particularly for the poorest countries. This study on ODA is made for its importance in facilitating the development of the ODA recipient countries. With the extremely rapid and positive reforms, Myanmar is experiencing a fast increase in the flows of Official Development Assistance. Mechanisms for effective aid delivery and structure for dialogue with development partners are in place. The guide to

international assistance in Myanmar was published in 2014. The development assistance policies are outlined in the guide.

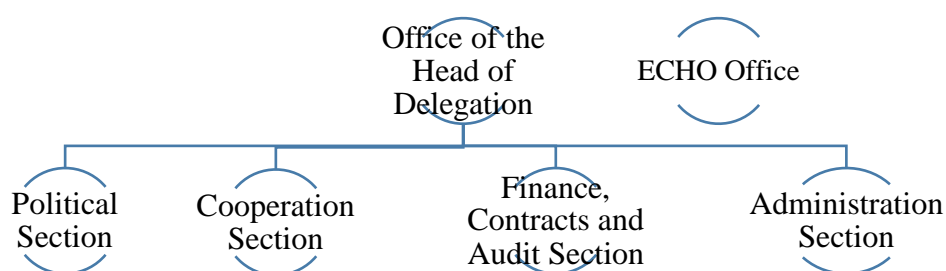
The development and reform process of Myanmar's education sector depends considerably on the aid and assistance received from all official donors and various types of aids forms. Education is the investment to human capital. It is the long-term process that difficult to see the outcomes of the investment with a short period. Government of Myanmar has been taking both long-term and short-term approaches to the implementing process of the reforms in the education sectors. With the launch of the National Education Strategic Plan, NESP (2016-2012) in 2016, the aid donors are recognizing the government's initiatives for the reform processes and the country received more aid to the education sector than before. Most significantly, European Union (EU) one of the major donor to Myanmar has committed to provide the budget support amount of EUR 221 Million cash disbursements in several instalments to Ministry of Education for the 5 years period from 2018 to 2022.

European Union play as one of the major donor for the development reform programmes of Myanmar. The European Commission (EC), through its European Civil Protection and Humanitarian Aid Operations department (DG ECHO), has been active in Myanmar since 1994. Although Myanmar is one of the least developed countries in the region, it received much less international assistance than others in the region. In order to facilitate the delivery of European humanitarian aid, ECHO has opened an office in Yangon since 2005. It has funded emergency relief programmes to assist victims of both conflict and natural disasters, with total funding in excess of EUR 240 million. Since 2013, a total of EUR 2.65 million has also been provided for emergency education to the children in the conflict-affected areas.

Since 2000, the European Commission has been the largest donor providing assistants to uprooted people in Myanmar, originally focusing on the repatriation and reintegration of refugees on Internally Displaced People (IDPs) in other parts of the country. A total of EUR 11.5 million have been allocated to uprooted people for the years 2004-2005, with projects focusing on return and reintegration. During the year 2007-2013, the EC concentrated its assistance for improving on two focal sectors: Education and Health as they are the driving forces in poverty reduction. Benefits from providing assistance to these sectors will accrue directly to the deprived country's population and contribute to an improvement of key social development indicators.

Throughout the transitional period in Myanmar, EU is one of the development partners to the country, by rapidly responding to political changes and providing strong support for democratic and economic reforms and peacebuilding from the outset. Trading under the “Everything But Arms (EBA)” scheme, which permits duty free and quota free access to the EU markets, were restored and in 2013 a full-fledged EU Delegation was opened in Yangon. The brief organization chart of the EU Delegation to Myanmar is as shown in the below figure.

**Figure (4.1) Overview of Sections from European Union Delegation in Yangon**



Source: European Union Delegation to Myanmar, 2020

Among the different sections, Finance, Contracts and Audit Section and Cooperation Sections are the two main sections working for the EU development assistance programmes in Myanmar. Even though ECHO is from the same umbrella of EU institutions, it operates as the separate entity from the delegation’s development cooperation programmes.

EU has been supporting Myanmar through its implementing partners since 2000. Myanmar has an indicative allocation of EUR 125 million and EUR 681 million under the respective Multi-annual Indicative Programme during the periods of 2007–2013 and 2014-2020. Table (4.8) shows EU’s 14 years aid programmes and allocated budget to specific focal sectors of Myanmar.

**Table (4.8) European Union’s Multi-annual Indicative Programmes**

EU Aid Focal Sectors	Multi-Annual Years (Amount in Million Euros)	
	2007-2013	2014-2020
Education	36	241
Governance, State Capacity Building	8.5	96
Peacebuilding	25	103
Rural Dev, Agri, Food, Nutrition	0	241
Health	45.5	0
Trade	10	0
Total aid amount in Million Euros	125	681

Source: European Union, 2018

From the above table, it is indicating that European Union has increased its development cooperation aid to Myanmar during the second multi-annual years from 2014-2020. It is because the EU being one of the active development partner of the country during and after the country’s democratic transition processes. After lifting the economic sanction in 2012 together with the changes in governmental system from military to democratic in 2011, EU actively accompanies and supports the democratic transition process in Myanmar through development cooperation programmes, reinforcing the implementation of reforms. The aid allocation for second 7 years programmes do not include Health and Trade sectors but both sectors are being contributed indirectly through Governance and Peacebuilding sector programmes.

Below table (4.9) indicates the number and amount of EU funded projects for all sectors in implementing the development projects. From the data, EU has been increasing its support to Myanmar from 2007 when they initiated the multi-annual indicative programmes for first 7 years cycle from 2007-2013. When Myanmar government has launched Nay Pyi Taw Accord for Effective Development Cooperation in 2013, EU’s participation and support for the development programmes of Myanmar has been increasing tremendously. The number of projects, amounts of commitments and disbursements comparing the 2007-12 and 2013-18, there are 294 (197%), USD 812,395,317.56 (202%) and USD 448,507,677.07 (164%) increased can be seen respectively.

**Table (4.9) List of European Union’s Funded Projects, Commitments and Disbursements**

Amount in USD

<b>Year</b>	<b>No. of Projects</b>	<b>Commitments</b>	<b>Disbursements</b>	<b>% of Disbursement</b>
2000-06	8	8,076,438.60	8,273,502.31	102%
2007-12	149	401,465,233.78	272,783,486.20	68%
2013-18	443	1,213,860,551.34	721,291,163.27	59%
<b>Total</b>	<b>600</b>	<b>1,623,402,223.72</b>	<b>1,002,348,151.78</b>	<b>62%</b>

Source: Aid Information Management System, 2020

**Table (4.10) European Union’s Funded Projects to Education Sector**

Amount in USD

<b>Year</b>	<b>No. of Projects</b>	<b>Commitments</b>	<b>Disbursements</b>	<b>% of Disbursement</b>
2000-18	32	160,672,134.42	133,177,011.01	58%

Source: Aid Information Management System, 2020

Table (4.10) shows the total number of projects, amount of commitments and disbursements made by EU to Education Sector from 2000-2018. From the table it is observed that 10% of total funds are committed to education sector. The disbursement percentage is nearly 60% from the total commitment amount for 32 projects in 18 years.

From 2000-2018, EU committed aid and assistance to Myanmar with the amount of more than USD \$1,623 million. The second part of the study focus on the aid from the European Union amongst the various donors because EU is one of the biggest donors to Myanmar and it is assumed that it would be beneficial to the country if the country could make effective use of the funds received from EU. Specific focus to study the EU aid to education sector due to the reason that EU has increased approximately EUR 205 million (85%) of their aid budget to the sector. The reason for the increase allocated budget is that the government of Myanmar has proven to initiate the reform in the education sector by submitting the draft National Education Strategic Plan (2016-2020).

#### **4.4 Analysis on European Union Aid to Education Sector**

The following section presented to analyze the advantages and constraints of the EU aid to education sector of Myanmar. In addition, the section will provide the essential criteria and procedures of EU funded programs, how the EU funds are utilized and the respondents view on aid effectiveness of the EU aid to Myanmar.

The qualitative in-depth interview was conducted from 9 interviewees with phone calls and video calls to the respondents to analyze the EU aid. The interviews were taken place during September and October 2020. Since the study focus only for the EU aid to Education sector, the interviewees were selected based on the focus area of study. The interviewees are 2 representatives for ministry of education, 4 from EU Yangon office and another 3 interviewees are from the INGOs which of those are implementing the EU funded Education projects and programmes.

Different sets of questions were asked to different types of respondents. The questions for MoE representatives are mainly on the experience of working with EU, the principles and processes of receiving EU support and how the received aids are allocated and utilized. Second set of questions for staffs from EU office are based on the EU aid funding policies and supportive programmes. Sample questions are such as, how and why EU choose the sectors to give fund; how the budget are allocated and what are the role of EU in Myanmar from the interviewees' point of view. The questions for EU funded INGOs are for the advantages and challenges the organization face in implementing the projects and the relationship between the organization and EU and the aid effectiveness perceptions.

Below table (4.11) shows the profile of the interview respondents. Interview respondents from Ministry of Education has been choose because EU has been providing huge amount of budget support amounting to more than EUR 200 million for supporting the education sector reform processes. There were more than 30 Education projects implementing by EU funds from several INGOs within 2000-2018. Among them respondents from Adventist Development & Relief Agency (ADRA), Lutheran World Federation (LWF) and GOPA were selected for interview because the projects of those three organizations are included in the currently implementing projects.

**Table (4.11) Profile of Interview Respondents**

<b>Sr.</b>	<b>Organization</b>	<b>Age</b>	<b>Occupation</b>	<b>Year of Experience at current position</b>
1	MoE	45	Coordinator (EU)	5
2	MoE	38	Coordinator (EU)	3
3	EU - DEVCO	42	Programme Manager	3
4	EU - DEVCO	47	Financial Officer	5
5	EU - DEVCO	30	Project Officer	7
6	EU - ECHO	42	Programme Officer	8
7	ADRA	47	Senior Programme Officer	3
8	LWF	32	Education Coordinator	3
9	GOPA	56	Senior Consultant	5

Source: Own Data

**(a) Essential criteria and standard procedures to be funded by EU**

All interviewees answered that EU has the own standard sets of policies and procedures for all of its aid recipients countries. The aid recipients' governments and the organizations have to follow the set of rules lay down by the EU in order to be able to eligible for funding. A programme Manager and a financial officer from EU answered that the essential criteria to meet the EU funding policies the recipient countries' government or organizations that would implement the funded activities must have the transparency and accountability, the proposed projects should be the meaningful to implement and must have proven experienced for implementing the project. The standard procedures for EU funding is through calls for proposals and calls for tenders or through direct negotiation with the international non-profit organizations. The organization or government that is funded by EU are called implementing partners. For Myanmar, on the budget support funding to Education sector, EU works directly with the Ministry of Education (MoE). Project Officer from EU said that the budget support is funded because of the government's efforts and convince to EU that MoE would perform the reforms for the education sector development. The financial officer from EU office said that EU disbursed the funds to its implementing partners through batches - annually or biannually depends on the agreement made between EU and fund recipients during the contacting period.

**(b) Sectors EU funded in Myanmar and why EU choose those sectors**

A programme manager from EU answered that the EU chose to engage in four sectors between 2014 and 2020: Education, Agriculture, Governance and Peace. Education and Agriculture have great potential for poverty reduction, Governance is the foundation of a just and equal society and Peace is yet to be achieved in Myanmar. In addition to those, EU choose the sectors to be funded through bilateral discussion with the Myanmar government. An EU project officer shared regarding with the EU budget support funding to education sector that the overall objective is related to the CESR outcome that will provide the basis for a sector investment programme. Specific objectives are increased access to, and completion of, quality and equitable education, strengthened education system and improved relevance of education to labour market needs. Expected results include increased enrolment, progression and completion rates, reduced cost barriers, improved quality, enhanced management of township and school systems, more efficient planning and budget allocation, and secondary, technical and vocational education and training realigned to labor force needs. Output indicators include enrolment, completion and drop-out rates, share of education in national budget, changes in planning and budgeting, and availability of vocational training opportunities. A programme officer from ECHO explained that DG ECHO prioritizes Protection, Disaster Risk Reduction (DRR) and Health. Providing aid for Protection is for the reason that Myanmar suffer from violation of International Humanitarian Law and International Human Rights Law by parties to the armed conflict. Therefore, protection is one of key sectors. For DRR, Myanmar still ranked 19th out of 191 countries and categorized in high-risk level country on Global Risk Index in mid-2020. Data from the Fragile States Index 2019 ranks Myanmar 22<sup>nd</sup> on a list of 178 countries, pointing to a worsening trend. The heat maps also clearly identify Myanmar as being in the alert phase. For choosing Health sector is due to the impossibility of access to health for some people living in IDP camps and remote area of the country.

**(c) European Union's Aid/Assistance and how the received funds are allocated and utilized within the Ministry of Education and in INGOs**

Both interviewees from MoE mentioned that the ministry received the Budget Support from the European Union. The budget support was received by the ministry as the result of bilateral discussion between the EU and MoE. The budget support amount of more than EUR 200 million was committed to be funded by EU in 2019 for the



programme called “Education Sector Reform Contract (ESRC)”. A representative from MoE answered that for the budget support to MoE, EU disbursed the funds to Treasury Department of Myanmar and MoE has the authority to use the funds without obstruction. To be able to use the budget support funds, MoE must meet the targets and indicators set out by EU. The targets include such as to have increased in the enrolment rate in basic education level, to provide capacity-building programs for teachers, provide necessary basic learning materials and improvements in curriculum according to meet the varying society. EU funded projects to Education sector mainly implement to achieve the quality basic education system. Regarding with the question on allocation of education budget, a representative explained that in 2017-18, the Union budget allocations to the education sector represented 7.75% of the total Union budget. The portion of foreign support consolidated in the Union budget has increased from previous years, though remains below 1% in 2018. In 2018, of the total allocations for expenditure, more than 83% went to current expenditure and almost 17% went for capital expenditure. More than 95% of current expenditure is allocated to Basic Education (85.45%) and Higher Education (10.76%); with an additional (2%) to TVET and Research and Innovation (2.65%) in 2018. Similarly, (52.84%) of capital expenditure was to Basic Education, (34.46%) to Higher Education, (10.30%) to TVET and (1.19%) to Research and Innovation (1.22%). Increased allocations for capital investments in TVET definitely represent a visible budgetary trend. All interviewees from EU’s partner organizations said that, from the implementing partners’ side for grant projects, the received funds are utilized according to their proposed budget plan when they submitted the proposals or tenders to EU.

**(d) Advantages and Constraints of European Union Aid to Myanmar**

A programme manager from EU said that regarding with the advantages of getting EU fund, the EU-funded projects aim to defend some social values that are relatively strong in the EU, such as freedom, equality as well as solidarity. EU and Member States are active in defending freedom of speech, in supporting Women and Girls, in helping the elderly and female garment workers during the COVID-19 crisis. A programme officer from ECHO office viewed on the advantages that better access to basic services for neglected people at the states. Protection by being presence is lifesaving intervention for state minority population. Better livelihood opportunity though promotion of advanced technology. Promotion of digitalization. For example,

at Myanmar school, normally do not have advanced technology. EU budget support for education reform provide equipment at school is also one of the advantages of getting the support from EU. A representative from MoE answered that apart from financial aid received from EU, it is also the good opportunity for the country for knowledge transfer between donor and recipient. An interviewee from INGO called Adventist Development & Relief Agency (ADRA) Myanmar said that EU creates more job opportunities for the local employment market. Another interviewee from Lutheran World Federation (LWF) viewed that as EU is supporting the country to many sectors for development reform processes, all the projects funded by EU are the advantages to Myanmar in its own way. The weaknesses that the interviewees see in implementing budget support project with MoE are mainly due to the government system. There were difficulties during the negotiation process between EU and MoE because of incomplete supporting documents while submitting the proposal, limited resources to do the research to prepare proposal, unreliability of the data, etc., The bureaucratic and centralized system of the government makes delays to perform the tasks efficiently and effectively.

**(e) Perceptions on the Role of European Union and Aid Effectiveness**

All the respondents were asked questions regarding with their perceptions on the role of EU and the aid effectiveness of EU funded projects. The perceptions were all positive and assumed aid from EU has been used effectively. Specifically for the DG ECHO, a programme officer said that aid efficiency and effectiveness as well as accountability to crisis-affected population are at the cornerstone of the funded action. DG ECHO funded actions have been monitored regularly thus it allows to fix timely in case of implementation is not on track. EU programme manager shared regarding with the EU role on aid efficiency that, the management of EU support was generally satisfactory, but with differences between individual interventions. Implementation was often negatively affected and delayed by challenges outside the control of the EU, but in some cases also the result of weak project management structures or insufficient monitoring. MoE representative remarked that, the EU support contributed to tangible impacts and improvements. The quality of, and access to, primary education was improved with better governance, new education materials, child-centred teaching methods, safe learning environments, and increased enrolment and completion of primary schools for both girls and boys.

## **CHAPTER V**

### **CONCLUSION**

#### **5.1 Findings**

Development aid is vital for Myanmar and the country continues to depend on aid and assistance to help in governmental system reforms and further development for its citizens. ODA is a shortcut alternative for Myanmar to accommodate all infrastructures essential to back up the sustainable growth. Education, which is the most basic ingredient for human resources development, closely linked to economic growth and development of a country. Primary education is the foundation. Education improves the productive capacity of the whole populations, their political and economic institutions. It also helps reducing poverty. When Myanmar re-opened and welcome again the development aids and assistance in 2013, the analysis shows that various development partners are providing aids to all sectors including education sector in different forms like grants, loans and technical assistance to the country.

Investment in human resource development is the lifetime process. In order to be able to implement the country's development objectives developing human resources is one of the major factors. For improving the development of human resources in the country, providing Education is the key aspects. Education changes people mind-sets and enhance live styles. Educated persons are more productive in the labour market. In order to achieve every citizens has at least primary education is still a challenge for a country like Myanmar due to limited resources. Myanmar cannot mobilized its own resources to cope with the growing educational demands. The country depend on external development assistance to fulfil those needs. The development aid is used as an instrument in meeting the educational demands as well as the governmental reforms for the development of the country.

This study aims to examine the distribution and utilization patterns of ODA into the country. The study found that aids and assistance are provided to different sectors of the country for the governmental reform and various development processes. The most significant amount of approximately USD 3,400 million (23%) from year, 2011

to 2017 was disbursed to economic infrastructure and services sector; especially for transport and communications subsector. Followed by social infrastructure and services sector with amount of nearly USD 2,700 million (18%). In the social sector, the study found out that more than 20% of the disbursed amounts were used for Education subsector. There are various forms for development assistance deliveries in Myanmar such as Budget Support, Trust Funds, Project-Based Development Assistance, Grants, Loans, Humanitarian Assistance, Technical Assistance Untying Development Assistance and Local Procurement, etc. Among them, most favorable forms of ODA provided to Myanmar are Grants, Loans, Technical Cooperation, Food and Humanitarian Aid. Grants are the major type of aid received with approximately 65% of all aids disbursed and followed by loans.

Myanmar received several types of ODA from both the bilateral and multilateral donor organizations. Major donors include Japan, EU, US, the World Bank Group (WBG), UK, Germany and the UN organizations. From the analysis, Japan is the most reputable donor with amount of nearly USD 4,300 million grants supported in 8 years period from 2011 to 2018. The big grants aid donor followed by United Kingdom with the disbursed amount of USD 956 million. Referring to the analysis of the study, the World Bank Group is the leading loan provider to Myanmar, within six years from 2013-2018, Myanmar has received total loan amount of more than USD 622 million from the WBG alone. Of the loans received, the country has successfully repaid the loan amount of USD 415 million to Germany during the six years period of 2013 to 2018.

The grants and budget support aids provided with respect to the government promise to initiate the educational reform processes. The Ministry of Education is utilizing aid supported to education sector effectively. With the improvement in the education policy reform since 2011, there are many developments in various parts of the education sector. When government increases the education expenditure, the number of schools, teachers and the student's enrolment rate around the country were rapidly increased. The quality of the teachers are also being improved with the donors supported capacity building programmes for providing quality basic education to all citizens. Myanmar Teacher Competency Standards Framework (TCSF) have been developed by a group of national professional education experts and UNESCO education specialist so within a period of eight months in 2015-2016. UNESCO through the Australian aid funded Strengthening Teacher Education in Myanmar (STEM)

project, provided technical assistance in developing the framework. The main objective for the development of this framework is to establish an agreed set of teacher competency standards to support improvement in the quality of teachers and teaching in Myanmar.

Additionally to upgrading the teachers' quality and teaching methods, an appropriate curriculum is also important to good teaching, and is required at every level of education. Advancing Myanmar education standards to reach an international level is one of the tasks for the development of national education. For the preparation of new curriculum from Grade 1 to Grade 12, primary, lower secondary, and upper secondary level, frameworks for each subject are being designed. Those curriculum frameworks will be submitted to the curriculum committee, and then the Commission of National Education Framework will approve them. Curricula will then be drawn up in accordance with the curriculum frameworks for all basic education levels, and they will be used for teaching. Even though government expenditure on education has remarkably increased, more is required to increase the education expenditure to meet the needs of the education reform. It is obvious that every governmental reforms faces the challenges and barriers and in order to overcome those difficulties, government needs to focus on working out the ongoing progress of the reforms in coordination with the development partners for getting more aid and assistance and to use the experiences of the local experts.

The second part of the study is to analyse the advantages and constraints of EU aid to education sector. Regarding with the advantages, the study found out that with the EU budget support funding, government can implement the reform in the education sector. Previously government spending on education was only 0.78% but with EU support the spending increased significantly to 8.97%. A tangible advantage in one of the project with EU grant support in Rakhine State, an INGO has implemented the temporary learning centres in the IDP camps. Children in the IDP camps can have the basic education from the EU supported learning centres. Teachers from those centres are also being trained for them to be able to provide education to children from the camps. Since children are in schools, it also prevent them from being child labored. In addition to the advantages the country gain, there were constraints Myanmar has to experience. The main difficulties facing from the government of Myanmar is because of lack of technical expertise, limited resources, time consuming due to rigid governmental system in every performance without delegation of authority and duties

and absence of communication between government organizations. Another limitation that faces in projects implementing in Rakhine state is the instability within the state and tensions between difference types of residences are making difficulties to implement EU aid-funded projects.

## **5.2 Suggestions**

As the survey was conducted only focus on European Union Aid, it will not represent all the donors' perspective who are contributing aid and assistance to Myanmar. Based on the survey findings, the following suggestions are proposed.

There are issues to address for aid to continue effectively in providing quality education that would in turn allowing people to contribute efficiently to the process of development. Government should have better policy for accepting the aid and assistance and for implementing the projects and programmes, have flexibility, decentralized, transparency, accountability and reliability in every process taken. Government should establish better bilateral relations with donor countries and institutions. The better the bilateral relations, the more aid and assistance are to come for development of the country. Government should also be proactive in implementing the aid projects, to be able to share workload between all levels of staffs fairly, adjust the capacity with performances without giving pressures to government officials and staffs, efficient and widely use of digitalization in all government organizations. Government also should coordinate with INGOs and CSOs for implementing the aid programmes. In addition, Government should take the main driver seat to achieve effective and efficient utilization of ODA and allocation of ODA that can contribute to socioeconomic development of the citizens.

The following suggestions are made to the aid donors and the international and local organizations in order to make aid more meaningful and effective. Firstly, donors should cooperate more with the government in the reform processes to be able to implement the efficient development reforms. They should share more technical knowledge and ideas, should help the government find the solution rather than complaining on the weak governmental process and procedures. Secondly, the local organizations should also developed their capacity, work closely with the community, understand what is happening on ground so that they can persuade donors by giving correct and trustworthy information to get more funding for community development

programs. The organizations should have accountability; have technical expertise in implementing the project and knowledge on efficient utilization of donors' fund.

Working with local organization may bring aid effectiveness in Myanmar. EU should acknowledge the primary role of existing local organizations and community solidarity networks in the humanitarian response. Not only are the local stakeholders generally the first to intervene in case of crisis, but in some cases, they are the only ones to reach the most vulnerable communities. The localized dimension of the humanitarian interventions should acknowledge and factor in the overall strategy of aid and assistance support in Myanmar. EU also should give clear guidelines for the effective utilization of their funds to the local organizations. The EU and its member states need to coordinate more actively and be engaged in joint programming development programmes. There are some programmes under joint implementation for gender and support to civil society programmes but more should implement under the EU's core area of Education, Agriculture and Governance sectors.

Education is the long-term investment so that donors should have to consider for the longstanding development programmes not only for the emergency responses projects. Finally yet importantly, every donors should spread their support to more areas of education sector rather than only focusing on the basic education level.

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**Appendix: 1 Question Guideline for In-Depth Interview**  
**(MoE representative)**

Date: ----- Place of Interview: -----

Duration: -----

Personal information:

<b>Sr.</b>	<b>Description</b>	
1	Age	
2	Occupation	
3	Position in current workplace	
4	Years of experience in the position	
5	Responsibilities of the position	

1. What kind of aid/assistance do you receive from EU?
2. What are the policies and principles for receiving the aid from developing partners?
3. What are the essential procedures to get the aid from EU?
4. How the received aids are utilizing?
5. Do you see any development in the EU funded project?
6. What are the challenges for implementing the project to meet the EU targets?
7. What are the advantages to implement the EU funded project?
8. How well are the EU funded project implemented?
9. What would you suggest to EU and to your organization for better use of aids and assistance?

**Appendix: 2 Question Guideline for In-Depth Interview  
(EU Expatriates and Local Staff)**

Date: ----- Place of Interview: -----

Duration: -----

Personal information:

Sr.	Description	
1	Age	
2	Occupation	
3	Position in current workplace	
4	Years of experience in the position	
5	Responsibilities of the position	

1. What kind of experiences you obtain from working here in EU?
2. What differences do you find out between Myanmar and other countries in terms of funding aid to the country?
3. What are the essential criteria to get funded by EU?
4. Is there specific standard procedures to be funded by EU?
5. What challenges, opportunities, strength and weaknesses Myanmar has in your view while receiving aid from EU?
6. In which sectors EU has been funding to Myanmar and why EU choose to funded those sectors?
7. Do you have to work with the Government organizations? What kind of Government. organizations and why you have to work with them?
8. What is your view on the role of EU in supporting the development process of the country?
9. What advantages do you see MM can get from EU Aid projects?
10. Do you consider the EU aid has been using effectively and efficiently in Myanmar? Why so?

**Appendix: 3 Question Guideline for In-Depth Interview  
(EU Partner Organization Staffs)**

Date: ----- Place of Interview: -----

Duration: -----

Personal information:

Sr.	Description	
1	Age	
2	Occupation	
3	Position in current workplace	
4	Years of experience in the position	
5	Responsibilities of the position	

1. What kind of experiences you obtain from working here?
2. What project(s) are you working for with EU support?
3. Do your organization has specific policy and procedures while using the funds from EU?
4. Could you briefly explain the organization's principles for using the aid effectively?
5. How are the allocated budget being utilized?
6. What is your view on the role of your org in supporting the development process of the country?
7. Were you satisfied with the project you are implementing in Myanmar with EU support? Why?
8. What do you feel like while working for an organization that support for the development of MM?
9. What advantages and constraints do you see Myanmar can get from EU Aid projects?
10. What will/did the project contributed for Myanmar development?
11. Do you have any idea for better utilization of Foreign Aid in Myanmar?
12. What advantages and constraints your organization have while working with EU?