

# **The Higher Education in Lao PDR and Roles of International Cooperation for Its University Development - National University of Laos**

**Bounheng Siharath**

Associate Professor/Deputy Director, Office of Planning and International Relations,  
National University of Laos

## **I. Introduction**

Laos is a “Landlocked and Least Developed Country” (LLDC) and as such is considered by the international community to be one of the poorest countries in the world. The estimated population is about 6 million, with the majority of the population, more than 70% living in rural and remote areas with very limited access to basic infrastructure and services (UN-Lao, 2007). The national development priorities of the government are to lift the country from the ranks of least developed nations by the year 2020. Since 1986, the government has implemented a comprehensive economic reform program called the “*New Economic Mechanism*” (NEM) it was to shift from the centrally planned economy to the market oriented economy. The economic growth rates were strong throughout the 1990s, despite the Asian financial crisis. However, the financing of socio-economic development has continually and has been heavily dependent on foreign investment savings through loans, grant and private investment. The dominant sector of the Lao economy is still agriculture, which is overwhelmingly important to the Lao economy as a source of income.

Education system, the formal education in Laos includes five levels: primary school (five years), lower secondary school (three years), upper secondary school (three years), post-secondary education (one to two years) and tertiary education (three to seven years). Specialization starts in upper secondary where three programs are offered such as general/ academic, vocational and teacher training, and increases at tertiary level. The education system is administered by the Ministry of Education (MOE) through a number of departments. Management of functional responsibilities is left to the provincial education services (PES), district education bureaus (DEB), and schools. At the village level, communities participate in school development through school management committees and school principals. The main vehicles of financing education are the central and provincial authorities. In general the education sector in Laos suffers a lack of fund for salaries of teachers, schooling facilities and resources, it is also recognized that a lack of qualified personnel and sort of issues mentioned above are viewed as a big challenge to the country.

Regarding this, it is addressed in the country's National Poverty Eradication Program Strategy (NPEPS) that the government is committed to increasing the resources available for the education system, in recognition that improved education is fundamental to eradicating poverty (National Poverty Eradication Program Strategy of Lao Government, 2004).

As mentioned the Lao government's goals are to elevate the country from being one of the least developed countries in the world by keeping the rate of its economic growth at a moderate and stable speed. It is important to note that close attention is paid to education in order to develop human resources in the country. In the government's strategy on educational development it is mainly focusing on quality improvement for developing national human resources to meet the needs of the country's socio-economic development.

### **Brief historical overview of higher education in Laos**

After the independence of the country in 1975, Lao education system has been changed from the old system which was influenced by the colonial rule which had been lasting for a long time. Laos had been a French colony from 1893 to 1955, then from 1956 to 1975 was affected by the Indo-China war. The government of Lao PDR, after foundation, gave priority to primary education as the illiteracy of the population was very high then, and higher education was less of priority and it remained strictly limited until the early 1990s. The lack of attention to tertiary education was that opportunity given to many students to study in Soviet Bloc countries. The main reason for this was that there were very few tertiary educational institutions in Laos and the country faced the severe lack of funds, resources and qualified personnel equipped for training in its higher education institutions. It is noted that there was no full-university level education provided at that time, the existing institutions operated were college level rather than fully-fledged university training. During the time of one and half decades after 1975, more than 10,000 Lao students were sent for training abroad.

Before 1991, the number of students who graduated from training abroad was slightly higher than the number of those who graduated from institutions in the country. During this period, most students were sent to study in former socialist countries as mentioned such as Vietnam, the Soviet Union, Poland, Hungary, Bulgaria, East Germany, etc. After the collapse of the Soviet Union (1991), Lao students have been sent to some Asian countries, i.e., Vietnam, China, Thailand, India, the Philippines, Malaysia, Singapore, Japan, and Australia. The main reason for this is that there was a cut, almost 100%, in funding provided for higher education training for Lao students that Lao government used to receive from those socialist countries, especially former Soviet Union. After the cut, the Lao government sought for bilateral cooperation and aids in tertiary education training from

the countries in the region which are called as to have better quality of education training. As Laos still suffers from funding imitations and scarce human resources in terms of both quantity and quality, this training aid is considered an important contribution to the human resource development for the country. Back in the time, during the period of 1976 to 1991, the percentage of students sent abroad covered 40-65% of total students. Then, since 1991, the percentage has been decreasing, and the number of students studying in the country has gradually increased. In the period of 1996-1999, the number of students studying at NUOL has doubled compared to the period of 1991-1995, 14,533 and 7,640, respectively. In contrast, the number of students sent to foreign countries only slightly increased, during the same period.

**Table: Number of students sent (studying) domestic and abroad (1976-1999)**

	<b>1976-1980</b>	<b>1981-1985</b>	<b>1986-1990</b>	<b>1991-1995</b>	<b>1996-1999</b>	<b>Total</b>
Lao PDR	2,159	6,362	5,618	7,640	14,533	<b>36,312</b>
Abroad	2,444	3,466	3,919	995	1,101	<b>11,925</b>
<b>Total</b>	<b>4,603</b>	<b>9,828</b>	<b>9,537</b>	<b>8,635</b>	<b>15,634</b>	<b>48,237</b>

*Source: Committee for Planning and Cooperation - LAO/02/P05, 2002*

The types of tertiary education in Laos before 1995 were divided into two main levels of studies called post secondary technical education and university-level post secondary education.

Postsecondary technical education includes two types of institutions, technical colleges and higher technical colleges that were open to students who have completed upper secondary education. Institutions included in this group prepare middle and higher-level technicians. These institutions were under the control of various government's departments and ministries such as Ministry of Education, Ministry of Public Health, Ministry of Communication, Post and Construction, Ministry of Agriculture and Forestry and Ministry of Justice.

University-level post secondary education, in this type 3 institutions which were considered to provide university-level programs namely the University Pedagogical Institute (founded in 1964), the National Polytechnic Institute (founded in 1984), and the University of Health Sciences (founded in 1969). Each of these institutions provided specialized professional training of at least 4 years duration that was open to graduates of upper secondary schools. There was no national university providing programs in the arts and sciences. Admission to these institutions was based on a provincial quota system determined by the Ministry of Education. These institutions were also under the control and management of different ministries such as Ministry of Education, Ministry of

Public Health, Ministry of Communication, Post and Construction, Ministry of Agriculture and Forestry and Ministry of Justice.

Until 1995, in order to harmonize and rationalize the higher education system the Lao government decided to form a National University by first consolidating the above three post-secondary institutions and then merging the existing public colleges and institutions into the structure of the National University of Laos. By mid-1998, 10 tertiary institutions had been merged, and the new intake was started in September 1996. This was called as the landmark of higher education reform in Laos. In the rationale for establishing the National University of Laos (NUOL), from 1975 to 1986, many higher education institutions had been established in order to meet the needs of the society. However, these institutions were under the control and management of different ministries. Thus, the institutions faced many problems such as poor coordination and management, as well as inadequate and low relevance of the programs. In order to solve these problems, the government of Laos decided to merge those existing higher educational institutions to form the National University of Laos (NUOL) in 1995, the University then consisted of 8 faculties and one school. There are now 11 faculties, 1 school and centres that provide the training for students. Since its establishment, the National University of Laos is regarded as the country's biggest and most important higher education institution, and plays the central and significant roles in higher educational development in the country.

## **II. Sector performance, problems and opportunities for the higher education in Lao PDR**

The Government of Lao PDR seeks to achieve economic growth with reduced poverty to meet the Millennium Development Goals (MDGs) by 2015 and graduate from its least-developed country status by 2020. The Sixth Socio-Economic Development Plan 2006–2010 (SEDP6) provides a coherent and cohesive development framework, identifying education as one of the four pillars of its poverty reduction strategy. The SEDP6 recognizes that education is fundamental to socioeconomic development, since it equips citizens with skills and attitudes required in a rapidly changing society. Continued modernization and the shift to a more knowledge- and technology-based economy place growing pressure on the Lao PDR to expand and improve the higher education system and institutions. However, the higher education system still lacks a clear vision, policy and strategies, and road map to reach regional and international standards in access, quality, relevance, and competitiveness. As to deal and respond to these problems, the Government of Lao PDR recently has asked the Asian Development Bank (ADB) to support the development of the

higher education system to meet growing demands for educated citizens and a skilled workforce, and to help prepare the Lao PDR for regional and international economic integration. The Project is included as a firm project in 2009 in the midterm review for the 2007–2011 country strategy and program.

### **Socioeconomic and poverty indicators**

As mentioned, the Lao PDR, one of the poorest countries in Asia and the Pacific, experiences many constraints to development and poverty reduction, including in the education sector. However, economic performance has been impressive over the past 5 years. Real gross domestic product growth averaged 7.3% between 2003 and 2008. While 7.9% growth is projected for 2009, the impact of the current global recession must be carefully monitored. Per capita income climbed to \$840 in 2008 from \$581 in 2006. Rapid economic growth has contributed to substantial progress in poverty reduction, with the national poverty incidence falling from 33.3% in 2003 to 28% in 2008. Steady progress to achieving the MDGs is noted with declining fertility, improving infant and child mortality rates, and increasing school enrollment. Demographic projections show the secondary school and higher education age populations reaching their maximum size between 2005 and 2020. Thus, one outcome of achieving the MDGs is a burgeoning demand for higher education.

### **Education sector performance**

The Government has made considerable progress in improving access to education. From 2000 to 2005, the net enrollment ratio for primary education increased from 80% to 84%; the gross enrollment ratio for lower secondary increased from 47% to 52%, and for upper secondary from 23% to 35%. Progress with girls' enrollment has been rapid. The gender differential at primary grades has dropped by approximately 7.4% since 1996 (from 21.6% to 14.2% in 2005). At lower secondary, girls' enrollment increased by more than 4% from 2003 to 2005, compared with a 1.9% increase for boys. During the same period, girls' upper secondary enrollment increased by 4.4% compared with a 5.5% increase for boys. Even so, significant gender differentials remain: Girls' enrollment in primary lags by approximately 14%, and at the entry level for lower secondary education is more than 10% less than that of boys. Extensive external development support has concentrated on primary education to meet the MDG of universal completion of primary education by 2015. If primary education absorbs all external funding, subsequent levels of education will continue to be neglected, which will have serious ramifications. First, the gains from increased primary enrollments may be lost if lower and upper secondary are not ready to absorb primary school graduates. Second, quality and access issues become more difficult to resolve with

increasing numbers of students. The rise in upper secondary enrollment, a growing school age population, and declining poverty have resulted in an explosion in the demand for technical and vocational education and training (TVET) and higher education. As this relentless demand occurs as the country moves through its demographic transition, the quality of post-secondary education must be improved before this largest age cohort moves into the labor force.

### **Government sector strategy and institutions**

To graduate from least-developed country status by 2020 and to prepare for the country's regional and international integration, the Government of Lao PDR initiated higher education reforms covering both public and private higher education institutions (HEIs) with the Prime Ministerial Decree on the Establishment of the National University of Laos (NUOL) in 1995, and subsequent decrees on private higher education in 1995 and higher education curriculum in 2001. The decree establishing NUOL began to address the issue of a fragmented higher education system by amalgamating 10 higher educational institutions (HEIs) under a unified structure of NUOL. Within the framework, two regional universities were later established to broaden access to higher education: (i) the Champasak University (CU) in Pakse in southern Lao PDR in 2002, and (ii) the Souphanouvong University (SU) in Luang Prabang in northern Lao PDR in 2003. Meanwhile, the decree on private higher education defined a legal framework for establishing and operating private HEIs, and triggered the growth of private HEIs. In 2007, the Prime Ministerial Decree on the Adoption and Implementation of the National Education System Reform Strategy (NESRS) (2006–2015) was issued. The decree called for strengthened HEIs to move the higher education system toward regional and international standards, and contribute to the socioeconomic development of the country. The NUOL was given autonomous administrative authority. The Souphanouvong University and Champasak University were given autonomous administrative authorities by the Prime Ministerial Decree on the Organization and the Activities of the SU and CU, issued in March and April 2009, respectively.

The Ministry of Education (MOE) has broad oversight of all education development in the Lao PDR, and MOE's Department of Higher Education (DHE), which was separated from the Department of Higher, Technical and Vocational Education in April 2008, provides overall policy guidance to public universities, undertakes planning and coordination with other government ministries and agencies for developing the higher education system, and cooperates with development partners in support of higher education. Under the Government's decentralization process, MOE shares responsibilities with the provincial education services (PESs) and the district education bureaus. The PESs are responsible for secondary, and technical and vocational schools

not under MOE jurisdiction. In cooperation with the PESs and public universities, MOE administers university entrance examinations in each province, while the PESs are responsible for selecting quota students based on upper secondary completion examination scores and recommendations. District education bureaus are responsible for rank budgeting units, have their own budgets and can request annual budgets directly from the Ministry of Finance, which is responsible for allocating staff salaries and other recurrent costs.

At present, higher education in the Lao PDR comprises three public universities (NUOL, CU, and SU), the Ministry of Health-administered University of Health Sciences, the Savannaket University in the central province of Savannaket is planned to be opened soon, five teacher training colleges, and 86 private HEIs. In 2008, about 5.3% of the tertiary education age cohort was enrolled at the HEIs. Student enrollment at the three public universities totaled 45,677 (NUOL with 36,706, CU with 4,755, and SU with 4,216), increasing by about 10,000 in 1 year alone from 35,403 in 2007. The number of students at private HEIs increased from 4,000 in 2000 to almost 20,000 in 2007. However, in 2007, only 24,754 of 43,653 students (about 57%) graduating from upper secondary school gained access to public and private HEIs. This gap between enrollment demand and admission capacity of public universities is expected to widen if current trends continue. The public university admission system comprises three types of students: (i) quota students, who are exempt from all fees and receive a small living allowance, account for roughly 50% of total enrollment; (ii) regular non-quota students, who take the university entrance examination and pay a modest registration fee, comprise another 20% of total enrollment; and (iii) an additional roughly 30% of students are enrolled in “special courses” they are not selected from university entrance examination results but sit for entrance examinations of specific faculties; they are charged tuition and registration fees.

Higher education in the Lao PDR is at a nascent stage of development. The higher education system and institutions need to be strengthened and upgraded by improving (i) management, financing, and governance; (ii) relevance, quality, and efficiency; and (iii) equity and access.

### **Weak management capacity**

The higher education system lacks overall planning, management, and monitoring. DHE’s management capacity is not adequate for it to meet its responsibilities. Capacity building of DHE personnel to effectively and efficiently manage the higher education system is an MOE priority. In addition, higher education does not currently have a standardized system for the coordinated collection, dissemination, and utilization of up-to-date data and information to support policy development, planning, administration, and management of higher education.

### **Inadequate higher education financing**

Public expenditure on education (both recurrent and capital budget) has been increasing in recent years. However, the budget allocation for education, including external aid, for 2008–2009 varies from 10% to 14% of the total government budget (depending on the budget data sources). In higher education, the percentage of recurrent expenditure is almost 90% of the total higher education budget, while the capital investment is 10%. Despite the extremely high proportion of budgetary funds allocated for salaries and student stipends, the allotment is still insufficient to provide adequate salaries and other financial incentives to teaching staff in universities. Resources for maintenance, renovation, infrastructure improvement, and academic and staff development are virtually nonexistent (excepting external aid). The problem is compounded by the limited formal attention given to cost recovery by introducing adequate tuition fees and improving targeting of quota students receiving a government subsidy. While expansion of private HEIs helps lessen the financial burden on the public sector and absorbs excess or unmet demand for higher education, public HEIs urgently need to expand cost-recovery measures and make the public higher education system more cost-efficient and sustainable. This in turn will expand resources available for investment in basic education.

### **Weak university governance**

A series of prime ministerial decrees on the organization and activities of the NUOL, CU, and SU were issued in March and April 2009. Although the NUOL has already established a university council, executive board, and board of academic affairs, CU and SU still need to establish functional governance structures and well-defined financial management systems, based on the new decrees. Moreover, the precise governance status of CU and SU, in particular their degree of autonomy and relationship with the private sector, remains unclear. Appropriate governance reforms (including clarification of their governance structure and status) represent an essential precondition for the implementation of reform strategies for higher education.

### **Lack of coherent regulatory framework for private HEIs**

In recent years, the number of private HEIs has grown rapidly to absorb excess demand for higher education. However, private HEIs are largely unregulated. Little information is available on the relevance and quality of these institutions. The Government needs to help the private sector ensure quality by establishing standards and quality assurance procedures. Development of a coherent regulatory framework is urgently required to ensure their quality standards and relevance to labor market demand.



### **Unknown relevance**

No labor surveys or labor market projections are available for use to measure the performance of the tertiary system or education planning. In 2005, 93% of the labor force are own account and unpaid family workers; only 7% are formal sector employees almost equally divided between government and the private sector. Rapid labor market surveys carried out under the project preparatory technical assistance (PPTA), for which ADB supporting fund, are a first step in tracking graduates in the labor market. Appropriate tracer studies need to be launched to collect benchmark information and monitor their performance in the labor market. Initial results indicate a shortage of professional and technical personnel such as administrators, accountants, lawyers, and engineers in public and private sectors; and growing demand in the commercial sector such as customer service, hotel and guesthouse operations, foreign languages, tourism operations, and computer technology. These fields are offered by the higher education system, yet graduates report difficulty getting jobs in their field of study. One partial explanation of this apparent market failure may be an inefficient job placement system and the employer's desire for experienced staff against the graduate's need for a first job. The pool of university graduates is young. From 2000 to 2006, the number of graduates produced by the public system increased from 2,200 per year to 6,000 per year. The bulk of university graduates are still in transition in their first job or developing their understanding of the workplace and work skills. The difficulty is compounded by the out-of-date learning materials and inexperience of their instructors. The private sector is also young: 20% of all enterprises were established less than 1 year ago and 60% are less than 5 years old; only 2.4% have more than 10 employees. One result of this young employer and young employee profile is a shortfall in supervisors with capacity for developing new staff. This contributes to the frustration reported by employers that university graduates lack the right skills and the frustration by students that they cannot practice what they were taught.

### **Irrelevant curriculum and textbooks**

In accordance with the NESRS, MOE will introduce a new system of 5 years primary, 4 years lower secondary, 3 years upper secondary, and 4 years higher education (undergraduate) in a phased manner from September 2009 to September 2011. National higher education curriculum reform should be planned in connection with NESRS implementation. Whereas public universities formally offered a common core “foundation studies” curriculum to all students at the start of their university studies, NUOL has dissolved its former School of Foundation Studies. Similarly, individual faculties of CU and SU need to prepare to conduct their own basic foundation programs. This creates inconsistencies and duplication of efforts, and may not be the most effective and

efficient use of limited faculty resources, textbooks, and materials, or provide the best grounding for students. To enhance relevance and effectiveness of curriculum and textbooks, a strengthened interdisciplinary common-core curriculum and textbooks need to be introduced as foundation programs to be offered throughout different faculties at year 1, and faculty-specific curriculum and textbooks and materials developed for specialization programs for years 2–4.

### **Weak quality assurance, accreditation, and credit system**

Quality assurance and accreditation systems are under development, but are not yet functioning. MOE's Quality Assurance Center (QAC) is currently responsible for developing quality assurance policies and procedures for all education sub-sectors, including public and private higher education as well as secondary education and technical education and vocational training. However, QAC is relatively new and its capacity needs to be greatly strengthened. Currently, no standardized system is in place to allocate credit for subject units completed from year to year. Credit is allocated on the basis of contact time rather than total workload. Student transfer between universities is very difficult due to the lack of a standardized credit system.

### **Low qualifications of academic staff**

The quality of higher education is low due to under-qualified academic staff. Few faculty members have postgraduate qualifications, particularly at the newly opened CU and SU, and their research and teaching capacity are greatly constrained. While the NUOL has a reasonably well-qualified teaching staff with approximately 32% (490 of 1,520 teaching staff) having postgraduate degrees, the situation at CU and SU is problematic. Of 221 academic staff at CU, only 4 have doctoral qualifications and 31 have master's degrees. Of the 192 total staff at SU, only 2 have doctoral degrees and 21 have master's degrees. University teaching capacities are further constrained by excessive time spent teaching additional fee-based special courses up to 30 hours per week or more. Due to low formal salaries paid to academic staff, public universities have difficulty retaining skilled and experienced academic personnel, leaving the universities with an insufficient number of young, under-qualified, and relatively inexperienced staff. Both teacher performance and students' academic performance are largely unknown compared with regional and international standards.

### **Weak research capacity**

The academic research capacity of faculty members is quite limited, time spent teaching in special courses held mostly in the evenings, and the absence of appropriate research infrastructure and funding compound the problem. The type of research targeted for these universities directly

supports degree education and teaching, since the higher education system and institutions in the Lao PDR are in their early stage of development and the three public universities (NUOL, CU, and SU) continue to focus on degree education rather than on the development of science and technology disciplines as research universities. Among the three public universities, only NUOL has a reasonably well-qualified teaching staff with postgraduate degrees that can carry out some research activities; the other two universities are constrained by a severe shortage of qualified teaching staff and limited research facilities.

### **Inadequate teaching and learning environment**

Teaching and learning environments need to be greatly improved by investing in facilities, equipment, and materials. While NUOL and SU are relatively well developed and equipped, the newly opened CU lacks adequate physical facilities including library, laboratory facilities and equipment, auditorium, classrooms, and other essential teaching and learning equipment and materials. The CU's campus infrastructure (e.g., water and power supply, road conditions, and drainage system) and facilities are in dilapidated condition and cannot support further increases. Library facilities using information and communication technology (ICT) vary considerably across each campus. Access to computers with internet terminals at NUOL and SU is limited. CU currently has no viable libraries with internet access to serve the faculty and students. Site development plans for the CU propose the construction of a multipurpose central building to be used for establishing an ICT-based teaching and learning center incorporating e-library facilities. Laboratories, especially at the CU, lack appropriate equipment and materials for teaching and research.

### **Weak international links**

International partnerships are largely symbolic rather than practical, and are not adequately resourced. The three public universities are promoting cooperation with foreign universities and institutions (e.g., student and faculty exchange, joint research, and publication) to foster international recognition and attractiveness. For example, the NUOL has about 145 academic exchange agreements with foreign universities and institutions; however, to date these endeavors have had limited success or influence on education quality. Internationalization of Lao universities and their linkages to international standard or world class universities must be promoted on a long-term and sustainable basis.

### **Disparities in enrollment and quota system**

Socioeconomic, gender, and ethnic disparities in access still persist, resulting in low representation of women and ethnic students from low-income families. In 2008, the share of female students was 35.3% at the NUOL, 36.6% at the SU, and 49% at the CU. The quota system of admission was originally intended to increase access to higher education for ethnic origin students. The provinces identify quota students in principle on the basis of seeking equity by gender and ethnicity. At the NUOL, ethnic quota students comprise approximately 35% and ethnic female quota students approximately 17% of the student population. However, better targeting of quota students is needed to increase equity in access to higher education. Provision of a substantial amount of state subsidies to students from more affluent families (rather than for lowering barriers to students who otherwise have no capacity to pay) is inequitable and diverts budgetary resources from interventions to increase access and quality. At the same time, when disadvantaged students are correctly targeted, many are academically behind other students, as they have not been adequately prepared by the general schooling system. The academic preparation of quota students needs to be improved. A gap also exists between the rural poor and urban non-poor in terms of opportunities and access to higher education. Poor rural students are reluctant to enroll in courses that require mathematics for entrance or course exams. They generally enroll in education, geography, linguistics, or agriculture where they can be easily accepted.

### **Gap between enrollment and limited capacity**

The demand for higher education is projected to increase. While the National University of Laos (NUOL) and the Souphanouvong University (SU) have expanded their enrollment capacity mainly because of external assistance in developing the campus and facilities, the need for additional facilities and classrooms at the Champasak University (CU) to meet growing local demand is overwhelming. Among the three public universities, the CU has the most basic infrastructure and facilities. Since its establishment in 2002, the number of students has increased from 400 to 4,755. Classroom space at the CU is extremely limited, crowded, and often shared among faculties in a suboptimal manner. The gap between enrollment demand and admission capacity of public universities, especially at the CU, is expected to widen in the future if current trends continue. In response, many small private HEIs have emerged in recent years (mainly offering diplomas in business-related areas such as business administration, computer and information science, and English language) to meet this unmet demand.

### **Asian Development Bank (ADB) and other external assistance**

From 1989 to 2008, technical assistance (TA) funded by the Asian Development Bank (ADB) to the education sector totaled \$9.21 million. This included 18 TA projects, with most focused on basic education; three focused on higher education with the most recent preparing a project to amalgamate and consolidate the higher education system through the establishment of the National University of Laos.

From 1991 to 2006, ADB provided five project and program loans to the education sector, for a total of \$82.2 million. A grant in 2006 for \$12.66 million financed the Basic Education Sector Development (Investment) Project. The loans all targeted basic education with the exception of the Postsecondary Education Rationalization Project loan. This loan to higher education represents 21% of the total loans and grant to the education sector from ADB to date.

International and bilateral agencies and non-government organizations have been providing assistance for the expansion of primary education: (i) in 1993 and 2004, the World Bank provided assistance through the Education Development Project I and II; (ii) the Government of Sweden produced the Teacher Education Strategy and Action Plan 2006–2015 through the Teacher Training Enhancement and Status of Teachers project; (iii) the Government of Japan provided grant assistance for teacher training and primary school construction; (iv) the Government of Australia provided a grant for in-service and pre-service training of ethnic teachers and the development of supplementary learning materials; and (v) the United Nations Children's Fund gave a grant for teacher upgrading. The United Nations Educational, Scientific and Cultural Organization assisted the Ministry of Education in producing the Education for All National Plan of Action for 2003–2015 to provide a common framework for future assistance, and provide capacity building support in implementing the Education for All National Plan of Action.

A high proportion of external assistance has been directed to primary education. Other education sub-sectors, such as tertiary education and technical and vocational training, receive significant resources through bilateral assistance from countries such as Australia, People's Republic of China, France, Germany, Republic of Korea, and Japan. The Republic of Korea, through the Export-Import Bank of Korea, provided a soft loan to develop the Souphanouvong University in the northern province of Luang Prabang. Australia and Japan undertake significant scholarship grant programs. The Government has approved in principle the preparation of a proposal to the Export-Import Bank of Korea for \$17 million equivalent for the development of higher education. The Education Sector Working Group for 2008–2009 prepared a master list of overseas development assistance projects, including five projects directed at higher education:

- Lao–Australian scholarships program financed by the Australian Agency for International Development;
- Project for Human Resource Development in the Information Technology Service Industry for the National University of Laos financed by Japan International Cooperation Agency;
- Lao–Japan Human Resource Cooperation Center, Phase II at National University of Laos financed by the Japan International Cooperation Agency;
- Project preparatory TA: Strengthening Higher Education Project financed by ADB; and
- Strengthening Higher Education Project financed by an ADB grant of \$24.8 million.

As part of international cooperation for the higher education development, several development partners provide assistance to the education sector. The Australian Agency for International Development (AusAID), European Commission, and World Bank focus on supporting primary education. The German development cooperation through the German Agency for Technical Cooperation and the Luxembourg Government focus on TVET. The Republic of Korea, through the Export-Import Bank of Korea, supported the development of the SU from 2005 to 2006. The Education Sector Working Group, co-chaired by AusAID and United Nations Children's Fund (UNICEF), coordinates development aid. While the existence of the Education Sector Working Group has led to improved aid coordination, provincial coordination of development partner interventions remains mixed. AusAID, European Commission, UNICEF, and the World Bank are also supporting the Poverty Reduction Support Operation including education triggers. Most recently, concerned development partners endorsed the Government's application to the Catalytic Fund under the Education for All-Fast Track Initiative. Ministry of Education (MOE), in collaboration with development partners, has developed the Education Sector Development Framework (ESDF) to cover planning and investment across the full education sector for 2009–2015. ADB partnered with AusAID to support development of the ESDF. The ESDF outlines policy priorities for improving access to education services; improving the quality and relevance of education services; and increasing the efficiency and effectiveness of education planning, management, and administration of the sector. The ESDF provides a vehicle for establishing education priorities to match resource availability and will enable the formulation of annual costed and prioritized plans, which are a requirement of the Vientiane Declaration Country Action Plan in line with the Paris Declaration of Aid Effectiveness in 2005. The Annual Sector Plan for 2009–2010, under the ESDF process, includes improvement and expansion of facilities at CU, and improvement of quality of teaching and learning at universities. It includes the development of a higher education master plan for 2010–2020, which is under preparation with support from the ADB PPTA for preparing the Strengthening Higher Education Project.