

FEDERATED STATES OF MICRONESIA EDUCATION SECTOR STRATEGIC PLAN (ESSP)

2025 - 2029

FINAL

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TABLE OF CONTENTS

ACRONYMS and ABBREVIATIONS.....	4
MESSAGE FROM THE SECRETARY, FSM NATIONAL DEPARTMENT OF EDUCATION.....	5
EXECUTIVE SUMMARY	6
CHAPTER 1 INTRODUCTION	9
1.1 Country Context.....	9
1.2 Education Context.....	10
1.3 National Development Strategy for Education in FSM	11
1.4 Background to the Education Sector Strategic Plan (ESSP 2025-2029)	12
CHAPTER 2 REVIEW OF EDUCATION SECTOR.....	13
2.1 Overall description.....	13
2.2 Scope of the education sector	13
2.2.1 Early Childhood Education (ECE)	14
2.2.2 Elementary and Secondary Education.....	14
2.2.3 Higher education (Tertiary)	15
2.2.4 Vocational training in FSM.....	16
2.2.5 Non-formal Education (NFE).....	16
2.3 Review of Sector Performance	17
2.3.1 School attendance and population effects.....	17
2.3.2 Learners 'contexts and school facilities	18
2.3.3 Quality of Teachers and Teaching	19
2.3.4 Assessment.....	21
2.3.5 Education Financing	22
2.3.6 Evidence-based policy	22
CHAPTER 3 EDUCATION SECTOR STRATEGIC PLAN ORGANIZATIONAL STRUCTURE	23
3.1 Vision and Mission for Education in FSM.....	23
3.2 Education Sector Pillars	23
3.3 Education Sector Pillars and Strategic Goals.....	25
Pillar 1 Equitable Access to Education.....	25
Pillar 2 Quality of Education Provision and Learning Outcomes	26
Pillar 3 Effective Governance	27
3.4 Relationship between ESSP Goal and Strategic Goals with SDP, PacREF and SDG4	28
CHAPTER 4 MANAGING IMPLEMENTATION	31
4.1 Institutional arrangements aligning national and state implementation	31
4.2 Theory of Change (ToC)	32

CHAPTER 5	RESOURCE REQUIREMENTS	34
5.1	FSM Fiscal Framework and Funding Arrangements	34
5.2	Summary of existing funding arrangements	34
5.3	Actual Expenditure	35
5.4	Budgetary Resources	36
5.5	Budget Estimates	36
5.6	Base-line Budget Projections	38
5.7	Possible Funding Scenarios	39
5.8	Capacity Development	40
CHAPTER 6	MONITORING and EVALUATION OF THE ESSP	41
6.1	Objectives of the M&E	41
6.2	Design Features of the ESSP M&E Strategies	41
6.3	Results-based Monitoring and Evaluation Framework	42
6.3.1	Results Level 4 - National/State Level Outcomes	44
6.3.2	Results Level 3 - Outcomes at School Level	45
6.3.3	Result Level 2. - Intermediate Outcomes at School Level.	46
6.3.4	Result Level 1 - NDOE/SDOE Outputs	46
6.4	Monitoring and Evaluation Strategies for the ESSP	47
6.5	Monitoring and Evaluation Processes for the ESSP	48
6.6	Capacity Building for Effective M&E Implementation	51
6.7	Federated States of Micronesia Education Management Information System (FedEMIS)	51
6.8	ESSP Monitoring and Evaluation Framework (MEF)	52
CHAPTER 7	RISK MANAGEMENT and SUSTAINABILITY	56
ANNEXES		61
ANNEX 1	EDUCATION SECTOR ANALYSIS - EXECUTIVE SUMMARY	61
ANNEX 2	DEFINING AND CALCULATING EACH KEY PERFORMANCE INDICATOR	66

ACRONYMS AND ABBREVIATIONS

ACE	Achieving College Excellence
ADB	Asian Development Bank
CoFA	Compact of Free Association
COMET	College of Micronesia Entrance Test
COM-FSM	College of Micronesia–FSM
CPD	Continuing Professional Development
CTE	Career and Technical Education
DP	Development Partner
DoFA	Department of Finance and Administration
ECE	Early Childhood Education
EDD	Education Data Digest 2024 (FedEMIS Report)
ELA	English Language Arts
EMIS	Educational Management Information System
ESSDP	Education Sector Strategic Development Plan
ESSP	Education Sector Strategic Plan
ESWG	Education Sector Working Group
FACSSO	FSM Association of Chief State School Officers
FedEMIS	FSM Education Management Information System
FedSIS	FSM Student Information System
FSM	Federated States of Micronesia
GAO	Government Accountability Office
GPE	Global Partnership for Education
ICT	Information and Communication Technology
INSET	In-service Education of Teachers
IQBE	Improving the Quality of Basic Education
IPQR	Integrated Plan and Quarterly Reporting System
JEMCO	Joint Economic Management Committee
MTEC	Micronesia Teacher Education Conference
MTEF	Medium-term Expenditure Framework
NDOE	National Department of Education
NFE	Non-formal Education
NMCT	National Minimum Competency Test
NQF	National Qualifications Framework
NSTT	National Standardized Test for Teachers
PacREF	Pacific Regional Education Framework
PILNA	Pacific Islands Literacy & Numeracy Assessment
SAS	School Accreditation System
SDG	Sustainable Development Goals
SDOE	State Department of Education
SDP	Strategic Development Plan
SEG	Supplemental Education Grants
SIP	School Improvement Plan
SY	School Year
TA	Technical Assistance
ITK	Indigenous and Traditional Knowledge (ITK)
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational, Scientific & Cultural Organization
UNICEF	United Nations Children’s Fund

**MESSAGE FROM THE SECRETARY, FSM NATIONAL DEPARTMENT OF
EDUCATION**

EXECUTIVE SUMMARY

The Federated States of Micronesia (FSM), like many small island states in the Pacific, faces significant structural challenges in developing an economy and a level of human development that can sustain government functions and provide effective basic service delivery. FSM is a federation of four states—Chuuk, Kosrae, Pohnpei, and Yap—each with its own government and distinctive identity. The population has been estimated at 113,428¹ although the only official census data of 2010 records a population of approximately 103,000 distributed over a land area of 273.5 sq. miles. Various figures for the population will remain in dispute until the result of the census of 2024 is published. The population is unequally distributed across the four states, with Chuuk being the most populous state with nearly half (48%) of the national population living on its many islands and atolls; Kosrae is the least populous state.

The island country is heavily dependent on external assistance, with budget grant income estimated at 43 percent of its gross domestic product (GDP). The dependence of FSM on imports exposes the country to global economic shocks and price spikes. Environmental factors are significant, as FSMs geographic location makes it particularly vulnerable to climate change (which is likely to cause accelerated sea-level rises), and natural disasters particularly typhoons.

A declining population growth rate, diminishing economies-of-scale, deteriorating infrastructure and the lack of resources affect the provision of basic services, including the delivery of quality education. FSM has benefited in the past from the Compact of Free Association (CoFA) with the USA. In 2023, the United States signed agreements with FSM under CoFA to provide \$3.3 billion in economic assistance from FY2024 to FY2043, including grants and trust fund contributions. Education has been allocated around 12% of the total budget.

As part of the strategies to prepare FSM for the budgetary challenges likely to occur in the immediate future, a new Education Sector Strategic Plan (ESSP) 2025–2029 has been prepared in line with the format suggested by the Global Partnership for Education (GPE). Although specific to the needs of the people of FSM, the ESSP is aligned with a new Strategic Development Plan (SDP) for FSM (approved during 2025), the Pacific Regional Education Framework (PacREF) and the global Sustainable Development Goals (specifically Goal 4 for Education) usually referred to as SDG4. FSM recognizes the importance of working cooperatively within the Pacific region as well as maintaining the global focus on higher quality student learning outcomes and so the new FSM ESSP is aligned with the key principles found in the SDP, PacREF and SDG4 documents.

The preparation of a national sector plan for education in FSM faces some unique challenges amongst which is the cultural and linguistic diversity across the four separate and semi-autonomous states that make up the FSM. Linguists identify 17 indigenous languages spoken in FSM, and each state recognizes one of these as a specific majority state language. Eleven languages are in active use as the first and primary languages of home islands or communities. The main medium of instruction at elementary grades is specified to be the vernacular in all states, but this doesn't always happen in practice, with some teachers using English or the majority state language. Although English is the official language for FSM and is used as a medium of instruction in schools, it is the **second** language for around 98% of all students and so there is no single unifying language structure across all 607 islands of FSM.

This new ESSP adopts a single overall goal to improve the quality of learning at all levels in safe, climate-resistant learning environments. The goal is to deliver and sustain quality education in the public and private schools and training institutes throughout the FSM.

To achieve this goal, the ESSDP specifies three key pillars around which several Development Priorities can be identified. These pillars are to:

¹ <https://sdd.spc.int/fm>

- 1 Provide high quality relevant programs for learners at all levels of education.
- 2 Improve the quality of teachers and teaching at all levels.
- 3 Maintain consistent performance monitoring and data-based decision-making systems.

The development priorities have been formulated to align with the development priorities that are already accepted in the Strategic Development Plan for FSM 2024-2043. Through structured activities, it is expected that the ESSP will generate improved student learning outcomes, particularly in literacy and numeracy, at all levels and will result in increased numbers of students, including those with special needs, attending school and experiencing a variety of quality educational opportunities that result in improved levels of learning. The data management applications that have emerged in the expanding internet-based services and social media widely accessed through smart phone technology have been identified in the ESSP pillars and development priorities as important components of education innovations and development in the immediate future.

There are several essential stages in preparing a new sector plan. The first step was to conduct a national sector analysis that gathered important data about enrolment, attendance, quality of teaching and learning, student-teacher ratios, budgets and school resource materials. The sector analysis was carried out in 2024, and it revealed a range of strengths, weaknesses, challenges and issues for the education sector contained in the evidence-based data that was used in the preparation of this ESSP for 2025–2029. This is included as Annex 1 to this plan.

The ESSP 2025-2029 has seven chapters as follows:

- Chapter 1: Description of the FSM context and the development strategy for education
- Chapter 2: A review of sector performance to date with evidence-based data identifying some causes for the decreased quality of learning outcomes in recent years.
- Chapter 3: The organizational structure and key elements of the new ESSP
- Chapter 4: An implementation plan
- Chapter 5: Resource requirements for the plan
- Chapter 6: The ESSDP Monitoring and Implementation Plan
- Chapter 7 Risk management and sustainability options for the plan

The annex provides the executive summary of the sector analysis. The full report is available from the NDOE (available of the NDOE website²)

The three pillars identify the important challenges running through this ESSP that emerged from the sector analysis.

The first two pillars along with their development priorities describe how high quality and relevant programs can boost the standards of learning outcomes, particularly in the key platforms of numeracy and literacy. The development priorities are all directed towards this outcome, with an emphasis on access for all students to relevant high-quality programs for learners delivered by well-trained teachers using modern approaches to engage all learners. A further emphasis in this pillar is to recognize that students who do not have the ability or aptitude for academic programs should be provided with work-ready programs that prepare them for fulfilling occupations that allow them to contribute to FSM society.

The third pillar includes the importance of continuous performance monitoring at national, state and school levels. This can be greatly enhanced by efficient data management through an expanded

² <https://www.national.doe.fm/>

FedEMIS and FedSIS linked through NDOE to each state as well as through the school network. Ensuring a robust website is in place that allows regular community participation in day-to-day school activities as well as a compilation of the comprehensive data collected from the sector and clear analysis of the trends emerging from the data.

The ESSP also recognizes the changing nature of school curricula, and the need to include climate change education across all subjects that connects real world scenarios within a local context. Such emphases demand that the curriculum design contains a culturally enriched set of experiences that relates FSMs cultural history with how it influences each states' societal roles and expectations. Indigenous and Traditional Knowledge (ITK) must permeate the whole curriculum across all subjects.

The Monitoring and Evaluation Plan includes a table that can be used for assessing progress in accomplishing the key performance indicators using baseline data set from 2025 FedEMIS reports. Annex 2 defines each indicator so that all stakeholders can ensure they are using the same computations.

It is also important that this ESSP provides a platform for each of the state departments of education to work more collaboratively with each other through the national department of education acting as coordinator to prioritize policies and activities within this ESSP. The constrained budget for education demands greater sharing of both expertise and funding across the nation in a coordinated collaborative effort. This means that prioritizing those activities that will best provide improved learning outcomes within a realistic timeline will ensure greater effectiveness and efficiency of delivery.

This requires some scenarios to be developed that (a) use current budgets more effectively and (b) seek the support of development partners so that targeted initiatives can be introduced that are not able to be funded from within government budgets. Additional funds are unlikely to be provided to FSM unless there are strong accountability mechanisms in place and that there is a sector-wide framework showing that the states, the national body and government are working collaboratively in an efficient and effective manner.

CHAPTER 1 INTRODUCTION

1.1 Country Context

1 The Federated States of Micronesia (FSM) is a remote, geographically dispersed island archipelago comprising 637 separate islands in the North Pacific. Like many small island groups in the Pacific, FSM faces significant structural challenges in developing an economy and a level of human development that can sustain government functions and provide effective essential service delivery. These challenges primarily arise from FSM's geography, economy, and low human capital base. FSM is a federation of four states – Chuuk, Kosrae, Pohnpei, and Yap. Each state has a separate government and identity. Palikir in Pohnpei is the seat of the national government headquarters. The country has a population estimated at 113, 428 in the Pacific Community data³. The last official census data of 2010 records a population of approximately 103,000 distributed over a land area of 273.5 sq. miles. This figure for the population will change when the result of the census of 2024 is published since it is widely held in all consultations that the population is decreasing even if population projections suggest that it is increasing⁴. Kosrae is the smallest of the four island states (only 42 sq. miles) and the only one consisting of a single main island. Chuuk state is the most populous state, home to nearly half the national population and having the largest town, with its many islands and atolls dispersed over a vast spread of the Carolinian chain.

2 The island nation relies on imports due to limited resources, with exports mainly comprising fish. This dependency makes FSM vulnerable to global economic shocks and price fluctuations. To mitigate this, the United States signed agreements with FSM in 2023 under the Compact of Free Association (CoFA) to provide \$3.3 billion in economic assistance from FY2024 to FY2043, including grants and trust fund contributions. Education has received around 12% of the total budget.

3 Environmental factors are significant because FSM is particularly vulnerable to natural disasters, particularly typhoons originating southeast of the island chain, and the increasing effects of climate change. Several other natural phenomena have impacted FSM in recent years and are likely to continue because of its geographical position. The islands are experiencing rising sea levels, which threaten low-lying areas and can lead to the loss of land, affecting homes and infrastructure. Additionally, the increase in sea temperature and acidity threatens marine ecosystems, particularly coral reefs, which are vital for the local biodiversity and fishing industry, a key source of food and income. Changes in weather patterns, some of which are due to the ongoing annual effects of the El Nino factor, have led to more frequent and severe storms and typhoons, causing damage to infrastructure and posing challenges to disaster preparedness and response. Unpredictable rainfall patterns also impact agriculture, making it difficult to sustain crops and leading to food security concerns. The drought in Yap in the first half of 2024 caused serious hardship for the population and led to the rescheduling of planned events.

4 FSM has distinctive cultural factors that impact development. For example, Chuuk, Pohnpei, and Kosrae are traditionally matrilineal societies where land is passed down through the mother's clan. Historically, male relatives were responsible for managing the land, while women played a key role in decision-making and overseeing land-related responsibilities. Marriage laws in the FSM are determined by individual states, while the FSM Supreme Court holds jurisdiction over marriages involving foreign nationals. In Kosrae and Chuuk, the legal minimum age for marriage is 18 for males and 16 for females, with girls under 18 requiring parental consent. In Pohnpei, the legal age is 18 for

³ <https://sdd.spc.int/fm>

⁴ The projected data for the 2025 population conflicts with the perceptions of the four state directorates who maintain that populations have decreased since 2010.

both men and women. However, in Chuuk and Pohnpei, customary marriages are recognized without a specified minimum age. Yap does not have a defined minimum legal age for marriage under state law.

5 There are other specific development challenges regarding movement, communication and education because of the country's physical isolation and the sea-distances between the four states. Together with the declining population growth rate, diminishing economies of scale, deteriorating infrastructure, and the lack of resources, the provision of basic services, including the delivery of quality education, is particularly challenging.

1.2 Education Context

6 The governance of education in FSM is complex and needs to balance two important considerations. Firstly, significant levels of autonomy and decision-making are delegated to the four states. Secondly, the national government, through the National Department of Education (NDOE), has a duty of oversight and care to ensure that its budget is used to provide high-quality services in an efficient manner and that the needs of all FSM citizens are equitably addressed. This tension between the NDOE having oversight of autonomous state departments of education (SDOEs) and the responsibility for supervising educational standards adds considerable complexity to the management and quality assurance of education service delivery. For example, while there are arguments supporting each of the four states to retain full ownership of the development and provision of state-based curricula, it can also be argued that the coordination of national curricula (in support of the established minimum standards) results in significant economies of scale and improved quality. On a more pragmatic level, development partners (such as USAID, DFAT, JICA, and GPE) prefer to deal with policy and structure that is formulated at a national level when they are considering assistance. Sector plans, national curricula, building regulations, budgets, teacher standards, teacher training, and inclusive (special) education arrangements are almost always developed at the national level with input from each state.

7 The FSM Association of Chief State School Officers (FACSSO) carries out the overall education sector governance and provides an effective mechanism for ensuring the voice of each state is transmitted to the national level. The FACSSO comprises the National Department of Education Secretary, the Directors of each State Department of Education, and the College of Micronesia (COM-FSM) President. Assistant Secretaries and other relevant senior officials also attend these meetings. Although coordination across states and with partners working in this area has agreement and commitment on the high-level outcomes and indicators, the programs developed at the national level to address any reform must be flexible for each state to have its own level of autonomy.

8 The FACSSO is also the oversight body that works with development partners, civil society organizations (CSOs), and non-government organizations (NGOs) in the education sector through a Local Education Group (LEG). However, although FACSSO has been in place for a considerable time, the Local Education Group (LEG) is newly structured, and its work is still being developed.

9 For historical reasons, FSM follows an American-style education system, offering free public education up to the age of 18 or completion of the 12th grade. Attendance in elementary education system which is defined as grades 1 to 8 is mandatory for all students in FSM, while mandatory attendance for students with disabilities extends up to 21 years of age. Secondary education (Grades 9-12) is not compulsory. Post-secondary education is provided by the College of Micronesia (COM-FSM), with its main campus in Pohnpei and smaller satellite campuses in each of the four states.

10 Title 40 (2014) of the FSM government provides a legislative mandate for education in FSM and includes the individual states' levels. The NDOE is responsible for policy setting of national standards in school accreditation, teacher certification, school curriculum standards and benchmarks, and student assessments. These national standards are minimum standards that each state must meet, but there is scope for states to go beyond these standards if appropriate. The NDOE reports on the status of education across the country, provides technical assistance to the states as appropriate, coordinates external funding aid for education, and is responsible for the post-secondary development of the nation.

11 Each SDOE is responsible for providing direct educational services, including its own curriculum development and assessments. However, each states' plan is based on the national plan, although their differences in geography, traditions, and cultures often results in different curricula, instructional materials, and instructional strategies apparent between the four states.

12 The FSM education system receives support for funding under provisions of the Compact of Free Association (CoFA) negotiated between FSM and the US Government. U.S. Federal Education Programs are awarded to the FSM national government and pass through the FSM Department of Finance to the four states following FSM Congressional approval and FSM Finance allocation on a quarterly basis.

13 The expenditure disbursements within each state are controlled by each SDOE and calculated from different funding sources. Generally, the per pupil spending is calculated from the sector funds allocated for each financial year (FY) and which is then dispersed to each state. Each state can allocate these funds according to their own preferences, but each state tends to follow a similar pattern in relative allocations. In general, about 60% of the education budget is spent on teachers and staff. State Departments of Education allocate 40% to elementary schools and 25% to secondary schools. The remaining spending goes to departmental support for schools and programs for teachers and principals, including administration and personnel costs.

1.3 National Development Strategy for Education in FSM

14 The FSM Strategic Development Plan (SDP) was first developed in 2004 and covered the period 2004 - 2023. A new FSM Strategic Development Plan 2024-2044 is currently in draft form and includes broad educational policy statements as provided by the national constitution. The SDP defines the purpose of education as "preserving the heritage of the past" and "respecting the diversity of cultures". The role of the national government through education is further defined within this broad framework as setting minimum nationwide standards, coordinating state activities and foreign government assistance, and providing training, technical assistance and support for post-secondary education programs as described earlier.

15 The new FSM Strategic Development Plan 2024-2044 is developed around eight thematic areas with "Education and Human Capital" as one of these themes. The over-arching goal is

To transform FSM's education system into a high-performing inclusive and culturally grounded network that develops a skilled, knowledgeable and values-driven populace.

16 The SDP lists four strategic outcomes under this goal:

- A. **Student Success:** Improving the quality of the education system to maximize student achievement and results in foundational, career, technical, and life skills.
- B. **Community Engagement:** Access to the local education systems for community and parental engagement is actively pursued and promoted. Where access is limited,

technology and e-communications options will be implemented.

- C. **Qualities of Education Programs & Services:** Enhance All education programs and services responding to national, economic, social and cultural needs.
- D. **Education Information Management System (EMIS):** FSM education management information system provides high quality data collection promoting increased accountability for education in the FSM.

17 The new Education Sector Strategic Plan (ESSP) 2025-2029 described in this document links with the SDP and builds on its broad policy statements.

1.4 Background to the Education Sector Strategic Plan (ESSP 2025-2029)

18 The National Education Sector Strategic Development Plan (ESSP) for 2020 – 2024 concluded in September 2024. It is replaced by this new Education Sector Strategic Plan (ESSP) for 2025-2029. Preparing a national education sector analysis (ESA) that provides a time-bound snapshot of the FSM education sector is a mandatory step **before** preparing a new sector plan. A national sector plan for education in FSM is complex, because the FSM has special characteristics that distinguish it from many other Pacific Island nations. For example, the cultural and linguistic diversity across the four separate and semi-autonomous states that comprise the FSM presents specific challenges. There is no single unifying language structure across all 607 islands of FSM. A serious dilemma for educators is that many local spoken languages do not have well-established writing systems or significant numbers of printed texts. Other examples of complexity will be addressed in the new plan.

19 This new FSM Education Sector Strategic Plan (ESSP) 2025–2029 is specific to the needs of the people of FSM, but it is also aligned with (i) the Strategic Development Plan (SDP) for FSM; (ii) the Pacific Regional Education Framework (PacREF) (sub-titled “Moving Towards Education 2030”) and (iii) the UN 2030 Agenda for the Sustainable Development Goals and specifically Goal 4 for Education (usually referred to as SDG4). The draft SDP emphasizes human capital as a central feature of education planning, and includes promoting student success, engaging the community with schools, and using data effectively in ways that promote quality across the whole sector. The PacREF proposes a 12-year framework (2018–2030) that promotes *equitable access to high-quality education for all Pacific Islanders*. It focuses on the issue of the *quality of education outcomes and the importance of working cooperatively in the region and beyond*. The SDG4 goal is to *ensure inclusive and equitable quality education and to promote life-long learning opportunities for all* which is similarly closely aligned to the PacREF goal. FSM recognizes the importance of alignment with these important documents and is working cooperatively within the Pacific region and maintaining the focus on higher quality student learning outcomes. The alignment of the ESSP with SDP, SDG4 and PacREF is discussed in Chapter 3.

CHAPTER 2 REVIEW OF EDUCATION SECTOR

2.1 Overall description

20 The United States' influence on the education system in FSM is significant. For historical reasons, FSM follows an American-style education system, offering free public education up to the age of 18 or completion of the 12th grade. Some private schools offer early childhood (ECE), elementary and secondary education, but parents are required to pay fees for this service. The public education sector consists of early childhood education (ECE or kindergarten), elementary and secondary education, and students with special needs are included within the mainstream groupings whenever possible. Non-formal education and other post-school components that include technical and vocational education and training (TVET) and other forms of vocational education are also included within the education sector.

21 The NDOE is responsible for policy setting of national standards, but these are minimum standards that each state must meet. The states may go beyond these standards if appropriate, and each of the SDOEs are responsible for providing direct educational services, including their own curriculum development and in-school assessments, but based on the national plan. This sometimes results in different curriculum emphases, instructional materials, and instructional strategies between states, which complicates the moderation of standards between schools and across each state.

22 Teachers apply inclusive education strategies to ensure that all children, especially those with disabilities, are included in mainstream education. Through the Division of Special Services (DSS), NDOE works to ensure the early detection of disabilities at early childhood level with screening, treatment and referrals, with special education support in the form of Related Service Assistants (RSAs) providing home service learning where needed. The NDOE also liaises with the Department of Health for the provision of assistive devices and support services.

23 Higher Education is provided by the College of Micronesia-FSM (COM-FSM) with a campus in every state offering most of the range of associate degrees and Certificates. The COM - FSM main campus in Pohnpei is primarily responsible for delivering associate degree and third-year certificate of achievement programs. It offers a bachelor's degree in education, as well as associate degrees and certificates in health careers, liberal arts, teacher preparation, technology, nursing, marine science, business, agriculture, criminal justice, culture, and trades. FSM students from Chuuk, Yap, and Kosrae who are admitted to the National Campus by the COM-FSM are provided with transportation from their home state to the National Campus and a return ticket after successfully completing their studies. Secondary level completers must pass the COM-FSM entrance test (COMET) to gain entry to tertiary study, and completing the COMET successfully to enroll in these programs is an obstacle to many students.

2.2 Scope of the education sector

24 The education sector in FSM consists of both public and non-government schools (including both mission and private schools) that offer early childhood, elementary, and secondary levels of education through various configurations. Tertiary education is offered through the COM-FSM which has a main campus in Pohnpei and linked campuses in each state.

2.2.1 EARLY CHILDHOOD EDUCATION (ECE)

25 Formal ECE education programs in FSM are provided for children aged 3 to 5 years, but not all parents of children in FSM avail of the opportunity to enroll in school. Education for 5-year-olds (also called kindergarten) is not yet compulsory, but legislation has been before Congress since mid-2024 to make attendance mandatory for all 5-year-old children. Considerable advance planning and preparation have been carried out regarding the provision of learning spaces and resources in anticipation of this change in the law. Once passed, the revision of legislation and additional preparation for the likely increased numbers will be essential with facilities, human resources, and learning programs in place. It is universally accepted that every child must be allowed to grow to their fullest potential to become a productive state citizen, so the ECE programs at kindergarten level and services offered in FSM are designed to conform to the best research and practices known to date.

26 The number of children enrolling at the age of 5 has been consistent since the COVID-19 pandemic (see Table 1): there are children older than 5 years old enrolled in the kindergarten year (or the year immediately preceding Grade 1).

Table 1 Age Distribution of FSM ECE Students 2021-2024

ECE	Official Age Students (5yo)		Under-age Students		Over-age Students		Total
	M	F	M	F	M	F	
2021	639	638	158	150	77	86	1748
2022	601	612	133	121	97	115	1679
2023	531	567	72	77	77	67	1391
2024	627	562	122	128	93	82	1614

Source: FedEMIS 2023-2024

2.2.2 ELEMENTARY AND SECONDARY EDUCATION

27 In 2024, there are 182 schools (163 government; 19 private) in FSM (including the 23 ECE centers in Yap). This count includes all private schools that are chartered by the NDOE. Most schools in FSM have an average size or student population between 100 to 200 students. Two schools only (1 each from Chuuk and Pohnpei) have more than 1,000 students. The age distribution of FSM students for elementary and secondary education is shown in Table 2 below.

Table 2 Age Distribution of FSM Elementary and Secondary Students 2020-2024

Age Group	2020			2021			2022			2023			2024		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
0-4	3086	3017	6103	3092	3022	6114	3097	3028	6125	3102	3033	6135	3108	3038	6146
5-9	3021	2837	5858	3026	2842	5868	3032	2847	5879	3037	2852	5889	3042	2857	5899
10-14	3147	2999	6146	3153	3004	6157	3158	3009	6168	3164	3014	6178	3169	3020	6189
15-19	3137	2877	6014	3143	2882	6024	3148	2887	6035	3154	2892	6045	3159	2897	6056
20-24	2519	2166	4686	2524	2170	4694	2528	2174	4702	2533	2178	4710	2537	2182	4719
Total	14911	13896	28807	14937	13920	28857	14963	13944	28908	14989	13969	28958	15016	13993	29009

Source: <https://stats.gov.fm/topics/social/population-statistics/> (M = Male; F = Female; T = Total)

28 The first eight years of school education (grades 1–8) are compulsory for attendance of all students in FSM aged 6 to 14 years. Students with disabilities can attend schooling up to 21 years of age. Secondary education (Grades 9-12) is not compulsory and is a major contributing factor to decreasing school attendance at secondary level. At elementary level, seventy-one (71) schools serve

grades K to 8, and forty-three (43) schools serve grades 1–8. One school (in Chuuk) offers grades 1–10; There are sixteen (16) which offer secondary education (grades 9–12) exclusively. Overall enrolment levels are decreasing across all states, but the full extent of this decrease will only be revealed when the 2024 FSM census data is released. Other factors that are apparently contributing to this downtrend are out-migration, school dropouts and self-withdrawal.

29 **Student Assessment** - A National Minimum Competency Test (NMCT) is administered annually to all students across each state to assess student learning in Literacy and Numeracy based on the standards and benchmarks described in the FSM national curriculum. The test for reading is administered to all 6th, 8th, and 10th grade students across the nation. The mathematics test is administered to 4th, 6th, 8th, and 10th grade students.

30 In addition to the national testing, the SDOEs also conduct their own standard-based assessment (SBA) of student learning outcomes on a regular basis for each grade. Each state has its own protocol for assessment. Pohnpei DOE had previously conducted a quarterly assessment of student learning, but this summative test has been put on hold until a more effective formative assessment can be devised that provides feedback about learning to teachers, students and parents.

31 An additional assessment tool, the Pacific Islands Literacy and Numeracy Assessment (PILNA) measures and monitors the achievement of Grade 4 and Grade 6 students in Literacy and Numeracy, and this test is also administered in selected schools in FSM on a 3-year cycle. The results from the 2021 PILNA assessment show that a low percentage of students fail to reach the Literacy and Numeracy benchmarks, and this outcome is similar to the results obtained in the NMCT.

2.2.3 HIGHER EDUCATION (TERTIARY)

32 Tertiary education in FSM comprises academic certificate and degree programs offered through the COM-FSM, which has a main campus in Pohnpei and linked campuses in each state. The COMET is administered annually to grade 12 students to test their eligibility to enter tertiary education. The COMET results disaggregated by sex show that between 2018 and 2024, there has been an overall decline of 7% in the number of students proceeding to study at the post-secondary level at the COM-FSM. This decrease also reflects the lower number of students enrolling in Year 12, but a more concerning statistic is the significant decrease of 35% in the total number of males enrolling in higher education over the same period. The percentage of students enrolling for degree study in Chuuk is the lowest across FSM. and there has been a drop of almost 50% in the number of male students attempting post-secondary studies. This is a factor that needs to be addressed as the new ESSP is implemented.

33 Each campus in each state has the flexibility and capability to offer tailored non-credit training/courses to address the needs expressed in the communities. These needs include teacher education (up to associate degree level), vocational education, and certificate programs aimed to upgrade basic and specific skills, remedial English, and short-term training. An FSM Fisheries and Maritime Institute (FMI) is in the State of Yap, and it provides career education for fisheries and maritime livelihoods by offering three majors over 2 years - Navigation, Marine Engineering, and Fishing Technology. Students are now able to complete bachelor level degrees within COM-FSM. Previously, students were required to travel outside FSM to universities such as the University of Guam, the University of the South Pacific or even further afield for university degree-level studies.

34 NDOE offers national scholarships for study at the undergraduate, graduate, or post-graduate level. In SY 2023-2024, 538 scholarships were awarded, of which 61 were for 2-year studies, 348 were for 4-year studies, and 129 were for graduate and postgraduate studies. 110 (20%) scholarships were in education-related areas (curriculum, special education, teaching, and early childhood). In addition, there are students who have received scholarships issued by foreign governments, as well as private

students studying in tertiary institutions outside the FSM. The states also have their own scholarship schemes, but there is no aggregated data available that provides counts of students and types of programs being undertaken.

2.2.4 VOCATIONAL TRAINING IN FSM

35 The goal of a vocational training system is to provide FSM with a competent middle-level workforce to meet the demand for vocational skills from employers or to encourage an individual's self-employment through starting-up their own business. The vocational education (TVET) program in FSM currently consists of low-key elective programs in secondary schools beginning in grade 9 called Career and Technical Education (CTE). Elective vocational education programs that offer mostly practical applications of skills in areas like basic carpentry, mechanics, agriculture, home arts/economics and in some traditional life skills like weaving, carving and canoe-building are offered in some schools but they are not supported with equipment or funding, are of varying length and largely theoretical which is not attractive to those students who learn best through active hands-on learning. A World Bank-funded program called the Skills and Employability Project (SEEP), is conducting some pilot programs during 2024-25 in a small sample of secondary schools. A Workforce Development Project managed by NDOE is also being piloted in four secondary schools in each state. Both programs are finding the need to renovate facilities before programs can be implemented, but the budget restricts the renovations to minor works only.

36 The sector analysis revealed that there is considerable potential to expand the vocational training sector to provide continuing educational opportunities for the many young adults who graduate from secondary school but do not pass the entrance test to COM-FSM. An expanded curriculum may provide greater relevance for both secondary and tertiary education, especially if the curriculum includes training in tourism, information technology and agriculture (including fisheries) and other areas where future employment prospects will be enhanced. New courses in schools in these subjects could be linked to similar programs in COM-FSM offering a vocational stream between secondary school and higher education.

37 Vocational training programs at secondary level have not been successful to date in generating such work-ready graduates. The draft of a National Qualifications Framework (NQF) in March 2019⁵ has not yet been approved and this is a serious drawback for vocational education. Such a framework could provide an incentive to curriculum developers, potential students and employers to support new programs where a qualification can be obtained after 2 or 3 years of study and would provide employers with a greater level of confidence in the skills and abilities of school completers and TVET program graduates as potential employees. The framework will also provide better defined entry points and pathways for students at all levels as has been shown by the NQFs in most ASEAN and Pacific neighbours.

2.2.5 NON-FORMAL EDUCATION (NFE)

38 A substantial number of the secondary-age population is out-of-school for a variety of reasons and so a strategy is needed to entice students back into school that offers new career paths leading to rewarding employment. Traditional schooling may not be an option for older school leavers or for those who for various reasons are unable to attend any formal school system. These learners need to be offered alternative pathways in education and training through a non-formal education system (NFE). NFE permits those who have dropped out of formal schooling to re-enter an alternative learning system designed to provide life-long learning opportunities. In most cases the participants are mature-age learners who would prefer flexible learning arrangements that allow them to undertake study in

⁵ NDOE, National Qualifications Framework (draft), March 2019

a less-formal setting, such as their own home or a community center. It is important that the system recognizes prior learning experiences of such individuals and includes bridges and ladders that permit learners to access other avenues of continuous learning.

39 Although NFE caters for people of all ages, it does not necessarily have a continuous pathway and may be short in duration and/or low intensity, typically being provided in the form of short courses, workshops or seminars. NFE can cover programs contributing to adult and youth literacy and education for out-of-school children, as well as programs on life skills, work skills, and social or cultural development. There is potential to explore strategies for delivering alternative teaching and learning programs to a variety of populations: for example, learners in isolated communities who are unable to travel large distances to access formal schooling; persons who have dropped-out of formal education and/or mature-age learners who wish to gain additional qualifications whether already employed or not.

40 The COVID pandemic focused attention on the preparation of learning modules that permitted learners to study outside of the formal school structure. Such an approach offers an alternative delivery mode that can be expanded in various ways. Examples are “distance-learning using prepared written packages”; “distance-learning using information technology”; “extended schools or school annexes beside existing schools”, or “using school premises for evening classes”. The widely dispersed island communities of FSM could benefit greatly from such alternative learning systems since it is economically inefficient to provide a formal school structure with staffing and materials for every isolated community.

2.3 Review of Sector Performance

41 The education sector analysis⁶ obtained objective data that revealed several strengths, weaknesses, challenges and issues for the education sector. The key elements of the sector analysis are discussed below.

2.3.1 SCHOOL ATTENDANCE AND POPULATION EFFECTS

42 FSM succeeds in providing schooling accessible to most students of all ages despite the population being highly dispersed across wide distances. The numbers of school-age learners in the population derived from the government statistics office is shown in Table 3.

Table 3 Total Number of school-age learners in the FSM population (2020-2024)

Age Group	2020			2021			2022			2023			2024		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
5	1250	1177	2427	2431	1252	3683	1254	1181	2435	12561	1183	2440	1258	1186	2444
6-9	4996	4726	9722	3826	4661	8487	5014	4742	9756	5022	4751	9772	5031	4758	9789
10-14	6631	6276	12907	6643	6287	12930	6655	6298	12953	6667	6309	12976	6677	6321	12998
15-19	6347	5851	12198	6359	5862	12221	6370	5872	12242	6381	5882	12263	6392	5892	12284
Total	19224	18030	37254	19259	18062	37321	19293	18093	37386	19326	18125	37451	19358	18157	37514

Source: <https://stats.gov.fm/topics/social/population-statistics/> (M = Male; F = Female; T = Total)

43 Table 4 shows the number of school-age learners enrolled in schools over the same period.

⁶ Annex 1 provides the executive summary of the sector analysis. A full copy may be obtained from NDOE until it is published on the NDOE website.

Table 4 Total Number of school-age learners enrolled in FSM schools (2020-2024)

Age Group	2020			2021			2022			2023			2024		
	M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
5	671	668	1339	681	683	1364	679	676	1355	637	595	1232	624	690	1314
6-9	3834	3985	7819	3767	3888	7655	3690	3815	7505	3418	3536	6954	3519	3605	7124
10-14	4718	4676	9394	4901	4881	9782	4865	4972	9837	4754	4867	9621	4629	4819	9448
15-19	2530	2313	4843	2743	2532	5275	2554	2400	4954	2493	2245	4738	2605	2433	5038
Total	11753	11642	23395	12092	11984	24076	11788	11863	23651	11302	11243	22545	11377	11547	22924

Source: FedEMIS, NDOE, 2024

44 Feedback from school and state administrators indicates that the FSM population in 2023 is estimated to have fallen by around 10–15 percent in the last decade to around 99603 (males 48708; females 50895)⁷ 8,, primarily due to an increase in outward migration. International and rural-urban migration combined with an ongoing transition to lower fertility and mortality rates has changed the age structures of all states (including many of the outer islands).

45 Transition rates from elementary to secondary have remained steady at grade 8, but dropout rates from grades 9-10 are increasing. Students do not see the value of spending time in secondary education because they have seen older siblings and relatives completing some years of secondary schooling but then returning to work with the family.

2.3.2 LEARNERS 'CONTEXTS AND SCHOOL FACILITIES

46 Several factors were identified during consultation that determine whether there is a supportive and conducive learning environment or not for all students. Transportation to school is a major issue for many students and remains a barrier to participation, with girls often facing additional challenges of safety, affordability social expectations. For low-income families, the costs of transportation and other associated schooling costs such as clothes and learning materials makes it difficult for these students to fully engage in their education. Students (both male and female teenagers especially) are often forced to forego schooling because their families require them to contribute to the household through working in low-skilled jobs or minding younger siblings while parents go out to work.

47 The lack of involvement of some parents in both school affairs and in reinforcing the importance of schooling presents school leaders with challenges to address this factor. Some learners grapple with difficult family circumstances, such as broken families and domestic violence, as well as a lack of facilities at home for learning outside of school. Other factors such as bullying impact students' well-being and impede their ability to focus on their education. Successful school leaders establish close links with their school communities and with parents and strive to keep them informed about their child's progress as well as broader issues affecting the school.

48 The various dialects that may be spoken by students within a single class or school can make it difficult for teachers and for students to have a meaningful engagement with the curriculum and sometimes with each other. Age-appropriate textbooks and other resource materials in all subjects are essential to assist students and teachers to deal with this potential language barrier. Classroom facilities including science laboratories and learning resources are discussed below.

⁷ <https://www.cia.gov/the-world-factbook/countries/micronesia-federated-states-of/>

⁸ The size of this decrease will not be fully known until the latest census data is released.

49 Age-appropriate textbooks, similar resource materials and detailed teacher's guides in all subjects enhances effective teaching and learning. The lack of well-resourced laboratories at the secondary level (particularly the upper secondary level) or even the failure of teachers to make full use of them affects the quality of science education programs when students cannot undertake practical learning experiences. Traditional textbooks have limited appeal to learners since most of them are not engaged with inanimate, black and white printed material after experiencing smart phones and modern programs on TV and the internet. This shift in student preferences suggests a need for teachers to switch to a different approach to teaching and learning. Establishing a digital library of resources accessible to both students and educators and in a central location in each state can save teachers' time in locating such resources. An added advantage is that such a central resource can be used to promote higher order thinking, problem-solving and critical thinking skills.

50 The importance of leveraging indigenous and traditional knowledge (ITK) as a resource for educational purposes has been recognized, and the government has embarked on a major reform to mainstream traditional indigenous knowledge into the curriculum. Having these resources embedded in the curriculum and as learning tools can foster a deeper understanding and appreciation of indigenous knowledge and culture which boosts the holistic development of students and can ensure that traditional knowledge and skills unique to the region and to each state are maintained and not lost.

51 A challenge for educators implementing a new ESSP will be for school leaders to find efficient ways to refurbish infrastructure without requiring new construction. Climate change is demanding that school environments are improved to enhance learners' comfort, safety and well-being. Better ventilation, additional cooling fans and heat-resistant roofing materials will provide more comfortable learning environments which will help to improve student learning outcomes. Renovating access to both school premises and to classrooms for all students, especially for those with disabilities, is also crucial for fostering inclusion. School teachers and administrators have also indicated a need for a covered area within the school in which programs that promote physical fitness and overall well-being among students can be readily conducted.

52 Allied to the support for the overall fitness, health and well-being of students is the need to limit the availability of unhealthy food choices within school canteens and tuck shops. There needs to be tighter school policies overseen by the NDOE that regulates the sale of unhealthy food and instead mandates the provision of healthy school meals and snacks along with programs advocating the important links between health food choices and better learning outcomes.

53 The importance of prioritizing gender-responsive and inclusive WASH facilities remains a critical factor when considering school renovations to ensure that all girls and boys have access to safe, appropriate sanitation and hygiene resources. As expressed earlier, the continual refurbishment of classrooms, the construction of new, climate-resilient buildings, the refurbishing of science labs, culinary areas, child development rooms, and technical rooms will further support a learning environment that meets the diverse needs of students.

2.3.3 QUALITY OF TEACHERS AND TEACHING

54 It is necessary to address the quality of teaching in the ESSP through an enhanced and relevant continuing professional development program that updates teachers' skills, especially for teaching 21st century skills that have been shown to be essential tools for today's learners. The in-service (professional development) programs should also focus on providing better diagnostic feedback to learners about their learning progress. Improving the overall assessment of student learning outcomes helps both teachers and learners to identify respective teaching and learning strategies that are most

effective. It is also important to link the professional development program to the enhanced accreditation program for teachers so that there is an added incentive for them to undertake in-service training that yields additional accreditation credits.

55 In secondary education, the sector analysis showed that it is common to have teachers required to teach subjects outside their area of expertise, which can adversely affect the quality of instruction, especially concerning content. Sometimes, unique cultural and regional factors can impact the learning, and teachers who do not understand the embedded culture may find difficulties. There is a likelihood that elementary level teachers will focus on subjects they are familiar with, potentially neglecting other subjects that they do not feel comfortable teaching. This results in students not receiving a well-rounded education across all subjects. Teachers must possess basic content knowledge and pedagogical skills to ensure the effectiveness of education at all levels.

56 Multi-grade teaching is still common, especially in smaller schools, and so additional training for teachers in handling multiple grades is needed, as well as the need for induction training for new teachers and those assigned to new roles. Teachers teaching multigrade classes require more sophisticated teaching methodologies as they must deal with learners from different grade levels, with different learning styles and across different subjects. Additional incentives such as added salary payments, choice of next preferred posting, enhanced professional development opportunities etc. can motivate teachers to accept postings to these multigrade and other rural and remote schools.

57 The lack of classroom training for many teachers is an issue, particularly for vocational education. Although having a high level of practical expertise in a subject (such as construction, for example) is an advantage, not having the proper credentials nor pedagogical skills training to teach it can hinder a teacher's ability to effectively impart knowledge to students. Along with enhanced in-service training for all teachers, it is important that the recruitment, hiring, and certification process for teachers and principals, along with improving their salaries and benefits, is standardized at a national level. Comprehensive reviews are also necessary for the Teacher's Induction Program (TIP), Principals' Certification, and the Teacher's Retention Policy and Program.

58 There is a notable absence of a comprehensive database on teachers' training and the type of additional in-service (professional development) training that they have received at both state and national levels. Teachers' professional development is mostly *ad hoc* and lacks a coordinated plan and systemic approach that is best coordinated at state level. This lack of structure can lead to skill gaps ranging from pedagogical skills to mastery of subject matter. As a result, the quality of instruction for students will inevitably be outdated and not keep in step with changing community circumstances and new teaching methods and materials. This database might be linked to the FedEMIS as a separate entity, like the FSM Student Information System (FedSIS).

59 Another important point that impacts on the quality of teaching and learning that was highlighted by the states is the increase in behavioral and social issues that teachers are expected to address. Behavioral and social issues arising in classrooms can have several implications for teachers. Firstly, unresolved behavioral issues can create a disruptive learning environment in the classroom, impacting the concentration and learning of other students. Bullying can lead to long-term emotional harm for students experiencing this treatment. Students grappling with social and emotional challenges as well as bullying may struggle to engage with academic content, leading to academic underachievement. If mental health and well-being issues for individual students go unnoticed by teachers, they can impact on a student's stress and anxiety, ultimately affecting their overall development. Teachers cannot resolve these issues alone, and there must be greater inter-sectoral collaboration with health and social welfare sectors as well as legal intervention for serious offences.

60 The influence of the internet and social media on students' behavior must be acknowledged as a potential developing issue as access to the internet becomes easier across FSM. Social media and online content have been shown to lead to excessive use which can distract student and lead to anti-social behavior and intermittent attention spans. On-line bullying as mentioned earlier is now a serious component highlighting the influence of social media on students' behavior. There are many multifaceted effects of social media, and teachers and school leaders must seek ways to understand them along with strategies to explore the positive elements of online learning.

61 An inclusive education taskforce conducted a regional mapping of inclusive education in 2021 that revealed 40% of FSM teachers has participated in in-service training on inclusive education. However, schools do not have permanent counselling services available for students experiencing the issues mentioned in the previous paragraph, and it becomes a teacher's responsibility to provide as much support as possible. Severe cases of disrupted student well-being are referred to health services in each state so that trained therapists can provide the proper support. COM-FSM now offers courses that provide specific training for counselling leading to a degree. School budgets will need to be adjusted so that dedicated counselling services are available daily.

62 Teachers feeling undervalued in the education system may have important consequences for their teaching. Teachers who feel unappreciated will have decreased morale and job satisfaction that impacts their overall well-being and even attendance at school. Absenteeism of teachers affects the quality of education that students receive and leads to disruptions in the learning environment. Classes with absent teachers are usually handled by other teachers by combining classes which further adds additional numbers to the existing burden of teachers. An equally unsatisfactory solution is for learners to be sent home.

2.3.4 ASSESSMENT

63 The assessment of student learning outcomes has no centralized standardization, and there are varying assessment methods used by different teachers within schools and within each state. The lack of standardized assessment practices leads to inconsistent measurement of learning outcomes between grades, between schools and between states.

64 The FSM National Minimum Competency Test (FSM NMCT) provides a nationwide comprehensive summative performance assessment by measuring all students' educational progress and achievement in Literacy (reading) and Numeracy (mathematics) through a test administered to students at the end of grades 4 (mathematics only), 6, 8, 10, and 12 in all public and private schools from March to May each school year. This test is designed to provide a snapshot of the learning standards in Literacy and Numeracy across FSM in the designated grades. The sector analysis informing the preparation of this ESSP revealed that there were learning losses occurring in these subjects, and strategies to reverse the learning losses revealed by the MNCT are a priority for the new sector plan.

65 Inadequate learning outcomes at elementary level and the early years of secondary school have flow-on effects to higher levels of education, including TVET. Inconsistencies in assessment standards across FSM makes it difficult to compare student performance, to understand why some schools are succeeding but others are not, and what strategies might be most effective for remediation where results are poor. Rather than initiate a centralized assessment approach to be followed by all states, the responsibility for undertaking a more targeted assessment of learning outcomes at the state level, with teachers being trained in formative assessment as a school-based activity so that there is continuity across all subjects within individual schools. Enhanced formative

assessment will show areas needing improvement, provide better feedback to learners, and allow teachers to vary their approach and tailor teaching methods to better meet student needs.

2.3.5 EDUCATION FINANCING

66 The implementation of the education sector interventions under the ESSP will require budget priorities to be reviewed when the proposed budget for 2025-2026 is formulated to ensure that limited resources are used to address most critical needs. Budget priorities for the current year are shown in Chapter 5, (Tables 8 and 9), and funding for the ESSP will need to be integrated with the next budget for 2025-2026. The priorities are to (a) strengthen linkages between planning and budgeting, and (b) increase the operational budget and strengthen and modernize the planning and budgeting capacity and the accounting capacity of NDOE and each state. The priority will be to provide sufficient financing for those programs that are integral to the ESSP.

2.3.6 EVIDENCE-BASED POLICY

67 There is a need for educators to exploit the data in the FedEMIS to obtain more detailed analysis and synthesis of results and to make these reviews more readily accessible to policy developers and to non-research specialists. More human resource support is needed to boost this approach within all state DOEs. A mechanism to monitor sector performance effectively, particularly at the policy and strategy levels, is needed to enable government and development partners to be able to assess the progress of implementation and the achievement of the new ESSP targets. **An efficient Sector Performance Monitoring Framework is required at national level that also monitors the progress of state implementation of central policies and strategies.**

68 Better engagement with the private sector and utilization of existing data sources to periodically assess trends in labor market demand are needed. The Education Sector Analysis (see Annex 1) showed that enhanced services in the TVET and NFE sub-sectors may provide a lifeline for students who have dropped out prematurely from school.

CHAPTER 3 EDUCATION SECTOR STRATEGIC PLAN ORGANIZATIONAL STRUCTURE

3.1 Vision and Mission for Education in FSM

- 69 The vision and mission for the FSM education sector have not been reviewed since the FSM education summit of 2015. The summit communiqué was signed by each of the four state governors after extensive deliberation. This vision and mission were included in the ESSDP 2020–2024 will be maintained in the ESSP 2025–2029.

Vision

- 70 A unified education system that enables every citizen to participate fully in the development of the FSM, the Pacific Community, and the world.
- 71 To lead, administer, and coordinate a quality education system; support the achievement of high standards; and meet the needs of all learners.

3.2 Education Sector Pillars

72 In transforming FSM’s education system into a high-performing, inclusive, and culturally grounded network that develops a skilled, knowledgeable, and values-driven populace, the ESSP strategies are classified into three pillars: **access, quality, and governance**. These pillars represent the NDOE's desire to promote equitable access to education for all students, ensure that educational offerings align with both local cultural contexts and global standards, and establish strong governance structures that support accountability, transparency, and community engagement in educational decision-making. By focusing on these key areas, the NDOE aims to foster an educational environment that not only cultivates academic excellence but also honors and preserves the rich cultural heritage of the FSM.

Pillar 1. Equitable Access to Education

73 The ESSP ensures equitable and inclusive access to education for all, particularly considering the unique challenges posed by the geographical dispersion and socio-economic profile of its island communities. These communities face difficulties in delivering educational services and resources, which are further exacerbated by disparities in their socio-economic profiles. The ESSP will aim to ensure all educational institutions have a socio-economic, inclusive environment where all individuals, regardless of gender, age, disability, or geographic location, can lead, thrive, and make impactful contributions to the FSM society. Access is also cognizant of the need for schools to be safe and clean with WASH facilities, disaster risk management plans and climate resilient structures in place for all children to enjoy.

Pillar 2. Quality of Education Provision and Learning Outcomes

74 The education sector analysis revealed that a pressing challenge is the low quality of education performance as measured by poor student learning outcomes, particularly in literacy (reading) and numeracy. Reading performances are consistently below 50% and declining from grade 6 to grade 8. Numeracy (mathematics) performance standards drop markedly after students’ transition from the elementary level to lower and through to the upper secondary grades. Further curriculum revision is required to integrate both 21st century skills and Indigenous and Traditional Knowledge (ITK) across

all subjects if students are to be equipped with the necessary skills to meet both labor market demands and to function successfully in the varied cultures within FSM.

75 The integration of the 21st century skills of critical thinking, problem-solving and effective communication into the school curriculum will require a more active student-centered approach by teachers. The importance of integrating the islands' Indigenous and Traditional Knowledge (ITK) is recognized as both a key strategy for improving student participation and achievements as well as preserving and reinforcing cultural heritage. By introducing culturally enriched emphases in all subject curricula, the changing cultural history of each state regarding society's roles and expectations (gender equality, rights of children, respect for elders etc.) can be compared to modern understanding. Teachers' use of appropriate pedagogy whilst at the same time sharing culturally appropriate resource materials within and between each state will greatly enrich the experiences of children across all grades.

76 UNESCO⁹ has highlighted the need for quality climate change education, and suggests that youth should be empowered to understand, act on and address climate change more effectively. This is best achieved through action-oriented learning that moves beyond theoretical knowledge and includes practical, hands-on experiences and solutions-based approaches. Teachers need adequate training and resources to effectively teach climate change, and an awareness of contextualizing activities to local environments so that there is relevance to local geographic and demographic challenges within the Pacific. The existing Disaster Risk Reduction (DRR) strategies that were developed during the previous sector plan period should be retained but improved as necessary.

77 In order to meet the changing curriculum demands, teachers' responsibilities and competencies will also need to be enhanced to meet these changes so that improved learning outcomes described above can be met. It will be essential for these needs to be addressed through a review of the teaching force in each state along with the formulation of an enhanced professional development plan to improve teaching standards.

78 The professional development plan will also need to include specific multi-grade teacher training to address the continuing need for inclusive multi-grade classes within the school system. Using the appropriate pedagogy when dealing with traditional and indigenous knowledge across all subjects will require new programs for professional development. Programs that provide psychological support for teachers experiencing mental health issues should also be available for affected teachers.

Pillar 3. Efficient and Effective Governance

79 The NDOE and the SDOEs play pivotal roles in ensuring equitable access to quality education enriched with ITK. Their ability to support schools with relevant policies, effective systems, and capability-building programs is essential for enabling teachers to implement the curriculum successfully and for schools to launch meaningful, school-based initiatives. In the next five years, governance mechanisms such as planning, monitoring, information systems, and evaluation will be strengthened to foster the development of outcome-focused and evidence-based educational institutions that are equipped at addressing the diverse challenges associated with delivering education services.

80 Achieving these improved services will demand further improvement of the data and data collection systems that are being used in the education sector. The FedEMIS provides an effective database that needs to be further developed and expanded. The expansion of the FedSIS (Student

⁹ UNESCO 2023 Youth Demands for Quality Climate Change Education. Doc code ED 2022/WS/33

Information System) will ensure that it becomes an essential tool for planning, monitoring and managing innovations across the school sector. Digital literacy programs that build the capacity for planning and analyzing the collected data must be developed for key stakeholders such as school principals and SDOE staff.

81 The ESSP identifies eleven (11) strategic goals to be achieved by 2029 under each of these three pillars. These strategic goals are described below under each of the pillars together with development priorities for each of the goals. Key performance indicators are provided in section 6 (M&E Framework) so that the progress implementation of the ESSP can be monitored.

3.3 Education Sector Pillars and Strategic Goals

Pillar 1 Equitable Access to Education

Strategic Goal 1

Improved participation of school-aged children in elementary and secondary education

Development Priorities:

- 1.1 Identify all school-aged children in a community and families are provided with information to encourage enrolment.
- 1.2 Improve the partnership between education and other agencies responsible for children's welfare and health.
- 1.3 Enforce the existing law on compulsory education or all school-aged children to attend school

Strategic Goal 2

Transition of students from Elementary to Secondary Education and Secondary to Higher Education improved.

Development Priorities:

- 2.1 Implement different strategies such as transition programs, mentorship opportunities, and activities that build confidence and social skills to encourage reenrollment at the next higher school level and increase intake at all levels.
- 2.2 Develop and Implement a Non-Formal Education program at the secondary level

Strategic Goal 3

All schools have an inclusive environment in which all individuals can participate.

Development Priorities:

- 3.1 Equitable access to services and resources is available to all teachers and students at all levels.
- 3.2 Leadership and other promotable positions are accessible to all applicants regardless of gender, age or disability.
- 3.3 All schools are supported to be safe and clean with WASH facilities, disaster risk management plans and climate resilient structures.

Strategic Goal 4

Programs for TVET and NFE are better aligned to meet the needs of the labor market.

Development Priorities:

- 4.1 The qualifications and competencies of teachers in secondary TVET programs are better aligned to prepare students to meet the needs of the labor market.
- 4.2 Annual labor market surveys and tracer studies of graduates from secondary education are conducted to determine the relevance and effectiveness of training programs.
- 4.3 Strengthened TVET cooperation at national and state levels between public, private and international organizations.
- 4.4 Develop vocational and skill development programs for out-of-school students.
- 4.5 Build capacity of career guidance counselors in secondary schools.

Pillar 2 Quality of Education Provision and Learning Outcomes

Strategic Goal 5

Improved student learning outcomes at all levels with a focus on literacy and numeracy, 21st century skills, and climate change education.

Development Priorities:

- 5.1 Review and revise the curriculum and assessment focused on improved literacy and numeracy across all levels.
- 5.2 Strengthen and enhance the curriculum and assessment approaches to integrate 21st century skills across all subjects, but especially in STEM subjects.
- 5.3 Strengthen formative and summative assessment strategies to improve student learning outcomes.
- 5.4 Improve climate change content within curricula and connect it to the real world through action-oriented learning within a local context that addresses specific geographic and demographic challenges.

Strategic Goal 6

Strengthen and enhance the curriculum and assessment approaches to integrate Indigenous and Traditional Knowledge (ITK) as an important core learning component.

Development Priorities:

- 6.1 Introduce culturally enriched emphases in all subject curricula that show the cultural history of each state's societal roles and expectations.
- 6.2 Develop professional development programs to ensure that teachers use appropriate pedagogy and provide culturally appropriate resources within and between each state.

Strategic Goal 7

The number of trained and competent teachers and principals is increased.

Development Priorities:

- 7.1 Pre-service teacher training curriculum and standards are aligned more closely with the curriculum standards in the schools.
- 7.2 Review the teaching force in each state (in terms of numbers, qualifications, certifications and adequacy of teachers by school) to document and analyze the issues and challenges leading to recommendations for addressing teacher quantity (new recruitment and retention) and quality.
- 7.3 Review of professional development needs of teachers and principals is conducted at the state level to provide recommendations for improving teacher quality through a continuous professional development plan to improve literacy and numeracy in all subjects, understand climate change within a local context, and provide psychosocial support for teachers and principals who may be experiencing mental health issues.

- 7.4 Provide specific professional development training that addresses inclusive multi-grade, multi-ability training for teachers in multi grade schools.
- 7.5 Review of teacher certification policies to address teacher recruitment and retention issues (such as shortages in overall numbers as well as in specific subject areas)

Pillar 3 Effective Governance

Strategic Goal 8

All schools have the necessary financial and human resources required to function effectively and efficiently, with enhanced NDOE, SDOE and school management capacities that are focused on improved student learning outcomes.

Development Priorities:

- 8.1 The minimum quality standards for ECE, elementary and secondary education are implemented including through the use of the self-study form and the school improvement plan.
- 8.2 Improve institutional capacity on planning and budgeting, financial management, coordination and resource mobilization.

Strategic Goal 9

The active engagement of local education communities and parent groups in schools is maximized through expanded use of technology and e-communication.

Development Priorities:

- 9.1 Digital platforms established that permit moderated two-way communication between NDOE, SDOEs and school management, school parent and relevant community groups.
- 9.2 Active national and state websites regularly updated for national sub-sector reporting of overall achievement and state reporting of school performance data collated under sub-sector headings.

Strategic Goal 10

Improved use of data and data collection systems (including FedEMIS) for supporting realistic planning, monitoring and evidence-based decision making in education.

Development Priorities:

- 10.1 FedEMIS is further improved, and especially the FedSIS (Student Information System) so that it becomes a tool for planning, monitoring, reporting and management at the school level.
- 10.2 Data collection and usage strategies for new and existing data sets are developed.
- 10.3 School age population data collected annually in each state to support the planning of educational infrastructure and relevant programs
- 10.4 Data literacy programs for all principals and SDOE staff are developed and implemented.

Strategic Goal 11

The ESSP has a financing plan that directly addresses relevant output targets within the context of real resource and capacity constraints.

Development Priorities:

- 11.1 There is a mid-term review that updates or revises the mid-term financing plan for ESSP and reports annually to FACSSO.

- 11.2 The Monitoring & Evaluation Framework for ESSP 2025-2029 is reviewed annually and adjusted if circumstances change
- 11.3 Financial support provided by development partners is aligned to ESSP priority targets.
- 11.4 There is a greater focus on improved budget management and the efficient use of scarce resources between NDOE and the states.

3.4 Relationship between ESSP Goal and Strategic Goals with SDP, PacREF and SDG4

82 It is important that the goals and strategic priorities for each of the planning documents that guide education in FSM have common goals and strategic outcomes though not necessarily on a one-to-one basis. These key planning documents are identified as the SDP, PacREF 2018-2030, and SDG4, and the links of each of them with the ESSP 2025-2029 are illustrated in Table 5 below.

Table 5 Relationship between ESSP Goal, Strategic Goals, and other key regional planning documents

ESSP 2025-2029	SDP 2024-2043	PacREF 2018-2030	SDG 4
GOAL	GOAL	GOAL	GOAL
The FSM aspires to an education system that produces high-level student learning outcomes through an inclusive curriculum that enhances the cultural awareness of all students throughout the four states	The FSM aspires to an education system that is high-performing, inclusive, and culturally grounded	The PacREF aims to improve the quality of education across the Pacific, enhance learners' outcomes, and produce graduates who can contribute to their communities.	SDG4 is a commitment to "ensure inclusive and equitable quality education and promote lifelong learning opportunities for all."
STRATEGIC GOALS	STRATEGIC OUTCOMES		
SG1. Improved participation of school-aged children in elementary and secondary education			Target 4.1 By 2030, ensure that all girls and boys complete free, equitable and quality elementary and secondary education leading to relevant and effective learning outcomes
SG2. Transition of students from Elementary to Secondary Education and Secondary to Higher Education improved			Target 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
SG3. All schools have an inclusive environment in which all individuals can participate		Goal 1: All learners are provided with a safe and supportive environment, within which they are offered high quality learning opportunities that are meaningful, valuable, inclusive and future-focused. Goal 2: All learners have equal access to multiple and seamless pathways and modalities of learning that will allow them to meet their full potential	Target 4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-elementary education so that they are ready for elementary education. Target 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations
SG4. Programs for TVET and NFE are better aligned to meet the needs of the labor market			Target 4.4 By 2030, substantially increase the number of youth and adults who have relevant training, technical and vocational skills, for employment and decent jobs
SG5. Improved student learning outcomes at all levels with a focus on literacy and numeracy, 21 st century skills, and climate change education.	1.0 Student Success: Maximize student achievement, foundational, career, technical, digital literacy and life skills through improvements to the quality of the FSM education system	Goal 3: All learners acquire knowledge, skills, values and attributes to enable them to contribute to their families, communities and to nation building.	Target 4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy

SG6. Strengthen and enhance the curriculum and assessment approaches to integrate Indigenous and Traditional Knowledge (ITK) as an important core learning component.			Target 4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development through education for sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity
SG7. The number of trained and competent teachers and principals is increased	3.0 Qualities of Education Programs and Services: Education programs and services, including development of human capital, respond to the growing economic and technological demands of society	Goal 4: Competent, qualified and certified teachers and school leaders who are current in their professional knowledge and practice and who are supported, engaged, effective and committed to the development of their students	Target 4.10 By 2030, increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially the least developed countries and small island developing States
SG8. All schools have the necessary financial and human resources required to function effectively and efficiently, with enhanced NDOE, SDOE and school management capacities that are focused on improved student learning outcomes	3.0 Qualities of Education Programs and Services: Education programs and services, including development of human capital, respond to the growing economic and technological demands of society	Goal 1: All learners are provided with a safe and supportive environment, within which they are offered high quality learning opportunities that are meaningful, valuable, inclusive and future-focused	
SG9. The active engagement of local education communities and parent groups in schools is maximized through expanded use of technology and e-communication	2.0 Community Engagement: Access to local education systems for community and parental engagement is actively promoted including expanding the use of technology and e-coms		
SG10. Improved use of data and data collection systems (including FedEMIS) for supporting realistic planning, monitoring and evidence-based decision making in education.	4.0: Education Management Information System (EMIS): An FSM education management information system providing high quality data collection and promoting increased accountability		
SG11. The ESSP has a financing plan that directly addresses relevant output targets within the context of real resource and capacity constraints			

CHAPTER 4 MANAGING IMPLEMENTATION

4.1 Institutional arrangements aligning national and state implementation

83 The overall oversight of the ESSP resides with the FSM Association of Chief State School Officers (FACSSO) working through an Education Sector Plan Management Group consisting of the three NDOE Assistant Secretaries and four state DOE Directors, with additional officers added from time to time as needed to form a working group that monitors the implementation on a regular 6-monthly basis.

84 The NDOE and SDOEs will organize sessions for public dissemination of the ESSP in its initial implementation phase, including distribution of copies of the sector plan and explanation of its purpose and coverage. This will help raise the level of awareness, ownership and readiness for the implementation of the plan in the community.

85 The sector plan management group will also ensure that regular monitoring of the implementation occurs, and a formal annual review is undertaken (probably during MTEC). The ESSP should be considered as a rolling plan that can be adjusted as circumstances change across FSM. Its cycle of review should coincide with the budget cycle of FSM with a first major review at mid-term (2027) to ensure that it is still relevant and responsive to the needs of FSM's education system.

Action Plan and Financing Plan

86 Chapter 5 discusses resource requirements for implementing this plan. The financing plan for 2025-2026 needs to adapt the current proposed budget allocations for the FY ending in September 2025 to include the initial year of the ESSP implementation. The most appropriate targets and strategies within the ESSP for FSM can then be determined according to the available budget. The resulting financing plan will then determine the form that the following year plans might take so that a draft multi-year action plan can be prepared. The NDOE in consultation with the states will determine the most efficient strategy for preparing such a plan, but it is essential that this be done through a collaborative process. **It is suggested that a special meeting of FACSSO is the best forum for such a task.** The complex task of preparing projections¹⁰ regarding budgets is not warranted yet until the education sector working collaboratively determines the priorities to implement this ESSP.

Fed EMIS data

87 The ESSP proposes that both the NDOE and the SDOEs are responsible for conducting relevant research activities to generate evidence and obtain objective data to enhance management decisions and to determine the effect of various intervention strategies implemented to support the sector plan. This data can then be incorporated in the M&E report. Such a research and evaluation activity would promote organizational learning in the NDOE and SDOEs but it requires experienced research leadership that can help to harness the expertise of local researchers to use the wealth of existing data or generate new findings that can be used to improve the quality of learning outcomes, equity, and management of the whole sector.

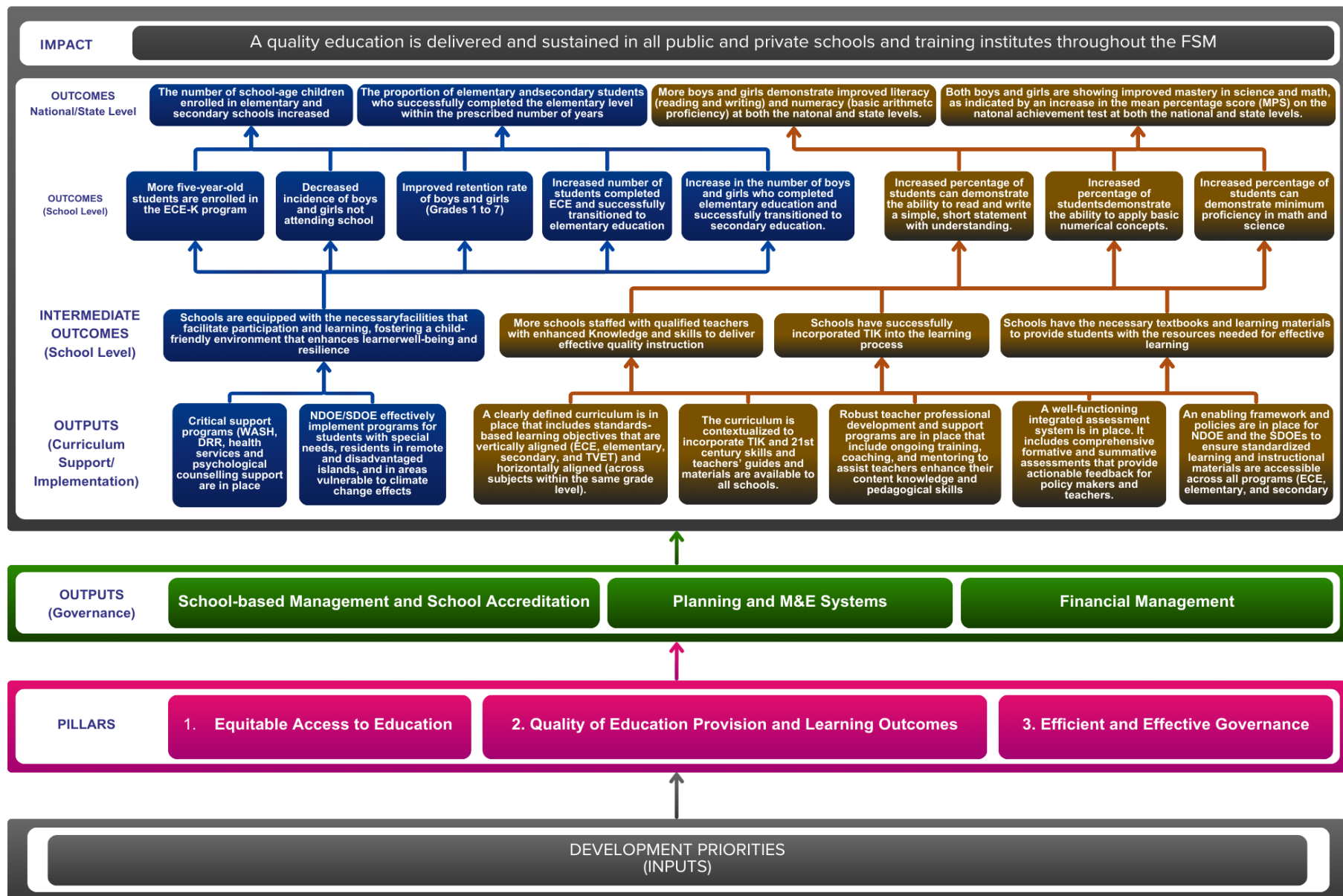
¹⁰ UNESCO Education Policy and Strategy Simulation Model User Guide

FSM Education website

88 The current website (<https://www.national.doe.fm/>) has been developed to include separate sections for each state to add relevant updates for activities within the state DOE. It is recommended that the website also contain a section containing both the Education Sector Analysis 2024, and the Education Sector Strategic Plan (ESSP 2025-2029). The outcome of each periodic review along with the should also be included on the website. The strength of an organization’s website is gauged by how effectively it is updated with new information, so it is important for NDOE and each state to appoint one or two key persons to ensure that the website is regularly updated so that it can become the most effective interface between administrators and stakeholders.

4.2 Theory of Change (ToC)

89 Chapter 3 outlines the strategic goals and development priorities that will produce change in each context. From this outline, the ongoing roles that individuals and organizations might play in the implementation of the plan become evident. There are challenges in developing a meaningful ToC for this ESSP within the FSM context because it covers an expansive education sector in which there is a shared responsibility for management between NDOE, the four SDOEs, COM-FSM, and other government agencies (such as finance). Despite this somewhat complicated collaborative system—and the sometimes tense and confusing lines of authority and responsibility between these entities, a ToC for this ESSP has been prepared, and it appears on the following page.



CHAPTER 5 RESOURCE REQUIREMENTS

5.1 FSM Fiscal Framework and Funding Arrangements

90 The federation of individual states that comprises the FSM has a decentralized fiscal framework, where service delivery functions are delegated to the states. The national level agencies are primarily concerned with policy making, regulation and oversight. The NDOE is assigned a budget for each financial year that is financed from domestic revenues, COFA and supplemental education grants also from the USA.

91 Most education spending is carried out by the State Governments of Chuuk, Kosrae, Pohnpei and Yap. This is currently mostly funded by external revenues, chiefly the COFA grants, supplementary education grants and other federal funding grants. Some states use small amounts of their own source revenue for education. Some small amounts are sourced from development partners and from ADB through the Improving the Quality of Basic Education (IQBE) Project. Oversight of grant flows to State Governments and performance is carried out by the Budget Office in the Office of Compact Management. State Departments of Education are required to report quarterly on performance and spending to the Department of Finance and Administration (DOFA) so that data can be reported to the United States Department of Interior and the Joint Economic Management Committee (JEMCO) meetings. JEMCO requires State Departments of Education to report against 20 defined indicators with reliable verifiable data.

92 The budget call circular goes out to the national and state governments in December each year when estimated compact grants are known; budget proposals are expected to be submitted by March 15th of the following year. Consultations with states are then scheduled for late May and early June. A final budget submission is submitted to the USA Department of Interior on the July 1. Decision making on compact funding and the total budget resource availability is usually resolved around the end of August each year. Budget appropriations are usually adopted prior to the second week of October by the national and state Legislatures. The financial reporting year ends on September 30th.

5.2 Summary of existing funding arrangements

93 The United States signed agreements with the FSM in 2023 to extend economic assistance under the Compact of Free Association (CoFA). This takes the form of compact grant funding overseen by the US Department of the Interior which remains constant for the fiscal years 2024 through to 2043. Separate contributions from the compact trust fund were to be managed by a joint US-FSM trust fund committee and chaired by the Department of the Interior's Director of the Office of Insular Affairs. The extension started the third term of assistance at the beginning of FY2024 and included grant assistance and trust fund contributions for the FSM, totaling approximately \$3.3 billion for FY2024-FY2043. Education's share in the past has been around 12% of the total budget, but this is expected to increase substantially in the budget for 2025-26.

94 FSM remains eligible for some programs including the US Department of Agriculture (USDA) Rural Utilities Service grant loan programs, the US Department of Education Pell grants for higher education, and grants under Part B of the *Individuals with Disabilities Education Act* for children with disabilities.

95 From fiscal year 2024 onward, the maximum allowed disbursement from the trust fund is designated at just over 10 million dollars which was the amount of the fiscal year 2023 annual grant assistance, with full inflation adjustment. According to the 2024 Annual Report of the FSM Trust Fund, the Fund had accumulated a Fiduciary Net Position of \$1,484,244,836. Funds could potentially be sought from the Trust Fund Committee in the form of a Resiliency Distribution or a Special Needs

Distribution. The Calculated Resiliency Distribution Cap for 2026 is \$45,755,138 which represents 4% of the 3-year moving average value of the Trust Fund. The calculated Special Needs Distribution Cap for 2026 is 22,877,569 which is 2% of the 3-year moving average value of the Trust Fund.

96 The Trust Fund Committee indicated in the 2024 Annual Report of the FSM Trust Fund that it had sought some sensitivity analysis on potential investment returns of the fund and whether it would be appropriate for FSM to access distributions from it if it is hoped to secure significant distributions for government in the future post-2043 period. The advice received was that it would be best, in at least the short run, not to access distributions.

97 The current year budget documentation and the Annual Report from the Trust Fund Committee indicate that distributions from the Trust Fund will not be sought for the 2026 financial year. The contributions to the FSM Trust Fund from the US government was \$39.5 M in 2023, \$250 M in 2024 and \$250 M in 2025. Those contributions are expected to cease in 2026.

98 Sector Grants from 2024 through to 2043 total \$140 M per annum. In accord with Section 261(a) of the COFA, Sector Grants are available for Education, Health, Private Sector Development, Environment, Infrastructure, Infrastructure Maintenance, Development Planning, Disaster and Emergency Fund, Capacity Building and Reporting and Accountability. Education has been allocated \$52.55 M (38% of \$140M) of the sector grants in the Implementation Plan. It is assumed for planning purposes that this amount in addition to other funding sources will be available to the Education sector in all budget years from 2026 through to 2043.

5.3 Actual Expenditure

99 The most recent FSM **national government financial statements** that were previously issued annually are for the year ended 30 September **2021** only. The budget documentation released for 2024 provides no allocations for Education. The FedEMIS shows the annual expenditure for the FY 2022-23 and FY 2023-24 as shown in Table 6, but a source for the projection for 2024-25 is unknown.

Table 6 Annual Expenditure for Education in FSM

YEAR	EXPENDITURE (FedEMIS)
22-23	36.8 M
23-24	44.7 M
24-25	81.4 (proposed)

(From FedEMIS, 22-23 and 23-24)

100 The most recent revenue and expenditure data representing actual receipts and spending is from 2018.¹¹ The proportion of funds utilized by the SDOEs was Chuuk (76%), Kosrae (88%), Pohnpei (93%), and Yap (81%). This shows a failure by the states to spend the full amount of the available grant funds. The failure to spend the grant funds has been attributed primarily to the fact that the regulations on spending imposed by the Compact Agreement are too onerous leading to difficulties for states to meet procurement requirements, performance reporting and financial reporting. Some schools were also unable to meet accreditation requirements.

¹¹ Deloitte Touche LLP - Combined Financial Statements and Independent Accountants Report 2018

5.4 Budgetary Resources

101 In addition to the \$140 million in sector grants mentioned above, the FSM secures budgetary resources from its own source revenues, separate contributions from other United States Government programs and assistance from bilateral and multilateral overseas development institutions. According to the Annual Implementation Plan (AIP) 2025, the available resources allocated to the Education Sector for the year ended 30th September 2025 are shown in Table 7 as follows.

Table 7 Available Resources for FSM Education 2024-2025

Resource Type	Amount (USD)
S 261(a) Sector Grants	52,552,344
General Fund (FSM)	10,599,395
US Federal Grants	2,241,135
International Assistance	7,137,500
COM Tuition	8,825,226
TOTAL BUDGET	81,355,600

102 Table 6 shows that the annual **expenditure** of the Education Sector across FSM for 2023-2024 was \$44.7 M. The budgeted expenditure **estimates** for 2024-25 are 81.4M which greatly exceeds this amount. It appears from these figures that the available budget going forward may be considerably more than the estimated budget requirements (see Table 8 below).

5.5 Budget Estimates

103 The budget estimates for the Education Sector for the year ended 30th September 2025 from the Annual Implementation Plan were as shown below:

Table 8 Budget Estimates for Education

Recipient	Allocation M (USD)
NDOE ¹²	15.54 M
Chuuk	19.31 M
Kosrae	5.99 M
Pohnpei	17.664
Yap	7.42 M
COM-FSM	17.73 M
TOTAL	83.67 M¹³

(from Annual Implementation Plan 24-25)

104 The budget estimates for the Education Sector for the NDOE and each of the states for the year ended 30th September 2025 are shown below but separated into program estimates.

¹² NDOE has a program budget of 7,849 M and an administrative budget of 7,652 M which includes an allocation of 4,891 M for COM

¹³ The total of 83.67m does not appear in the AIP; only the 81.35 M total of resources for financing education. The figure for Pohnpei has been correctly recorded in Table 6 but understated in Table 7.

Table 9 Budget Estimates for Education for NDOE and each state (FY 2024-2025)

National (NDOE) Budgeted Expenditure FY 2025	
Program	Allocation (M USD)
Administrative and Support Services Program	0.609
CTE	0.386
Quality Education Program	0.585
Special Education	1.025
Scholarship program	2.000
Student Assistance Program	0.430
Non-Public-School Program	0.900
National Close Up	0.040
School Accreditation & Teacher Certification Program	0.863
Curriculum Minimum Standards Program	0.969
Comprehensive Evaluation and Learning Program Project (CELPP)	0.043
College of Micronesia (COM-FSM)	17.735
TOTAL	25.584 M¹⁴
Chuuk Budgeted Expenditure FY 2025	
Administrative and Personnel Program	2.678
School and Regional Support Program	16.115
Scholarship Program	0.519
TOTAL	19.313 M
Kosrae Budgeted Expenditure FY 2025	
Administrative Program: Office of the Director	0.987
Curriculum & Instructional Program	3.712
Facility, Community Affairs & Support Program	0.340
Education Improvement Program	0.764
Scholarship Program	0.192
TOTAL	5.996 M
Pohnpei Budgeted Expenditure FY 2025	
Administrative Program – Office of the Director	0.878
Curriculum, Instruction and Specialized Education Program	0.344
Scholarship Program	0.256
Primary Program	6.366
Secondary Program	3.250
School Improvement Program	0.261
Workforce Development & Skills Training	0.246
Vocational Education Program	0.062
Early Childhood Education Program	1.625
Aid to Non-public school program	0.100
TOTAL	13.387 M
Yap Budgeted Expenditure FY 2025	
Administrative Program – Office of the Director	0.794
Management and Support Program	2.945
Waab School Administration Program	1.629

¹⁴ The figure for National (NDOE+COM) of 25,584 M appears to be an understatement of what should be 33.27 M

Neighboring Islands Schools Administration Program	2.000
Yap Public Library Program	0.052
TOTAL	7.421

Source: Annual Implementation Plan 2025

105 The budget data estimates in Table 9 show budget allocations by **program**. In Table 10, the estimates show the expenditure by **category**, indicating that 59% of the expenditure is allocated to salaries and wages, 20.8 % to contractual commitments mostly for the provision of services and 17.6% to consumables, generally in the form of school supplies.

Table 10 Budget Estimates by expenditure category for Education (FY 2024-2025)

Million USD								
	NDOE	CHUUK	KOSRAE	POHNPEI	YAP	COM	TOTAL	%
Personnel	5.957	11.620	4.007	12.796	4.230	10.824	49.434	59
Travel	0.439	0.118	0.150	0.081	0.176	0.331	1.293	1.5
Contract	5.329	3.495	1.091	0.920	0.769	5.802	17.407	21
Consumables	3.757	3.993	0.716	3.607	1.921	0.753	14.746	18
Fixed Assets	0.058	0.087	0.033	0.261	0.325	0.026	0.789	1
TOTAL	15.540	19.313	5.996	17.665	7.421	17.735	83.669	

106 These estimates can be used as a baseline to consider how the implementation of the ESSP might be costed from within the available budgets. The most recent data available for the education share of gross domestic product (GDP) in FSM is from 2020 which was 11.6%¹⁵. This percentage ranks FSM among Pacific countries with relatively high education spending as a proportion of GDP. UNESCO UIS suggests that countries should aim to allocate between 4% and 6% of their GDP to education.

5.6 Base-line Budget Projections

107 The following base line financial projections (Table 11) have been developed from past financial statements assuming an inflation rate of 2.5% as projected from the last sector plan (ESSDP).

Table 11 Financial Projections

By State & NDOE	2023-2024	2024-2025	2025-2026
Chuuk	17,996,005	18,445,906	18,907,054
Kosrae	4,824,657	4,945,274	5,068,906
Pohnpei	14,320,509	14,678,521	15,045, 484
Yap	6,916,893	7,089,816	7,267,161
NDOE	1,679,586	1,721,576	1,764,615
Base Costs	45,739,675	46,883,118	48,055,196

108 Projected expenditure in the different categories can be estimated as follows, again using a 2.5% inflation rate projected from 2024-2025.

¹⁵ <https://ourworldindata.org/grapher/total-government-expenditure-on-education-gdp?mapSelect=~FSM>

Table 12 Available Resources for FSM Education 2024-2025

Resource Type	Amount (USD)	
	2024-25	2025-2026
S 261(a) Sector Grants	52,552,344	53,866,153
General Fund (FSM)	10,599,395	10,864,380
US Federal Grants	2,241,135	2,297,163
International Assistance	7,137,500	7,315,938
COM Tuition	8,825,226	9,045,857
TOTAL BUDGET	81,355,600	83,389,490

109 These projected budgets need to be adjusted when the FSM budget is allocated during September-October 2025. The actual amounts that will be allocated specifically to implement the ESSP will need to be identified according to NDOE and the SDOE's priorities. The need for capacity development as discussed in 5.7 below will also need to be factored into the considerations.

5.7 Possible Funding Scenarios

110 During the period from 2002-2023, economic assistance from the USA in the form of compact grant funding decreased annually, with the annual decrease in grants being added to the annual U.S. contributions to the compact trust fund. The trust fund earnings provided a source of income for FSM after compact grants and supplemental education grants (SEG) ended in 2023. FSM would no longer provides support for some programs, including the US Agency for International Development (USAID) FSM generally remains eligible for other programs including the US Department of Agriculture (USDA) Rural Utilities Service grant loan programs, the US Department of Education Pell grants for higher education, and grants under Part B of the *Individuals with Disabilities Education Act* for children with disabilities, but this needs to be reconsidered in lieu of the changes introduced by the US Government in 2025. To date, no recommendations have been implemented, and the Government of the FSM is uncertain of the details of funding that might potentially be available from the trust fund prior to preparation of the 2026 budget. The financial plan and projections as shown in Table 12 above are very uncertain, but they can be used to propose a series of possible Medium and High-Cost funding scenarios for FSM going forward.

111 **Medium Cost Scenario** assumes the United States continues with a reduced rate of funding (due to the trust fund balances being inadequate to meet the requirements for health, education and infrastructure. If there was a reduced rate of funding as per the compact agreement, the NDOE and SDOEs in FSM would have to obtain additional funds from their trust fund and from other potential donor partners in 2025-2026.

112 **High-Cost Scenario** assumes the United States continues the Compact Agreement in its current form. If there was no funding as per the compact agreement, the NDOE and SDOEs in FSM would have to obtain the functioning costs from both the trust fund and from other potential donor partners in 2025-26.

5.8 Capacity Development

113 Either **additional staff** in both NDOE and SDOE offices should be allocated for the implementation of the ESSP, or **existing staff** could be re-assigned to over-see the capacity for monitoring and supporting implementation will need to be developed. This may occur by contracting support from COM-FSM or other providers of technical expertise or it may require external (international) technical assistance (TA).

114 Examples of areas requiring specialist (international) technical assistance might be as shown:

- a) **Assessment specialist (international):** to assist with the preparation of assessment guides for teachers that describe alternative assessment strategies including informal and formal, diagnostic, formative and summative approaches to assessing student learning at elementary and secondary levels.
- b) **Research specialist (international):** to work within the FedEMIS unit to design, conduct, analyze and report research findings on issues of particular relevance to FSM as well as build capacity at state level to carry out this role. Examples of potential topics for research are “why do students drop-out at secondary level?”; “what are parental attitudes to technical and vocational training at school level as compared to academic streams?”. There are many other topics across all areas where accurate data collection can provide support for evidence-based planning decisions and policymaking.
- c) **School-based management specialist:** the gradual devolution of management responsibility from the central administration within the states to individual schools requires a wholistic approach that includes capacity-building and focused training of administrators at all levels in systematic planning, implementation and financial management.
- d) Developing the capacity of the school parent-teacher body (PTA) to work with school principals and teaching staff in curriculum planning, resource materials provision and financial management.

115 Other technical support will come from specialist consultants who may be hired from within FSM to undertake specific capacity building roles, such as web page development training, school-based in-service training and expanded training roles in the provision of TVET. Where possible, capacity building should be covered by the NDOE and SDOE budgets, but it is likely that funding support will need to be sought from development partners to bridge the funding gaps, particularly where the TA requires international expertise.

CHAPTER 6 MONITORING AND EVALUATION OF THE ESSP

6.1 Objectives of the M&E

116 The monitoring and evaluation strategies outlined in the ESSP are essential for enhancing the efficiency and effectiveness of its implementation. Establishing a robust M&E platform promotes a systematic approach to overseeing and assessing the progress of key initiatives within the ESSP. Through regular monitoring, the NDOE and SDOE can ensure that implementation of the plan is proceeding as intended. The platform will also enable adaptability and responsiveness, allowing the NDOE and SDOEs to make critical and timely adjustments based on emerging data, insights, and feedback from the field. The capability to rapidly adjust is vital for maintaining relevance and responsiveness in delivering the proposed services and addresses the unique needs of children across FSM.

117 The ESSP M&E strategies will provide a framework for collecting and analyzing data on ECE, elementary, secondary, technical vocational education and training (TVET), and higher education that supports the decision-making needs of the NDOE and SDOEs. The system establishes qualitative and quantitative metrics, allowing key stakeholders to gain insights into the effectiveness of educational policies and programs, identify areas for improvement, and allocate resources more equitably. This evidence-based approach promotes accountability and responsiveness in education policies and programs.

118 The Framework is an inclusion and quality assurance mechanism which tracks all students. It supports the NDOE and SDOE with both operational and strategic information, and serves as a platform for efficiently, sustainably, and effectively managing the programs, outputs, and activities in the ESSP. Specifically, the objectives of the ESSP M&E are as follows:

- Ensure policies and education-related policies and programs critical to sustaining the success of the ESSP implementation are in place. M&E will provide key information and insights on how the national and state-level programs are impacting students' performance, access to quality and relevant education, teachers, and school operations.
- Determine how the different education policies and programs impact and benefit FSM children and students, and how successful programs can be sustained and replicated. M&E will also facilitate identifying and responding to emerging concerns and determining how strategies can be adjusted to fit and address the technical requirements of all children and students.
- Provide up-to-date information and feedback on the status or progress of all programs implemented by NDOEs and SDOEs. Through the ESSP M&E strategies, important operational information facilitating and hindering the efficiency of the ESSP program implementation will be documented and used to ensure things are on track and according to plan.

6.2 Design Features of the ESSP M&E Strategies

119 The ESSP M&E strategies are student-centered, outcome-driven, evidence-based, and utilization-specific and used for tracking, evaluating, and documenting the implementation of all the development priorities in the Plan. These are explained below.

- i) **Student-centered.** The system can track the location and participation of all students at the ECE, elementary, and secondary levels. The effectiveness of all education programs and initiatives can be assessed through a student's lens. The ESSP's M&E framework contains student-centered KPIs that will be used to evaluate the policies and programs.

- ii) **Outcome-driven monitoring.** Outcome-driven monitoring is a strategic approach to M&E that prioritizes measurement which means that the main focus is on outcomes rather than merely tracking activities and outputs. In this approach, the emphasis is placed on the results that educational programs have achieved, such as improved children's access and enhanced student participation and performance. All policies and programs are evaluated based on access and quality outcomes.
- iii) **Evidence-based.** An evidence-based strategic approach to M&E prioritizes using location-specific data and information to ensure adjustments and decisions are relevant and responsive to the unique needs of the schools, communities, and the four states. It is able to locate, identify, and with proper analysis can provide an in-depth understanding of issues, needs, and concerns specific to the group, area, and geographical location. The ESSP M&E strategies integrate data analysis with outcome measures and can allow policymakers from the NDOE and implementers from the SDOEs to gain deeper insights into the factors that contribute to both success and challenges within the education system.
- iv) **Utilization-focused.** The ESSP M&E strategies establish a purposeful mechanism for conducting strategic M&E work. It is not a spontaneous activity but constitutes intended efforts to document performance, identify and understand issues, and make informed decisions. Each of the M&E processes, activities, templates, reports, and the FedEMIS are thoughtfully designed and streamlined to ensure a demand-responsive M&E system that provides reliable and timely reports specific to NDOE and the SDOEs.
- v) **Real-time platform.** The availability of data and information at the right time is a critical element of any M&E system. The ESSP M&E strategies will facilitate the transfer and sharing of outcomes with various stakeholders as widely as possible. A web-based ESSP performance dashboard, utilizing the FedEMIS, will ensure that different stakeholders have timely and relevant access to critical information.
- vi) **Venue for generating insights.** The ESSP M&E strategies will be the platform for discussing accomplishments, implementation issues and bottlenecks, lessons learned, and insights from implementing different programs. The system will provide the venue for coordinating and collaborating on how to implement the ESSP on time, on target, on cost, and according to the intended outcomes.

6.3 Results-based Monitoring and Evaluation Framework

120 To effectively implement the ESSP M&E strategies, a comprehensive results-based M&E framework was developed (Figure 1). This framework offers a clear overview of the structure and logical progression of various levels of results that will be systematically monitored and evaluated

Figure 1. ESSP Results-based M&E Framework

Hierarchy of Results

Result Level 4

**OUTCOMES (KPIs) @
NATIONAL /STATE
LEVEL**

**Net Enrollment
Rate**

**Cohort Survival
Rate**

**Completion
Rate**

**Gross
Enrollment Rate**

**Literacy &
Numeracy**

**Student
Achievement**

Result Level 3

**OUTCOMES (KPIs) @
SCHOOLS**

**Intake
(Kindergarten)**

**School
Leavers**

Dropout

Repeaters

Transition

**Out-of-school
children & youth**

**Reading &
Numeracy levels**

**Proficiency or
Higher level**

Result Level 2

**INTERMEDIATE
OUTCOMES @ SCHOOL
LEVEL**

Early Childhood Educ Centers

Elementary Schools

Secondary Schools

**Improved ECE facilities
and resources**

**Improved competencies
of ECE teachers**

**Improved participation
of communities**

**Improved competencies of
ELEMENTARY SCH teachers in
reading and numeracy**

**Improved ELEMENTARY
SCH learning resources**

**Improved integration of
IKT to school strategies**

**Improved competencies of
ELEMENTARY SCH teachers in
subject areas**

**Improved ELEMENTARY
SCH learning facilities**

**Improved integration of
IKT to school strategies**

**Improved competencies of
SECONDARY SCH teachers in
subject areas**

**Improved SECONDARY
SCH learning resources**

**Improved integration of
IKT to school strategies**

**Improved competencies of
SECONDARY SCH teachers to handle
tech-voc subjects**

**Improved SECONDARY SCH learning
facilities**

**Improved SECONDARY SCH
facilities on tech-voc**

Result Level 1

**NDOE/SDOE @
OUTPUTS**

Education Policies

Education Programs

Education Support Systems

121 The framework illustrates the causal pathways or means-end relationship among different levels of results, detailing how earlier achievements contribute to later, more significant outcomes. The hierarchy of results (highest to lowest) is as follows:

6.3.1 RESULTS LEVEL 4 - NATIONAL/STATE LEVEL OUTCOMES.

122 These are system-level outcomes and measures of effectiveness of the entire education system of FSM. Level 4 results represent the NDOE and SDOE report card, providing a comprehensive assessment of the overall effectiveness and efficiency of the basic education system across the Federated States of Micronesia (FSM) and its constituent states. Level 4 indicators include:

1. **Net Enrollment Rate (NER).** The NER, often referred to simply as the participation rate, indicates the proportion of school-age children in FSM who are enrolled in school. This indicator is a crucial measure of the education system's effectiveness. It reflects the system's ability to enroll children at the appropriate age and its success in retaining them through their schooling journey, ultimately leading to completion. NER is calculated at national and individual state levels, providing key insights into the reach and efficiency of education across the FSM.
 2. **Completion Rate (CR).** The completion rate tracks a specific cohort of students: those who began Grade 1 at a particular point in time and successfully finished their elementary education within the mandated eight-year timeframe. This indicator rigorously assesses the education system's fundamental ability to retain students and ensure they complete their schooling within the prescribed durations (eight years for elementary and four years for secondary).
 3. **Cohort Survival Rate (CSR).** The CSR is closely related to the completion rate but focuses on a different aspect of student progression. This indicator specifically tracks a defined cohort of students from their initial enrollment in Grade 1, monitoring their continuity within the education system until they reach the final grade of the elementary cycle (Grade 7). For secondary education, it similarly tracks a cohort until Grade 12. The CSR directly measures the education system's effectiveness in retaining students throughout a specified educational level. It highlights the system's capacity to minimize attrition and ensure students remain enrolled and progress within the prescribed duration of the cycle, without necessarily implying successful completion of the *entire* cycle with a diploma or certificate, but rather their continued presence up to the final year.
 4. **Gross Enrollment Rate (GER).** This indicator provides a snapshot of the overall enrollment within the basic education system, regardless of age. GER also reflects the education system's ability to reintegrate school leavers and dropouts into the system and accommodate first-time students of all ages. A GER that is significantly higher than NER is a strong positive correlation. The disparity suggests the effectiveness of programs that make education more accessible to all children, regardless of age.
- **National Literacy and Numeracy Rates.** These indicators represent a critical aggregate measure of foundational learning outcomes in the education system. They quantify the overall results derived from a centrally administered standardized assessment (NMCT) to evaluate literacy (reading, writing) and numeracy (basic arithmetic proficiency). Higher scores are a strong signal of the education system's effectiveness in imparting core competencies, directly impacting student progression and academic achievement in higher grades.
 - **Mean Percentage Score (MPS)** on the national achievement test represents the average score achieved by students on the national test, expressed as a percentage of the total possible score. This indicator provides a clear snapshot of the average level of mastery students have

demonstrated in the subjects covered. A higher MPS signifies stronger collective subject mastery and reflects the overall effectiveness of the education system in delivering learning outcomes.

6.3.2 RESULTS LEVEL 3 - OUTCOMES AT SCHOOL LEVEL.

123 At this level, results are essential for defining a successful school. They measure the school's attainment of its core mandates: equitable access and quality of learning. Additionally, the results from this level serve as leading indicators for the indicators in Results Level 4. Level 3 indicators include:

- **Intake at kindergarten.** The main aim of ECE centers is to provide universal access to all five-year-old children in the community. This indicator provides the proportion of five-year-old children enrolled in the ECE kindergarten program. An increase in kindergarten intake will significantly impact the overall participation rate in FSM and each state.
- **School leavers or school leaver rate.** School leavers are students (Grade 1 to 7) who were promoted to the next grade level but did not enroll in the subsequent school year. A higher retention rate of these promoted students directly contributes to increased participation and completion rates.
- **Dropouts or dropout rate.** Dropouts are students who started the school year but did not complete it. Like the school leavers, a decrease in dropouts also improves the overall participation and completion rates.
- **Repeaters or repetition rate¹⁶.** Repeaters are students who, after failing their subjects, repeat the same grade level in the subsequent school year. A high number of repeaters leads to an increase in overage children in school, negatively impacting both participation and completion rates.
- **Transition rate.** This indicator captures the proportion of students who successfully moved from ECE to elementary school, and from elementary to secondary school
- **Out-of-school children and youth (OSY).** Refers to school-age children who are not enrolled in any educational institution. A higher number of children in this group has an inverse effect on the national and state-level participation rates.
- **Literacy rate (defined as Reading Proficiency).** Refers to the proportion of students in a school who can read and write a simple, short statement with understanding according to a pre-determined standard. A higher proficiency indicates stronger foundational learning outcomes and contributes to mastery of competencies in core subjects.
- **Numeracy rate.** Represents the proportion of students in a school demonstrating the ability to understand, reason with, and apply basic numerical concepts according to a pre-determined standard. A higher numeracy rate signifies stronger quantitative skills, which are essential for daily problem-solving and are a positive factor for educational advancement.

¹⁶ Not to be confused with retention rate. Repeaters are students who were not promoted and will repeat the same grade level in the subsequent school year. While retention pertains to students who were promoted in the previous school year and enrolled in the subsequent school year.

- The **percentage of students proficient in math and science**. This indicator represents the number of students in a school who demonstrate proficiency or excellent proficiency in these subjects.

6.3.3 RESULT LEVEL 2. - INTERMEDIATE OUTCOMES AT SCHOOL LEVEL.

124 These desired outcomes are expected at the school level, stemming from the inputs and assistance of the SDOEs. These short to medium-term achievements are crucial, serving as essential foundations or requisites that enable schools to effectively meet their mandated KPIs. Specifically, level 2 outcomes focus on:

- **More qualified and trained teachers.** Equipping teachers with enhanced skills and knowledge to deliver effective, quality instruction.
- **Improved school learning resources.** Schools have the necessary textbooks and learning materials to provide students with the resources needed for effective learning.
- **Improved learning environment.** Schools are equipped with the necessary facilities that facilitate participation and learning, fostering a child-friendly environment that enhances learner well-being and resilience.
- **Integrated Indigenous and traditional Knowledge (ITK) content.** Schools have successfully incorporated indigenous and traditional practices, beliefs, and knowledge into the learning process. This integration enhances cultural relevance and inclusivity in education, making teaching and learning more meaningful and accessible to FSM students.
- **Improved school leadership and management.** Schools are effectively managed by principals and school heads who demonstrate strong leadership and administrative efficiency. This ensures a positive, child-friendly environment that actively promotes participation and learning.
- **Improved participation of communities in school activities.** Schools have fostered stronger partnerships with their surrounding communities to support their children's education.
- **Improved access to financial resources and support.** Schools can effectively mobilize and apply both internal and external resources so that they can enhance and sustain school programs and initiatives. It will be necessary to resolve whether schools receive a school-based performance-based budget or whether SDOEs prepare and allocate respective school budgets.

6.3.4 RESULT LEVEL 1 - NDOE/SDOE OUTPUTS.

125 Results at this level define the essential policy, programming, and systemic input required to ensure schools deliver basic education services. The NDOE and SDOEs must ensure these foundational elements are in place. This enables all key stakeholders, particularly the schools and teachers, to deliver high-quality basic education services equitably to every child across the FSM. Results Level 1 covers the core curriculum along with its critical supporting elements:

- **Curriculum and instruction.** A clearly defined and aligned curriculum is in place. This includes standards-based learning objectives that are vertically aligned (elementary, secondary, and TVET) and horizontally aligned (consistent across subjects within the same grade level). The curriculum is also contextualized, incorporating ITK. In addition, curriculum guides and materials are made available to all schools. The ECE curriculum framework will be used to design the M&E tool to verify learning objectives once it is approved.

- **Learning and Instructional materials.** Standardized and curriculum-aligned learning and instructional materials are in place. An enabling framework and policies are operational that allow the NDOE and SDOEs to ensure access to quality learning and instructional materials regardless of programs (ECE, elementary, and secondary).
- **Teacher development.** Robust teacher professional development and support programs are in place. This includes ongoing training, coaching, and mentoring that help teachers enhance their content knowledge and pedagogical skills.
- **Assessment system.** A well-functioning integrated assessment system is in place. It includes comprehensive formative and summative assessments that provide actionable insights for education policymakers and immediate feedback for teachers.
- **Programs on students' well-being.** Critical support programs, such as WASH initiatives, school feeding programs, students' health services (medical and dental care), and psychological support and counseling, are in place.
- **Inclusion programs.** The NDOE and SDOEs are effectively implementing dedicated programs for students with disabilities, those residing in remote and disadvantaged islands, and individuals in areas vulnerable to the impacts of climate change.
- **School-based management and school accreditation.** Strategic initiatives (policies, programs, processes) related to professional development for principals and administrators, and school-based management are ongoing.
- **Planning and M&E systems.** Planning, monitoring, and evaluation mechanisms are fully in place and operational. These systems guide the SDOEs and individual schools in effectively managing and enhancing the delivery of education programs and projects.

6.4 Monitoring and Evaluation Strategies for the ESSP

126 To operationalize the results-based M&E framework, the ESSP outlines M&E strategies that will be used to track results, achievements, and issues related to the implementation of the ESSP. The strategies are divided into two separate components: (i) Results M&E and (ii) Progress M&E.

127 **Results M&E** focuses on the outcomes of the ESSP. It focuses on the effectiveness of the ESSP implementation, specifically on the Plan's impact on students' access to quality education and performance. Results M&E provides the platform for documenting and describing the benefits gained by students as a result of the different ESSP programs implemented by different departments and stakeholders. Through the Results M&E, inputs to policy and improved program design will be generated. Results M&E focuses on the ESSP goals, outcomes, and intermediate outcomes. Specifically, a Results M&E is undertaken to:

- a. Measure outcomes that include students' participation and performance
- b. Document enhancements in the capacities of schools to efficiently and effectively implement education programs and services
- c. Document national education policies and programs that worked, practices to sustain, and adjustments in organization systems and processes to ensure continuing relevance
- d. Document effective practices and program implementation bottlenecks and barriers that affected program implementation.

128 **Progress M&E** measures the efficiency of ESSP implementation. Through this strategy, the NDOE, and the SDOEs, will be able to track the efficiency of different program owners and units responsible for implementing the development priorities outlined in the ESSP. This sub-system will provide the NDOE and different program implementers with immediate feedback on the status of program implementation, including the bottlenecks that affect the timely delivery of ESSP outputs and activities. **Progress M&E** strategies will track the delivery of the NDOE and SDOEs' annual implementation plan - outputs and activities. Specifically, the **Progress M&E** strategies will enable the ESSP program implementers to:

- a. Determine the overall accomplishments of each department or agency, as well as track the implementation status of individual programs
- b. Assess fund support and utilization, and how these are affecting physical accomplishments
- c. Identify programs that are delayed or underperforming. Facilitate immediate corrective actions for delays and issues. Timely and appropriate responses will ensure accomplishments are consistent with the approved targets, schedules, and costs
- d. Document the experiences of program managers and staff in managing the program, which includes the sharing of effective practices and lessons learned
- e. Detect and mitigate the effects of unplanned events or activities on their targets.

6.5 Monitoring and Evaluation Processes for the ESSP

129 The **Results M&E** and **Progress M&E** strategies will be operationalized using six distinct but integrated processes. These strategies are stand-alone processes designed to validate the achievement of different levels of results (outputs, intermediate outcomes, outcomes, and goals) in the ESSP. The processes are meant to fulfill the information needs of the NDOE and SDOEs. These processes will enable efficient and effective management of the implementation of the ESSP. The findings or outputs of one M&E process will be used as input to the other M&E processes. The six include (i) start-up activities and baseline, (ii) quarterly program implementation review, (iii) annual implementation review, (iv) mid-term review, (v) results monitoring & evaluation, and (vi) impact evaluation. These processes ensure a more systematic approach to monitoring, tracking, evaluating, and enhancing implementation.

Startup Monitoring

130 Startup monitoring is a critical first M&E process that focuses on and assesses the preparedness of the NDOE and the SDOEs to effectively implement the new ESSP. This monitoring process systematically evaluates organizational readiness, ensuring that all necessary systems, resources, and strategies are in place before the initiation of ESSP activities. By focusing on key indicators of readiness, startup monitoring helps identify potential challenges and facilitate timely interventions that will ensure a smooth and successful implementation of the ESSP.

131 Essential ESSP startup activities to be monitored include the SDOEs' integration of the ESSP directions and targets into their education sector plan, communicating and disseminating the ESSP goals, development priorities, targets, and requirements to national and state stakeholders, and communicating and disseminating the ESSP goals, development priorities, and targets to schools. In addition, the NDOE and the SDOEs must be able to integrate existing education programs and design new programs consistent with the intent and directions outlined in the ESSP.

132 Startup monitoring also involves building the capacity of NDOE and SDOE staff responsible for monitoring and evaluation, establishing reporting arrangements, developing verification and reporting mechanisms, establishing baselines and targets, and transferring targets to the FedEMIS. It also includes informing stakeholders about the scope, strategies, and techniques to be used in M&E.

Quarterly Monitoring (QM)

133 QM is the process for monitoring the commitments of the NDOE and SDOE outlined in the annual implementation plan. The quarterly review will enable both the NDOE and SDOE implementers to track the implementation of activities and outputs, “catch issues” as they happen, and immediately take corrective actions on bottlenecks affecting the implementation of program activities and delivery of outputs. Using the results from the web-based ESSP M&E strategies, the QM process will help pinpoint or locate programs with delays in implementation. The main objective of the QM is to assess the overall implementation status or progress, identify and locate programs delaying the entire ESSP implementation, identify internal and external causes of delays, and make timely adjustments or decisions addressing the causes.

134 To ensure the effective execution of their respective annual plans, the NDOE and the SDOEs will each conduct crucial quarterly review meetings. These meetings will typically occur one to two weeks after the end of each quarter. These essential gatherings serve as a platform for comprehensive discussions, focusing on several key areas:

- (i) Accomplishments: A detailed review of progress made against planned activities and targets.
- (ii) Financial Resources and Utilization: An analysis of budget allocation, expenditure, and efficiency in resource use.
- (iii) Implementation Bottlenecks: Identification of significant challenges hindering program execution.
- (iv) Operational Issues: Discussion of day-to-day problems encountered during program implementation.

135 The insights gained from these quarterly discussions are vital. Each meeting will culminate in strategic adjustments to the annual plan as needed, alongside developing and agreeing on practical solutions to address identified operational issues. This iterative process ensures flexibility and responsiveness in program delivery. The quarterly reviews will be led by senior officials and key individuals responsible for planning and M&E within the NDOE and the SDOEs. Their leadership ensures that discussions remain focused on data-driven insights and strategic decision-making to continually improve the ESSP implementation across all FSM states.

136 The NDOE’s Integrated Plan and Quarterly Reporting System, (IPQRS), a dedicated mechanism for systematically tracking program implementation across the education sector, will be used as the primary means of verification (MOV) for assessing quarterly progress.

Annual Implementation Review

137 The annual reviews serve as a process for both Results M&E and Progress M&E. This review will give the NDOE and SDOEs detailed feedback on their efficiency in implementing the annual plan. It also acts as a platform to assess the ESSP education KPIs against targets and last year's performance. Furthermore, the review provides insights into the performance and efficiency of various units in meeting the targets set forth in the ESSP Implementation Plan.

138 The Secretary of Education will convene and lead an Annual Review of the ESSP to coincide with the Micronesian Teachers Education Conference (MTEC). This will involve representation from all national and state stakeholders. The review will include

- (i) data from each state showing progress against the overall performance assessment framework and progress in achieving the national targets in the ESSP. The reports will include analysis of major successes and less successful strategies undertaken that will provide issues to be addressed for the coming year, and recommendations on actions to be taken.

- (ii) the review should include a strategy to revise the plan, especially where targets are not being met.

139 The annual review should also require a detailed financial report (prepared by December), showing a comparison of budgeted and actual expenditure for the sector in the previous year. If the review in (ii) (above) suggests revisions to the forward plan, these revisions should be included in the expenditure priorities projected by December) for the following year together with the remaining years of the sector plan.

140 Findings from the Annual Implementation Review will allow the NDOE and SDOEs to refocus the scope and targets in their education sector plans and annual plans based on emerging needs and recalibrate proposed strategies or programs for the next implementation period. The annual review will highlight areas for policy improvements and country-level programs. The annual review results can also be used to reprioritize targets for the following year.

Mid-Term Review (MTR)

141 The MTR of the ESSP is a significant evaluation and adjustment stage that will be undertaken in the third year of the ESSP implementation. To be implemented towards the middle of 2027, the review process provides the platform for NDOE to assess and check the responsiveness and relevance of ESSP programs to students' performance and participation. The process will provide critical feedback, insights, and lessons that management may need to re-direct the development priorities in the ESSP and recalibrate ESSP programs and support systems. A mid-term review also documents education institutions and other stakeholders' capabilities to sustain program outcomes or benefits, including their capacity to propagate and enhance products or technologies introduced by different departments in the NDOE.

142 The MTR measures and documents student outcomes generated after two years of ESSP implementation. The main objectives are to determine how effective the strategies and programs employed are in improving students' participation and performance and to assess how the ESSP programs and strategies can be further enhanced to sustain the initial gains and achieve the desired outcomes. The review will also provide indications on programs to stop, address implementation red flags, and formulate new policies that will increase the probability of achieving target outcomes and intermediate outcomes in the ESSP.

143 The Annual Implementation Review in 2027 should be a Mid-Term Review of the ESSP from 2025 to 2027. Development Partners and other stakeholders will be invited to sponsor an independent evaluation of the sector plan's implementation. Specific Terms of Reference will be designed to identify the scope of the evaluation process, focusing on measures of outcomes, effectiveness, efficiency, equity, intermediate impact, lessons learned, and sustainability.

End-of-ESSP Implementation Evaluation

144 An end-of-ESSP implementation or outcome evaluation is a comprehensive assessment conducted at the conclusion of the ESSP implementation. Its primary objective is to gauge and record the overall effectiveness of the five-year implementation of the ESSP, as well as to gather valuable lessons learned for future initiatives. This type of evaluation is essential for understanding the impact and success of the NDOE and SDOEs and informing decision-making and improvements in future endeavors.

145 The evaluation of the ESSP is driven primarily by a rigorous analysis of education KPIs and specifically focuses on comparing target KPIs against actual KPIs achieved during the final two years of the ESSP implementation phase.

The primary objective of this evaluation is multifaceted:

- A. Documenting achieved outcomes to systematically record the overall outcomes and results generated by the ESSP, highlighting areas where targets were met or exceeded.
- B. Identifying both internal and external factors that either facilitated the achievement of targets or, conversely, contributed to the non-achievement of desired outcomes. This includes examining program strengths, policy effectiveness, resource utilization, as well as external influences like socio-economic shifts or environmental factors.

146 The ESSP evaluation is strategically planned to commence as early as 2028. The initial phase will prioritize a focused assessment of critical education programs and policies that are central to the ESSP's objectives. The methodology for undertaking this evaluation will be flexible, contingent upon the existing evaluative capacity within the NDOE and the SDOEs. Where internal capabilities exist, the evaluation may be conducted in-house, but if internal capacity is limited, the NDOE might engage external evaluators to ensure the study's impartiality, rigor, and technical expertise.

147 The findings and recommendations derived from these comprehensive evaluation studies are invaluable. They will serve as crucial, evidence-based input for the preparation of the Education Situation Analysis (ESA), which forms the foundational baseline document for the formulation of the next cycle of the ESSP. This continuous feedback loop is vital for ensuring that future strategic plans are adaptive, responsive, and ultimately more effective in addressing the evolving educational needs and challenges for FSM.

6.6 Capacity Building for Effective M&E Implementation

148 The NDOE and SDOEs need to provide comprehensive, continuous training programs designed to empower program managers and dedicated M&E staff to become capable of executing all facets of M&E work efficiently and effectively. The role described below is in addition to those roles recommended in Section 5.7 earlier. The following key position should be considered.

Education planner. Effective education planning is a fundamental requirement for strong M&E. It provides M&E staff, program managers, and those training in M&E with the essential competencies to perform M&E work effectively. This involves thoroughly understanding how to set clear goals, define precise targets, create sound strategies, and develop detailed action plans for implementation. Understanding the education KPIs is essential for effectively monitoring the ESSP, because the KPIs serve as the critical metrics that gauge the health and progress of the education system, provide quantifiable insights into areas like access, learning outcomes, efficiency, and equity. A clear understanding of what these KPIs represent, how they are calculated, and what their trends signify means that M&E work becomes more effective, allowing for the accurate assessment of program impact, identification of areas needing improvement, and guiding evidence-based adjustments to implementation strategies.

Training in M&E Fundamentals so that M&E staff and program managers understand the core principles of M&E, defined as **relevance, efficiency, effectiveness, impact, and sustainability**. They should also learn to use various M&E tools like logical frameworks, performance indicators, baselines, progress monitoring, reporting, and data collection methods (e.g., surveys, interviews).

6.7 Federated States of Micronesia Education Management Information System (FedEMIS)

149 The Federated States of Micronesia Education Management Information System (FedEMIS) will be the authoritative source for all school, SDOE, and NDOE level outcomes (Levels 2 - 4). It will centrally host and present performance dashboards for the nation and each of the four states, ensuring unified and accessible data for educational monitoring and decision-making.

150 The Integrated Plan and Quarterly Reporting System (IPQR) is a distinct, web-based system designed as the official reporting mechanism for all Level 1 results and National/State Department of Education (NDOE/SDOE) outputs or deliverables. It serves as the primary platform for all ESSP program implementers to report their accomplishments, providing real-time information to department heads and decision-makers on the efficiency of ESSP implementation.

6.8 ESSP Monitoring and Evaluation Framework (MEF)

The ESSP Results Framework and its M&E strategies and processes will be systematically operationalized using the specific outcome indicators outlined in Table 10

Table 13. ESSP 2025-2029 Monitoring and Evaluation Framework

OUTCOME STATEMENT / KEY PERFORMANCE INDICATOR	Baseline (2025)	Target		M&E Process
		Year 2026-27	Year 2029-30	
RESULTS LEVEL 4. All school-age children have access to relevant and equitable basic learning opportunities				
1. Net Enrollment Rate (NER)				
Elementary - NER				• Mid-Term Review (MTR) • End-of-ESSP Evaluation
Secondary – NER				
2. Cohort Survival Rate				
Elementary - CSR				• Mid-Term Review (MTR) • End-of-ESSP Evaluation
Secondary - CSR				
3. Gender Parity Index (GPI)				
GPI Elementary (NER)				• Annual Review
GPI Elementary (CSR)				• Annual Review
GPI Secondary (NER)				• Annual Review
GPI Secondary (CSR)				• Annual Review
4. Net Intake Rate (NIR)				
Kindergarten - NIR				• Annual Review
Five-year-old out-of-school at ECE				• Annual Review
5. Retention Rate				

Table 13. ESSP 2025-2029 Monitoring and Evaluation Framework

OUTCOME STATEMENT / KEY PERFORMANCE INDICATOR	Baseline (2025)	Target		M&E Process
		Year 2026-27	Year 2029-30	
Retention rate (elementary)				• Annual Review
Retention rate (secondary)				• Annual Review
6. Dropout Rate				
Elementary -Dropout Rate				• Annual Review
Secondary - Dropout Rate				• Annual Review
7. Transition Rate				
Kindergarten (K to Grade1)				• Annual Review
Elementary (Grade 8 to Grade 9)				• Annual Review
8. Incidence of out-of-school children (OSC)				
OSC rate (Elementary)				• Annual Review
RESULTS LEVEL 3. All students demonstrate the necessary competencies				
9. Reading Proficiency				
Grade 6				• Annual Review
Grade 8				• Annual Review
Grade 10				• Annual Review
10. Numeracy Rate				
Grade 4				• Annual Review
Grade 6				• Annual Review
Grade 8				• Annual Review
Grade 10				• Annual Review

Table 13. ESSP 2025-2029 Monitoring and Evaluation Framework

OUTCOME STATEMENT / KEY PERFORMANCE INDICATOR	Baseline (2025)	Target		M&E Process
		Year 2026-27	Year 2029-30	
RESULTS LEVEL 2. All schools are equipped with the necessary human resources, materials, and facilities necessary to deliver quality basic education services.				
a. Early Childhood Education Centers				
11. Proportion of ECE centers with adequate facilities				Annual Review
12. Proportion of ECE centers with qualified ECE teachers				Annual Review
13. Proportion of ECE centers with certified ECE teachers				Annual Review
14. Proportion of ECE centers with desired teacher to pupil ratio				Annual Review
15. Proportion of schools with strong community participation				Annual Review
b. Elementary Schools				
16. Proportion of schools with adequate learning resources and facilities				Annual Review
17. Proportion of schools with trained or qualified teachers in reading and numeracy				Annual Review
18. Proportion of schools with desired teacher to student ratio				Annual Review
19. Proportion of elementary schools that integrated ITK in the teaching and learning process				Annual Review
20. Proportion of elementary schools demonstrating effective leadership				Annual Review
21. Proportion of elementary schools that have a climate-change policy in place				Annual Review
c. Secondary Schools				
22. Proportion of schools with learning resources and facilities				Annual Review
23. Proportion of schools with subject-qualified teachers				Annual Review
24. Proportion of schools with desired teacher to student ratio				Annual Review
25. Proportion of schools offering technical and vocational education with program-qualified teachers				Annual Review

Table 13. ESSP 2025-2029 Monitoring and Evaluation Framework

OUTCOME STATEMENT / KEY PERFORMANCE INDICATOR	Baseline (2025)	Target		M&E Process
		Year 2026-27	Year 2029-30	
<i>26. Proportion of schools offering technical and vocational education with adequate learning facilities</i>				Annual Review
<i>27. Proportion of secondary schools that integrated ITK (Indigenous and Traditional Knowledge) in the teaching and learning process</i>				Annual Review
<i>28. Proportion of secondary schools demonstrating effective leadership</i>				Annual Review
<i>29. Proportion of secondary schools that have a climate-change policy in place</i>				Annual Review
RESULTS LEVEL 1. All education policies, programs, and support systems are efficiently implemented.				
<i>30. Percentage of physical accomplishments to date (program implementation)</i>				Quarterly Review
<i>31. Utilization rate to date (financial)</i>				Quarterly Review
<i>32. Expenditure in education as percent of GDP</i>				Quarterly Review

CHAPTER 7 RISK MANAGEMENT AND SUSTAINABILITY

Risks/Challenges	Implications	Remedial Measure / Strategy	Risk Level
Economic and Environmental Risks			
1 Unexpected shock to the FSM economy, failure to attract adequate development partner funding, unforeseen political changes that negatively impact education funding; or other threats to the education budget.	Added barriers to achievement of sector goals in respect of equality and equity of access for all to quality education services.	Strategic overview of the ESSP is maintained by a sector plan management group and activities are adjusted and re-prioritized to ensure maximum effectiveness and efficiency in changed financial conditions. -Systems are in place to facilitate potential development partner financial support	Moderate
2 Failure to recognize that the ESSP is an integral part of the education sector planning.	Staff including teachers may perceive participation in ESSP activities to be additional to normal workload.	Better advocacy to ensure that program initiatives are integrated with regular activities and to improve student learning outcomes.	Moderate
3 Terms and conditions of employment for teachers are not maintained at parity with other professions (such as police & health services;	-Teachers leaving the education service causing a teacher shortage. -Increased challenges for attracting good students to pre-service teacher education and a career in teaching. -larger classes with unqualified teachers.	-Legislative changes at government level made with respect to salary equity -Increased advocacy for careers in teaching for high-achieving students -Incentives such as scholarships awarded, and more on-line learning introduced to improve teachers' motivation.	Moderate

Risks/Challenges	Implications	Remedial Measure / Strategy	Risk Level
Economic and Environmental Risks			
4 Delayed funding of ESSP activities, especially those designed to improve capacity for target groups to carry out their roles more effectively	Teachers are unable to attend capacity building activities or in-service training due to lack of funding for school-based training or for travel to cluster-based training	-Plan for more school-based capacity building and training -Include a provision to fast-track training especially in areas of teacher shortage when funding allows	Moderate to High
5 Natural disasters, such as droughts and typhoons exacerbated by climate change, can lead to water shortages, destruction of buildings, equipment and materials and impact free travel between island states and community health	-Reduced access for children and young people to education programs -Reduction in the quality of programs due to loss of equipment, materials and facilities -Diversion of funding away from the ESSP to fund reconstruction activities	Improved on-going strategic planning for natural disasters and climate change resilience at all levels.	High
6 Access to remote island communities, particularly during typhoon season, with sea access only	Travel for accreditation activities, monitoring, evaluation and specialist training restricted both for advisers and for participant beneficiaries	-Schedule all activities to ensure priority training occurs during seasons where safe travel is possible for both in-service and monitoring activities. -Reschedule training where a delay has occurred.	High
7 Difficulties in telecommunications access	Limited and regular interaction between the schools, NDOE and SDOE; access to on-line resources is restricted	Improve IT services to ensure remote and isolated communities are well-resourced with reliable access	Moderate

Risks/Challenges	Implications	Remedial Measure / Strategy	Risk Level
Economic and Environmental Risks			
8 Intermittent power supply	Reduces effectiveness of IT communications, and will impact training courses in venues that are using online support	Training venues selected on basis of power reliability, with back-up plans, teaching methodologies and equipment in place in locations with unreliable power	Moderate
Institutional Risks			
9 Lack of understanding of ESSP strategies and outcomes. Lack of ownership of the plan by stakeholders in NDOE and SDOEs	Programming and implementation of proposed initiatives will be restricted; slow or incomplete progress will be apparent	Planned consultation undertaken in selected state centers focused on outlining the ESSP and ensuring understanding of program activities;	Moderate
10 Institutional changes within the NDOE impede the function of ESSP implementation, management and monitoring	Weakened implementation and monitoring of the ESSP at the required intervals	-ESSP is updated as needed to reflect institutional changes -NDOE provides prompt guidance on adapting to any institutional changes -FACSSO takes a central role in facilitating a national approach to solving issues in implementing the ESSP and its M & E	High

Risks/Challenges	Implications	Remedial Measure / Strategy	Risk Level
Economic and Environmental Risks			
11 Staff members in all sub-sectors lack sufficient capacity and competence to undertake the required roles and tasks	-Decreased self-confidence and low self-esteem resulting in poor staff commitment to the support of ESSP at all levels. -progress in implementation will be delayed with likely setback to attempts to improve learning outcomes	-Timely TA intervention to augment expertise and build capacity among sector coordinating and managing staff in all sub-sectors -Staff recruiting is focused and well-targeted -Priority given to piloting school-based in-service training for teachers and for training of principals to mentor teachers to raise effectiveness and promote collaboration between the school and school communities. -Ensure the whole education sector has the necessary capacity to lead and guide ESSP implementation, especially in emergent areas such as inclusive education, cultural understanding, information technology and TVET	High
12 Curriculum changes resisted by staff, particularly the increased emphasis on inclusive education and cultural awareness programs	Negative attitude of staff and administrators towards curriculum changes	NDOE undertakes an advocacy role to ensure all stakeholders embrace the changes and accept a renewed capacity for new and enhanced roles	Low
13 Inability of SDOEs to sustain the increased demands for planning teacher in-service and distribution of materials.	-Teaching/learning materials not distributed as planned. --Teachers unable to access in-service training on a regular and cyclic basis	NDOE must fund training in managing materials distribution, and monitoring and recording teachers' access to in-service.	High

Risks/Challenges	Implications	Remedial Measure / Strategy	Risk Level
Economic and Environmental Risks			
14 Collaboration between NDOE and SDOEs diminished if states use alternative organizational structures or curriculum. -an uncoordinated curriculum and structures make overall national coordination and oversight more complex	-Role of NDOE is diminished, and opportunities for useful collaboration, mutual support, and leveraging economies of scale will be lost. -Building a unified, integrated national system while retaining the distinctive cultures and autonomy of the states is more difficult.	FACSSO assumes an expanded role that links NDOE and the 4 SDOEs in an effective working relationship where substantive collaboration can lead to effective information sharing and development of common solutions to ensure economy of scale.	High

ANNEXES

ANNEX 1 EDUCATION SECTOR ANALYSIS - EXECUTIVE SUMMARY

The main issues apparent in the sector analysis are summarized below using data obtained from the FSM FedEMIS and from a series of consultative meetings held in each state. Both qualitative and quantitative data have been considered to determine the overall status of the education sector, particularly the quality of student learning outcomes across FSM.

A DEMOGRAPHICS

The population of school-age children is dropping across FSM (out-migration; proportional to the total population). The data cannot be confirmed until the 2023 census report is released. There are projected to be 37,515 school-aged learners in the population in 2024, but only 23,316 are enrolled in school. If this is accurate, the number of out-of-school learners is very large. The population data determines many of the key education indicators in this report. The release of the census data for FSM will change many of the measures in real terms (such as NER, GER), but the trends apparent from the data (such as a decreasing overall population) are likely to be unchanged.

The literacy rate is around 90% (mean) across FSM, with variation between states; the English literacy rate is estimated at 75.9%, but larger populations in some states (e.g., Chuuk) with lower levels tend to skew the result.

The national language policy is for students to learn in their first home or vernacular language almost exclusively in the early years of schooling (ECE to grade 2). The transition to learning English starts in grade 3. English is a second language for most FSM students, and they need to master the vernacular language before moving to English medium instruction; otherwise, they will struggle with academic English and learning more generally if they do not have good basic literacy skills in their vernacular language by Grade 3. **ECE to grade 2 is a critical period where formative assessment of literacy skills can identify those learners who are not reaching minimum competency in reading, writing, and listening by grade 3. Supplementary support programs should be provided during this period.**

B GENDER ANALYSIS

Enrolments show that male and female student numbers in school appear very similar overall, but there are more males who are out of school in the population. This means that the actual enrolment of males as a percentage of the total population is lower than for females, and this difference between male and female numbers steadily increases through secondary school so that females significantly outnumber males in senior secondary enrolments and at higher education levels. There is a need for more in-depth analysis of gender effects that impact opportunities for all children to access education and engage in learning, and particularly why more males are rejecting school than females. Some of these gender effects might be:

- gender-based violence, safety
- water, sanitation, and hygiene (WASH)
- intersectoral barriers (poverty, disability, location)
- analyses that provide evidence of wider social/cultural norms and other intersectoral factors that impact both girls' and boys' access to, retention in, and successful participation in education.

C STUDENT DATA

Student distribution: Chuuk has 43% of all FSM students, Pohnpei has 38%, while Yap and Kosrae have 11% and 8%, respectively.

The gross enrolment rate (GER) for ECE and elementary school in 2024 was 93% and 99%, respectively; for secondary school, it was 57.1% in 2024 and had stabilized during the previous year's post-COVID.

Early childhood numbers are growing slightly in school enrolments; all other year levels are declining. The net enrolment rate (NER) decreased from 71% in 2019 to 63% in 2024, highlighting the difficulties in getting students to enroll at the right age. The NER for Kindergarten was 48% in 2024. Children participating in ECE are more likely to stay in school, learn, and complete their education. Those who do not experience ECE programs have higher dropout rates, particularly in Grades 1 and 2.

The **elementary education participation rate** dropped from 82% prior to the pandemic in 2019-2020 to just 72% in 2024. The survival rate to grade 8 is 66%, which is a 34% dropout rate.

Out-of-school students (OOS): 23%, or nearly one quarter, of FSM children of school age are not in school. Elementary attendance levels are satisfactory, but 40% of ECE and secondary-age students are not enrolled at school. In 2024, the number of OOS at the ECE level is declining steadily; the number of OOS at the secondary level shows a very small reduction, but overall, the number is high.

Graduation Rates: Most students who begin grade 1 will go on to enter grade 8 (93% F; 83% M). For the secondary level, the graduation rate is around 56% (57% F; 54% M), which means that over 40% of students who begin at grade 9 are no longer in school at grade 12. The graduation or completion rates for right-age learners in Grades 8 and 12 offer valuable insights into the significance of attending school at the appropriate age. This data highlights an important contrast in participation and dropout rates for these grades when age is considered. When students are enrolled at the right age for schooling, **84% of learners in Grade 8 and 80% in Grade 12 successfully complete their basic education.**

Promotion rates: in almost all grades, the promotion rate is over 90%. The transition from one grade to the next and the survival rates also trend higher in all grades.

Overall, there is a strong argument for enrolling children at the appropriate age. Though the research design is complex¹⁷, it has been shown that when enrolled at the right age, children are less likely to repeat or drop out of school, and their ability to meet the challenges and requirements of basic education is significantly higher than that of overage learners. The same is true for Kindergarten children.

D ASSESSMENT OF STUDENT LEARNING OUTCOMES

National Minimum Competency Test (NMCT)

Reading competencies: No targets for grades 6, 8, or 10 were reached. Less than 50% of students meet the reading benchmarks at all levels. Reading competency increases as students 'progress through school but is still unsatisfactory. Better measurement of reading competence is needed in the early years of elementary school so that support can be provided during elementary-level schooling to improve reading competence rather than permit students to complete elementary school having failed to achieve satisfactory levels.

Numeracy competence: No targets for grades 4, 6, 8, or 10 were reached.

Only 33% of the benchmark targets at grade 4 are met; grade 6 level has remained below 30%; grade 8 mathematics performance has been poor, and the target benchmarks have not been reached in any year; grade 10 shows a further decline, and in SY 2017 – 18, the percentage reaching the benchmark was around 3% lower than the baseline score of 2014-2015.

Pacific Islands Literacy and Numeracy Test (PILNA)

¹⁷ See discussion under ECE section of this report

Numeracy: The percentage of students in grades five and seven who were at or above the minimum proficiency levels in numeracy in 2021 dropped compared to 2018.

Reading (Literacy) - at the grade five level, only a small proportion (35%) are meeting the minimum expected proficiency level in reading.

It is notable that there was a similar drop across the whole Pacific region in the comparisons of results between PILNA 2018 and PILNA 2021

E QUALITY OF TEACHING and TEACHERS

Teachers' Numbers—Teacher numbers have decreased since 2020, with more female teachers than males (61% of female teachers compared to 39% of male teachers employed across all schools and levels (government and non-government).

Certification—Certification levels are steadily improving, but the relevance and content of the NSTT do not accurately measure the quality of teaching, especially for ECE and lower primary-level students.

Teacher attrition is relatively high and occurs during the early years of teaching. A mentoring program or some intervention to assist new teachers is needed.

The student-teacher ratio is very low in some states. The mean data measured overall suggests enough teachers across FSM, but the data needs careful interpretation to understand the distribution of the number of certified and qualified teachers. Moreover, averages may also mask differences among states and regions, and between levels of schools, with surplus teachers in some schools and insufficient numbers in others.

Professional Development or In-service teacher training. A coordinated and properly funded strategy for the professional development of teachers is not well planned and is *ad hoc*; the provision of in-service programs is not sufficiently linked to a comprehensive teacher assessment process where teachers' needs can be met through targeted programs.

F INCLUSIVE EDUCATION

Disability of some form occurs in 1306 designated children (in 2024, Inclusion is mainstreamed across all schools, but there is no designated program for preparing SPED teachers apart from units within the pre-service training program. The highest percentage of disability is in Chuuk (62%), followed by Pohnpei (18%) with Kosrae and Yap each at 10%. The institutional frameworks and system capacity for FSM supports a culture in which disability-inclusive education can be sustained. The organizational structures are in place in each state, and these support the implementation of disability-inclusive education.

G EARLY CHILDHOOD EDUCATION (ECE)

Formal early intervention education programs in FSM are provided for children 3 to 5 years of age, with the kindergarten level designated for 5-year-olds. In FSM, education for 5-year-olds is not yet compulsory, but NDOE has taken positive steps to change the law through a bill before Congress to make 5-year-old attendance at ECE compulsory. This is in step with the evidence showing that students who undertake a year of kindergarten study at 5 years of age are more successful learners and are more likely to complete secondary education. Successful passing of this bill will be an important step in raising the standards of student learning outcomes since it has been shown that attendance at kindergarten raises the quality of learning.

H ELEMENTARY & SECONDARY EDUCATION

Attendance at elementary education up to grade 8 level is generally satisfactory. However, enrolment at the secondary level is not compulsory, and consequently, the numbers at the secondary level are much lower and attendance steadily decreases between grades 9 – 12. There needs to be a concerted effort to encourage students to enroll beyond elementary school and to remain in secondary school to boost their life choices for future employment and taking a responsible place in society. Teachers at the secondary level need additional training to inspire students to continue with schooling, and they need to be supported by trained counsellors and career advisers. The sixteen secondary schools that deal exclusively with grades 9-12 in FSM form an appropriate-sized group to work together to (i) transform the curriculum and (ii) design and implement professional development programs for teachers. This seems to be a worthwhile focus of the ESSP for the next 5 years.

I TVET EDUCATION

This consists of low-key programs that are not yet linked to any FSM qualifications framework. TVET is not comprehensive or coordinated, but there is considerable potential to expand this sector to provide continuing educational opportunities for the many young adults who graduate from secondary school but do not pass the entrance test to COM-FSM. A World Bank-funded program is being piloted across all states to boost employability and skills development in FSM.

J HIGHER EDUCATION

The COMET results reveal no significant changes in the overall number of students enrolling at each level during recent years, and there is a clear increase in the number of female students enrolling in higher education. The COMET results show that between 2018 and 2024, there has been an overall drop of 7% in the number of students proceeding to study at the post-secondary level through COM. When disaggregated by gender, there is a decrease of 35% in the total number of males enrolling in higher education (which rises to 50% in Chuuk)

K NON-FORMAL EDUCATION

There is considerable potential to explore strategies for delivering alternative teaching and learning programs to a variety of populations in FSM: for example, learners in isolated communities who are unable to travel significant distances to access formal schooling, persons who have dropped out of formal education, and/or mature-age learners who wish to gain additional qualifications. A non-formal education system has great potential for development in FSM, especially using technology to deliver learning via the Internet.

L CROSS-CUTTING FACTORS

- **Indigenous Knowledge** - FSM-based studies on Indigenous knowledge, ways of knowing, and learning approaches, particularly in early years, are needed to develop a framework to guide future interventions, especially at the curriculum level. These studies will differ at the state level because of the different ethnicities within FSM and can be supported by external partners. Studies are needed to determine the links between recent interventions to mainstream indigenous knowledge and skills into the curriculum by the NDOE and SDOEs and whether there have been any changes in achievement outcomes. Such studies will identify those interventions that have had a positive impact, and these can be further enhanced and shared more widely.

- **Climate Change** – a UNESCO study found that Indigenous peoples were rarely included in a country's climate communication and education activities. It is important that 'traditional weather and climate knowledge' needs to be considered alongside modern climatology to address the specific context of climate within FSM, especially when designing curriculum and teaching plans. This

same consultation can inform the rebuilding or refurbishment of buildings and classroom environments. The main response to impending climate aberrations within FSM has been to formulate evacuation plans in the event of a tsunami or severe weather events. Severe typhoon storms during 2023 saw schools closed for 2 days on three occasions which is relatively common in countries that experience such weather. Developing curricula to help understand the science of climate change and its impact on communities has not yet been introduced.

- **Role of FedEMIS** - the FedEMIS is a critical component of the FSM education system in terms of planning, monitoring, and evaluation of the sector's goals, objectives, and outcomes. It provides an online platform for schools, the four SDOEs, the NDOE and other various stakeholders to report their achievements in the form of essential educational data aligned with key performance indicators. The publication of the FedEMIS as a dynamic online tool promotes a culture of evidence-based and data-driven planning and decision-making, has the potential to improve the utilization of educational data, and fosters a more systematic approach to enhancing student outcomes. It will be an essential part of the ESSP 2025-2029.

- **Evaluation, Monitoring and Student Assessment** - this is included as a cross-cutting factor because it is not within the specific responsibility of one subject area or one individual teacher or even a school department but instead becomes the responsibility of every educator at all levels, from ECE to senior secondary and beyond. Introducing reforms in teaching and learning must be accompanied by capacity development at all levels of the education system to evaluate these reforms. It is intuitively clear that formative assessment is a powerful indicator of learning progress, but teachers are more accustomed to using summative assessment tests only to assess student learning. Teachers need help in conducting formative assessments to gather regular feedback on their teaching. They also need help in developing summative tests that are valid and reliable. School officials need to upgrade their skills in managing data, and principals (who often focus mainly on administrative tasks) need to reinforce their pedagogical leadership skills and evaluation capacity to become instructional leaders within the school.

- **Water, Sanitation, and Hygiene (WASH) and Health** – water sources within all schools in FSM are still not universally available, and water quality is poor in many schools (as detailed in this report). There are still some shortcomings limiting the achievement of the SDG4 targets for WASH. The absence of water in secure, modern, and segregated toilet facilities in schools represents a serious problem for school attendance, especially for adolescent girls who need continual access to water; otherwise, these girls miss at least one week of schooling every month. When facilities for handwashing and teeth cleaning are provided, activities that are integral to a school health and hygiene program can be much more readily included the program.

M School-based Management and Community Participation in Schools

Schools in FSM are required to make strategic plans that cover at least a three-year period, and to prepare annual school improvement plans (SIPs) and provide regular updates of school progress on these plans with a resultant annual school report that details achievements, challenges and strategies for improvement. This constitutes the rationale for the complex and time-demanding process of school accreditation in FSM. Self-reporting is required, which, in turn, requires school self-evaluation. The expectation is that the self-evaluation activities focus on the quality of teaching and learning. The precursors for effective SBM are to have a common set of standards for school quality with accompanying tools for building quality that are subjected to regular accreditation by external evaluators. This is not undertaken with sufficient rigor in FSM, despite the regular school accreditation process undertaken across FSM by all schools. The participation of the school community in the functioning of the school is also a fundamental element of school-based management, and this will be an important component of steps to improve the school functions during the next 5 years.

ANNEX 2 DEFINING AND CALCULATING EACH KEY PERFORMANCE INDICATOR

ESSP 2025-2029: A FRAMEWORK FOR M&E

The Education Sector Strategic Plan (ESSP) for 2025-2029 provides a comprehensive vision for advancing the quality, equity, and efficiency of the education system. A robust Monitoring and Evaluation (M&E) Framework has been established to guide this vision, serving as a critical tool for tracking progress, identifying challenges, and making data-driven decisions. The framework is structured around four hierarchical results levels, each with specific Key Performance Indicators (KPIs) designed to measure success, from the ultimate goal of universal student access down to the foundational policies that support it.

The primary data source for most indicators is the Federal Education Management Information System (FedEMIS). Progress will be assessed through a combination of Quarterly, Annual, and Mid-Term Reviews (MTR), culminating in a comprehensive Final Evaluation.

WHAT IS AN ESSP KPI?

The Education Sector Strategic Plan (ESSP) framework is built on a "top-down" logic, where the success of foundational activities supports the achievement of the highest-level outcomes. At the heart of this framework are the Key Performance Indicators (KPIs), which serve as critical, high-level metrics for tracking the participation and achievement of all students at every stage of their education.

These KPIs are designed to quantify the effectiveness of interventions across all education sub-sectors—from ECE, elementary, and secondary schooling to vocational training and higher education. By translating program results and governance performance into clear, observable values, they function as essential outcome markers.

Ultimately, these markers provide the crucial milestones needed to guide decision-making. They empower all stakeholders, from teachers and school heads to officials at the SDOE and NDOE, to make strategic, evidence-based, and timely choices. This data-driven approach ensures that all actions are responsive to the real-time learning requirements of students, promoting the efficient and successful completion of their education.

PURPOSE AND USES

Tracking the effectiveness of education. KPIs on student achievements and performance provide critical feedback on the quality of education in every key learning stage.

Tracking the participation of all children. The NDOE and SDOE can track children's access to education from entry to kindergarten, retention, transition to higher education stages, and completion of education requirements. Access indicators help determine the whereabouts of children, areas (schools) with high concentrations of students and schools, with effective retention strategies, and areas with high completion rates. Through KPIs on access, the participation and transition of students from key learning stages can be effectively tracked. The KPIs are early warning mechanisms to understand the retention capabilities of all schools.

Strategic Planning. The ESSP KPIs help NDOE and SDOE planners systematically plan and set targets to address the unique learning requirements of students in different areas, especially those belonging to different ethnic groups.

Monitoring performance. NDOE and SDOE KPIs serve as early warning tools for monitoring school performance that enables both the NDOE and SDOEs to identify and address issues and bottlenecks affecting the timely implementation of programs. The ESSP-M&E System will help NDOE and SDOE track the efficiency and effectiveness of any operational issues.

Improving programs. All ESSP programs are anchored on outcome indicators which provide context for why a program is undertaken and offer valuable insights into their effectiveness and impact on students in every learning stage.

ESSP KEY PERFORMANCE INDICATORS

The KPIs are organized into a four-level framework, where the success of each foundational level enables the achievement of the next level.

RESULTS LEVEL 4: Universal Access to Relevant and Equitable Learning

At the apex of the framework is the ultimate goal of the ESSP: ensuring that all school-age children have access to relevant and equitable basic learning opportunities. This level measures the overall reach, inclusivity, and retention capacity of the education system. It focuses on getting every child into school and ensuring they complete their basic education journey.

Key Performance Indicators (KPIs):

1. **Net Enrollment Rate (NER).** Tracks the percentage of school-age children who are enrolled in school.
2. **Cohort Survival Rate (CSR).** Measures the percentage of students in a cohort who reach Grade 8) and secondary (Grade 12) education within the required school years.
3. **Gender Parity Index (GPI).** Monitors the balance in enrollment and CSR between boys and girls.
4. **Net Intake Rate (NIR).** Tracks the percentage of five-year-olds enrolled in the kindergarten program.
5. **Retention Rate.** Measures students' continuation to the next school year.
6. **Dropout Rate (DR).** Measures student attrition within a school year.
7. **Transition Rate.** Tracks the percentage of students who successfully move from one key stage to the next (e.g., Kindergarten to Grade 1, Grade 8 to Grade 9).
8. **Out-of-school Rate.** Tracks the percentage of children of official school age who are not enrolled in school.

These high-level indicators are subject to rigorous annual, mid-term, and end-of-plan evaluations.

RESULTS LEVEL 3: Ensuring All Students Achieve Competency

To make access to education meaningful, students must acquire essential competencies. This level concentrates on learning outcomes and answers the critical question: "Are students actually learning?" The focus is on foundational literacy and numeracy, as well as proficiency in core subjects, as measured by standardized assessments using the NMCT.

Key Performance Indicators (KPIs):

9. **Reading Proficiency Rate.** Measures the percentage of Grades 6, 8, and 10 students who achieve the required proficiency in reading.
10. **Numeracy Rate.** Measures the percentage of Grades 4, 6, 8, and 10 students who achieve the required proficiency in numeracy.

Progress at this level is monitored through both annual reviews and more in-depth Mid-Term and Final evaluations.

RESULTS LEVEL 2: Equipping Schools for Quality Education

For students to achieve competency, schools must provide a quality learning environment. This level addresses the essential inputs required for effective instruction. It ensures that all schools—from ECE centers to secondary institutions—are adequately equipped with the necessary human resources, materials, and facilities. This is the foundation upon which quality teaching and learning are built.

Key Performance Indicators (KPIs):

Early Childhood Education

11. **Proportion of ECE centers with adequate facilities.** Measures the percentage of ECE centers that meet a defined set of minimum standards for a safe, healthy, and stimulating physical learning environment.
12. **Proportion of ECE centers with qualified ECE teachers.** Measures the percentage of ECE centers that employ at least one teacher who is officially “qualified” or have the necessary educational background (education degree)
13. **Proportion of ECE centers with certified ECE teachers.** Measures the percentage of ECE centers that employ at least one teacher who is officially “qualified” to have the necessary educational background meeting government requirements.
14. **Proportion of ECE centers with the desired teacher-to-pupil ratio.** Measures the percentage of ECE centers that meet the official teacher-to-pupil ratio.
15. **Proportion of ECE centers with strong community participation.** Measures the percentage of ECE centers that have a robust and active alliance with the parents and local families of their students.

Elementary Education

16. **Proportion of elementary schools with adequate learning resources and facilities.** Measures the percentage of schools that meet a defined set of standards for a safe and functional learning environment.
17. **Proportion of elementary schools with trained or qualified teachers in reading and numeracy.** Tracks the percentage of schools with at least one teacher who is officially "qualified" (holds a relevant academic degree) or "trained" (has completed a certified professional development program).
18. **Proportion of elementary schools with the desired teacher-to-student ratio.** Measures the percentage of schools where the number of students per classroom teacher meets or is lower than the official benchmark set by the NDOE.
19. **Proportion of elementary schools that integrated ITK (Indigenous and Traditional Knowledge) in the teaching and learning process.** Assesses the percentage of schools that meaningfully incorporate the traditional knowledge, culture, and language of their specific state (Pohnpei, Chuuk, Yap, or Kosrae) into the daily curriculum and school activities.
20. **Proportion of elementary schools demonstrating effective leadership.** Measures the percentage of schools where the school leaders meet a set of NDOE standards for effective management.
21. **Proportion of elementary schools that are ready for climate change.** Tracks the percentage of schools that meet NDOE-defined standards for climate resilience and have a policy in place.

Secondary Education

22. **Proportion of secondary schools with learning resources and facilities.** Measures the percentage of schools that meet a defined set of standards for a safe and functional learning environment.
23. **Proportion of schools with subject-qualified teachers**
24. **Proportion of secondary schools with the desired teacher-to-student ratio.** Measures the percentage of schools where the number of students per classroom teacher meets or is lower than the official benchmark set by the NDOE.

25. **Proportion of secondary schools offering technical and vocational education with program-qualified teachers.** Measures the percentage of secondary schools offering TVE programs where the instructors have the required dual qualifications: they possess both an official teaching license and verifiable industry experience or trade certification in the specific subject they teach.
26. **Proportion of schools offering technical and vocational education with adequate learning facilities.** Assesses the percentage of schools with TVE programs that have purpose-built and properly equipped facilities, such as workshops and laboratories.
27. **Proportion of secondary schools that integrated ITK (Indigenous and Traditional Knowledge) in the teaching and learning process.** Assesses the percentage of schools that meaningfully incorporate the traditional knowledge, culture, and language of their specific state (Pohnpei, Chuuk, Yap, or Kosrae) into the daily curriculum and school activities.
28. **Proportion of secondary schools that demonstrate effective leadership.** Measures the percentage of schools where the school leaders meet a set of NDOE standards for effective management.
29. **Proportion of secondary schools that are ready for climate change.** Tracks the percentage of schools that meet NDOE-defined standards for climate resilience.

These indicators are reviewed annually through FedEMIS to ensure schools receive consistent support.

RESULTS LEVEL 1: Efficient Implementation of Policies and Systems

Well-equipped schools can only be sustained by an efficient, well-managed system. This foundational level focuses on the operational effectiveness of the education sector. It measures how effectively resources are managed and how well programs are implemented, ensuring that the administrative and financial machinery runs smoothly to support schools, teachers, and learners.

Key Performance Indicators (KPIs):

30. **Physical Accomplishment:** Tracks the progress of program implementation against set targets.
31. **Financial Utilization Rate:** Measures the efficiency of budget expenditure.
32. **Education Expenditure as a Percentage of GDP:** Assesses the national investment in education.

These KPIs are reviewed quarterly using the Implementation Progress and Quality Report (IPQR), allowing for timely adjustments to keep the entire strategic plan on track.

RESULTS LEVEL 4: UNIVERSAL ACCESS TO RELEVANT AND EQUITABLE LEARNING

As the highest level of the Education Sector Strategic Plan (ESSP), Results Level 4 represents the ultimate measure of success for the entire education system. Its importance lies in tracking the fundamental goal of universal access through its eight key performance indicators. This level is essential because it moves beyond resource allocation or academic scores to assess the system's overall **reach, inclusivity, and retention capacity**. By focusing on getting every child into school and ensuring they complete their educational journey, it directly evaluates whether the ESSP is fulfilling its core promise to leave no child behind.

NET ENROLLMENT RATE

The **Net Enrollment Rate (NER)**, often called the Participation Rate, measures the percentage of school-aged children who are actually enrolled in primary or secondary education. NER refers to the

percentage of children and youth in a given population who are enrolled in school or other educational programs. The participation rate can provide important information about the accessibility and availability of education in a particular area or region.

In the FSM, tracking the NER is essential for effective governance and development. A high national NER indicates that government efforts to provide accessible schooling are working. Conversely, a low or stagnant NER can signal significant barriers, prompting the NDOE and SDOE to investigate and allocate resources more effectively. This data is critical for planning, from building new schools and hiring teachers to creating programs that encourage families to keep their children in school.

Calculation Method

The NER or participation rate can be computed using the formula below:

$$\begin{aligned} \text{NER/Participation Rate (Elementary)} &= \frac{\text{Total number of school-age children (6-14) enrolled in ELEM education, Yn}}{\text{Total population of school-aged children (6-14), Yn}} \times 100 \\ \text{Participation Rate (Secondary)} &= \frac{\text{Total number of school-age children (15-18) in SEC education, Yn}}{\text{Total population of number of secondary students (15-18), Yn}} \times 100 \end{aligned}$$

Data Requirements and Sources

The following data are needed to determine the NER or participation rate in the general population:

- The total number of six to fourteen years old in elementary education for a specific year
- The total population of six to fourteen-year-old children for that year
- Total number of 15 to 18-year-old students in secondary education for a specific year
- Total population of 15 to 18-year-old children for that year

Sources of Verification:

The official source for this indicator is the FedEMIS¹⁸. The primary agency responsible for managing and providing population data in the FSM is the Division of Statistics within the FSM Department of Resources and Development. This Division oversees the National Census of Population and Housing, which is the country's most extensive demographic survey.

Type of Disaggregation

Breaking down the **NER**, or participation rate, by state and district is a critical step that transforms broad data into actionable intelligence. This granular analysis enables policymakers and educational planners to move beyond a simple national average and pinpoint specific geographic areas—right down to the state or individual island level—that are either excelling or facing significant challenges.

By calculating the NER for each state—**Chuuk, Kosrae, Pohnpei, and Yap**—and their respective districts, leaders can identify the precise communities with high and low school participation. This is the key to allocating resources effectively, investigating localized barriers to education, and developing targeted strategies where they are needed most, ensuring that no community is overlooked.

How To Interpret

¹⁸ The Federal Education Management Information System (FedEMIS) is the centralized digital platform that serves as the official source for all education statistics in the FSM. It operates through a bottom-up data collection process where individual schools submit enrollment and other key data to their respective SDOEs. The states then compile and forward this information to the NDOE, which aggregates the data into the national system.

- A **high Net Enrollment Rate (NER)**, particularly one approaching or exceeding 97%, is a primary indicator of a healthy, effective, and equitable education system. It signifies that the system is not only successful at ensuring nearly all children attend school at the appropriate age but is also doing an excellent job of minimizing dropouts and repeaters. When this high participation extends to children from vulnerable households and those with special needs, it demonstrates that specific strategies to promote equity and inclusion are working. Ultimately, a high NER indicates that the goal of universal coverage is being achieved, and the system is successfully providing accessible education for all.
- A **medium Net Enrollment Rate (NER)** depicts an education system in transition, showing partial success but highlighting significant remaining challenges. It typically indicates that while a majority of children are enrolled, persistent gaps prevent the system from reaching everyone. This could manifest as strong primary enrollment but a significant drop-off during the transition to secondary school, or ongoing issues with student dropout rates. A medium NER often points to inconsistent progress on equity; while many children are served, specific populations—such as those in remote areas, from vulnerable households, or with special needs—are still being left behind, signaling that existing strategies are not yet fully effective or comprehensive.
- A **low Net Enrollment Rate (NER)** is a critical red flag indicating systemic weaknesses in an education system's access and retention capabilities. It points to multiple points of failure: difficulty in enrolling children at the entry-level age, significant barriers preventing students from transitioning from primary to secondary education, and a high incidence of dropouts and repeaters. A low rate almost always signals deep-seated issues of inequity, suggesting that strategies to support children from vulnerable households are ineffective and that a significant number of children with special needs have limited or no access to schooling. It reflects a system struggling to fulfill its fundamental mandate to educate all its children.

COHORT SURVIVAL RATE (CSR)

The **Cohort Survival Rate** is a critical performance indicator in the FSM that measures the percentage of students who **reach the final grade** of an educational cycle (Grade 8 for elementary, Grade 12 for secondary). It provides a clear picture of the education system's ability to retain students from one grade to the next. A high survival rate indicates that schools and ESSP programs are effective in helping students overcome barriers to stay enrolled until the final year of a cycle.

Calculation Method

The CSR can be computed using the formula below:

$$\text{CSR (Elementary)} = \frac{\text{Total number of students who started Grade 1 eight years ago and reached Grade 8 this school year}}{\text{Total population of elementary students enrolled in Grade 1 eight years ago}} \times 100$$

$$\text{CSR (Secondary)} = \frac{\text{Total number of students who started Grade 9 four years ago and reached Grade 12 this year}}{\text{Total population of secondary students enrolled in Grade 9 four years ago}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the completion rates:

- Total number of elementary students enrolled in Grade 1 eight years ago
- Total number of secondary students enrolled in Grade 9 four years ago

- Total number of students who started Grade 1 eight years ago and reached Grade 8 this school year
- Total number of students who started Grade 9 four years ago and reached Grade 12 this school year

Sources of Verification:

The official and definitive source for all required longitudinal data is the **FedEMIS**.

How To Interpret

- **High Survival Rate:** A sign of a robust and equitable system that successfully retains students. At the secondary level, it indicates that barriers for students from remote outer islands (e.g., in **Chuuk** and **Yap**) are effectively managed, allowing them to stay in school until Grade 12.
- **Medium Survival Rate:** Depicts a "leaky pipeline" where many students drop out before the final grade. This often highlights a disparity between accessible main island centers and remote outer islands, suggesting support systems are not strong enough to keep all students enrolled.
- **Low Survival Rate:** A critical red flag signaling deep-seated failures in student retention. It points to unresolved challenges of equity and access, reflecting a high number of school leavers and dropouts throughout the education cycle.

GENDER PARTICIPATION INDEX (GPI) FOR NER AND CSR

The **Gender Parity Index (GPI)** is a socioeconomic index used to measure the relative access to education for males and females. It is calculated by dividing the value of a given indicator for females by the value for males. The GPI is highly relevant because it transforms raw enrollment and completion data into a precise measure of **equity**. It moves beyond simply counting how many students are in school and answers the critical question: "Are boys and girls participating in and completing their education at equal rates?"

- **For Net Enrollment Rate:** When applied to enrollment, the GPI reveals whether there is equal access to education at the starting line. For example, in the FSM, a GPI of 0.95 for secondary school enrollment would indicate that for every 100 boys enrolled, only 95 girls are enrolled. This would signal a barrier exists preventing girls from accessing secondary education, prompting an investigation into the causes.
- **For Cohort Survival Rate:** When applied to the **cohort survival rate**, the GPI exposes disparities in **retention** and the ability to **stay in school until the final grade** of an educational cycle. A GPI of 1.05 for elementary school **survival** would mean that girls are more likely to **reach Grade 8** than boys. This could highlight issues affecting boys' retention in school.

Calculation Method

The GPI can be computed using the formula below:

$$\begin{aligned} \text{GPI (Enrollment)} &= \frac{\text{Female enrollment rate (NER)}}{\text{Male enrollment rate (NER)}} \\ \text{GPI (CSR)} &= \frac{\text{Female CSR}}{\text{Male CSR}} \end{aligned}$$

Data Requirements for GPI Computation

GPI for NER is calculated by firstly computing the NER for each gender, which is necessary for the GPI calculation. The following two sets of data are needed:

- **Enrollment Data:** The number of enrolled students for a specific level of education (e.g., elementary), broken down by **age and gender**. This identifies how many officially school-aged boys and how many officially school-aged girls are currently enrolled.
- **Population Data:** The total population of children in the official age group for that same level of education, also broken down by **age and gender**. This data is typically sourced from a national statistics office.

To calculate the GPI for CSR, determining the CSR for each gender requires longitudinal data that can track a cohort of students over time. The specific data needed are:

- **Historical Enrollment Data:** The total number of students who entered the first grade of an educational cycle (e.g., Grade 1 for elementary, Grade 9 for secondary) in a specific starting year, **disaggregated by gender**.
- **Current Graduation Data:** The total number of students from that original cohort who reached the final grade of the cycle in the current year, also **disaggregated by gender**.

Sources of Verification:

Verifying the GPI for the NER requires cross-referencing **two separate official sources**:

1. **FedEMIS:** This is the source of verification for the **enrollment data**. It provides the official number of enrolled students, broken down by age and gender, which serves as the numerator for the NER calculation.
2. **FSM Division of Statistics:** This agency is the source of verification for the **official population data**. It provides the total number of school-age children in the population, also broken down by age and gender, which serves as the denominator. This data is derived from the national census and official projections.

Verifying the GPI for the CSR primarily relies on **one comprehensive source**:

FedEMIS: This system is the sole source of verification for the completion rate. It is used to verify both the **historical enrollment data** of a specific student cohort and the **current enrollment data** for that same cohort. Because FedEMIS contains the complete longitudinal record, it is the authoritative source for all data needed to calculate and verify the CSR for both males and females.

How To Interpret

Breaking down the **NER** and **CSR** by location is essential for identifying specific areas with either high or low performance, which directly informs targeted program decisions.

The **GPI** is then used to analyze these rates by measuring the ratio of female to male students. Applied to the **NER**, the GPI assesses gender equality in *accessing* education. Applied to the **CSR**, it measures gender equality in *retention*. This index is crucial for identifying where one gender may be underrepresented or face greater barriers at various points in their educational journey. By tracking the GPI, policymakers can ensure all students, regardless of gender, have equal opportunities.

The interpretation of the GPI is as follows:

- **GPI = 1:** This indicates equal enrollment or retention between girls and boys.
- **GPI > 1:** This suggests that more girls are enrolling or staying in school compared to boys.
- **GPI < 1:** This shows a gender gap, with more boys enrolling or retention than girls.

NET INTAKE RATE

In the FSM, the **Net Intake Rate (NIR)** for ECE measures the proportion of all five-year-old children who are enrolled in **Early Childhood Education (ECE)** programs across the nation.

The NIR is a critical indicator for the FSM's **ESSP**, as it directly measures access to and participation in foundational learning opportunities for the youngest learners. It represents the percentage of the official ECE-aged population (five-year-olds) who are enrolled in kindergarten, regardless of regular attendance. As such, the NIR is a useful tool for evaluating how effectively the nation's ECE programs are providing these opportunities to all children, especially considering challenges posed by diverse socioeconomic backgrounds, developmental needs, and the significant **geographical distances** between islands.

Calculation Method

The NIR can be computed using the formula below:

$$\text{NIR} = \frac{\text{Number of new entrants of official entry age in kindergarten}}{\text{Total population of the same official entry age}} \times 100$$

Data Requirements for NIR

To calculate the NIR, the following data sets are needed:

- **Enrollment Data:** The number of **five-year-old** children enrolling in ECE/Kindergarten for the first time.
- **Population Data:** The total population of **five-year-olds** in the entire country.

Sources of Verification:

Verifying the NIR requires cross-referencing **two separate official sources**:

1. **FedEMIS:** This is the source of verification for the **enrollment data**. It provides the official number of enrolled students, broken down by age and gender, which serves as the numerator for the NIR calculation.
2. **FSM Division of Statistics:** This agency is the source of verification for the **official population data**. It provides the total number of school-age children in the population, also broken down by age and gender, which serves as the denominator. This data is derived from the national census and official projections.

How To Interpret

- A **high Net Intake Rate (NIR)** for ECE is a strong indicator that the FSM's education system is successfully providing widespread access to foundational learning. It suggests that the vast majority of five-year-old children, regardless of their location or socioeconomic background, are being enrolled in kindergarten. This reflects a high level of community awareness and value placed on early education. In the FSM context, a high NIR would signify that the ESSP is effectively overcoming significant geographical barriers, ensuring that even children on remote outer islands have the opportunity to begin their educational journey at the appropriate age.
- A **medium NIR** indicates partial success but also reveals significant gaps in the reach of ECE programs across the FSM. This often points to an issue of equity and access, where enrollment may be strong in the more centralized state centers like Kolonia (Pohnpei) or Weno (Chuuk), but remains inconsistent in the remote outer islands. A medium rate suggests that while many families are able to enroll their children, logistical challenges, a lack of sufficient ECE facilities, or a shortage of qualified teachers in more isolated communities are preventing the system from achieving universal participation for all five-year-olds.

- A **low NIR** is a critical signal that there are substantial systemic barriers preventing five-year-old children from entering the education system. In the FSM, a low rate would indicate that a large portion of the youngest learners is being left behind at the most crucial stage of their development. This points to significant challenges, such as a severe lack of accessible ECE centers, particularly in remote areas, or a low perceived value of formal ECE among some communities. It would call for an urgent review of ESSP strategies to address the root causes preventing children from accessing foundational learning opportunities.

RETENTION RATE

The **Retention Rate** is a key performance indicator that measures the percentage of students who remain enrolled in school **throughout a single academic year**. Unlike the survival rate (which tracks students across multiple years), the retention rate focuses on the "holding power" of schools to keep students engaged and prevent them from dropping out *within* a given school year. A high retention rate in the FSM indicates that schools are providing a stable, supportive, and engaging learning environment that effectively minimizes mid-year student attrition.

Retention rate is one of the indicators that must be tracked and addressed to improve the NER.

Calculation Method

The retention rate can be computed using the formula below:

$$\begin{aligned} \text{Retention Rate (Elementary)} &= \frac{\text{Total number of Grade 1-7 students from the previous school year who continued and enrolled in Grade 2-8 in the next school year}}{\text{Total number of Grade 1-7 students from the previous school year who are promoted to the next grade level}} \times 100 \\ \text{Retention Rate (Secondary)} &= \frac{\text{Total number of Grade 9-11 students from previous school year who continued and enrolled in Grades 10-12 in the next school year}}{\text{Total number of Grade 9-11 pupils from the previous school year who are promoted to the next grade level}} \times 100 \end{aligned}$$

Data Requirements and Sources

The following data are needed to calculate the retention rate:

- The total number of Grades 1-7 students from the previous school year promoted to the next level
- The total number of Grades 8-11 students from the prior school year promoted to the next level
- The total number of Grades 1-7 students from the previous school year who returned as Grades 2-8 students in the current school year
- The total number of Grades 8-11 students from the previous school year who returned as Grades 9-12 students in the current school year

How To Interpret

- **High Retention Rate:** This is a strong indicator of a stable and supportive learning environment where students feel engaged and valued. In the FSM, it suggests that schools are successfully meeting the immediate needs of learners, minimizing mid-year dropouts that might occur due to academic struggles, family pressures, or a lack of essential resources.
- **Medium Retention Rate:** This indicates that while the majority of students remain in school, a noticeable number are leaving before the end of the academic year. This often points to localized or household-level challenges. For example, students in the outer islands of **Yap** or **Chuuk** might face acute homesickness, or families may require older children to return home mid-year to assist with subsistence activities or for cultural obligations.
- **Low Retention Rate:** This is a critical warning sign of systemic issues within a school or community that are causing a high number of students to drop out mid-year. .

DROPOUT RATE

The **Dropout Rate** is a critical indicator that measures the proportion of students who leave school prematurely during a single academic year without completing it. It is a direct measure of a school system's inability to retain its students. A high dropout rate in the FSM points to significant barriers—whether academic, social, or economic—that are pushing students out of the educational system, while a low rate indicates that schools are successfully keeping learners engaged and on the path to completion. The dropout rate is one of the key indicators that must be tracked and addressed to improve the NER.

Calculation Method

The dropout rate can be computed using the formula below:

$$\begin{aligned}\text{Dropout Rate (Secondary)} &= \frac{\text{Total number of secondary students who dropped out during the school year}}{\text{Total enrollment in the secondary level for the same school year}} \times 100 \\ \text{Dropout Rate (Elementary)} &= \frac{\text{Total number of elementary students who dropped out during the school year}}{\text{Total enrollment in elementary for the same school year}} \times 100\end{aligned}$$

Data Requirements and Sources

The following data are needed to calculate the dropout rate:

- The total number of enrollments at the elementary level at the beginning of the school year (BOSY)
- The total number of enrollments at the secondary level at the beginning of school year (BOSY)
- The total number of enrollments at the elementary level at the end of school year (EOSY)
- The total number of enrollments at the secondary level at the end of school year (EOSY)

How To Interpret

- **High Dropout Rate:** A high dropout rate is a severe warning sign of systemic failure. In the FSM, this points to acute, unresolved issues that are actively forcing students out of school.
- **Medium Dropout Rate:** This indicates that while most students are retained, there are still significant vulnerabilities within the system. It often suggests that specific student populations are at higher risk.
- **Low Dropout Rate:** A low dropout rate is a strong indicator of a healthy and supportive educational environment. It signifies that schools, families, and communities in the FSM are working together effectively to keep students engaged and in school.

TRANSITION RATE

The **Transition Rate** measures the percentage of students who successfully advance from one level of education to the next. This indicator is important for assessing the flow of students through the educational pipeline and identifying potential "bottlenecks" between cycles. In the FSM, it is most critically monitored at two points: from **Kindergarten to Grade 1** and from **Elementary (Grade 8) to Secondary (Grade 9)**. The Grade 8 to 9 transition is a primary area of concern, as it is where a significant number of students often leave the formal education system.

The transition rate from elementary to secondary is one of the key indicators that must be tracked and addressed to improve the NER at the secondary level.

Calculation Method

The transition rate can be computed using the formula below:

$$\text{Transition Rate (Kindergarten to Grade 1)} = \frac{\text{Students from last year's kindergarten enrolled in Grade 1}}{\text{Kindergarten students who were promoted to Grade 1 from the previous school year}} \times 100$$

$$\text{Transition Rate (Grade 8 to Grade 9)} = \frac{\text{Elementary graduates from last year enrolled in Grade 9}}{\text{Elementary graduates (Grade 8) from last year}} \times 100$$

Data Requirements and Sources

The following data are needed to calculate the transition rate:

- Number of Grade 1 students (from the current school year) who finished kindergarten last year
- Number of students who completed kindergarten (in the previous year)
- Number of Grade 9 students (from the current school year) who completed Grade 8 last year
- Number of students who completed Grade 8 (in the previous year)

The official and definitive source for all required enrollment and completion data across different years is the **FedEMIS**.

How To Interpret

- **High Transition Rate:** A high rate indicates a seamless and effective flow between educational levels, showing that students have a clear and accessible pathway to continue their learning. A high Grade 8 to 9 transition rate in the FSM is a major sign of success, suggesting that the system is effectively overcoming the immense logistical and financial barriers that typically prevent elementary completers from outer islands from enrolling in secondary school.
- **Medium Transition Rate:** This signals a significant bottleneck in the education system. In the FSM, a medium Grade 8 to 9 transition rate is a common reality, reflecting the difficult choice many families face. It indicates that while students successfully complete elementary school, a substantial number are unable to continue due to various factors that highlight a gap between completing one level and having a viable opportunity to start the next.
- **Low Transition Rate:** A low rate is a critical indicator of a major disconnect between educational cycles, suggesting that completing a lower level is the end of the line for most students. A low Grade 8 to 9 transition rate would signify a severe lack of access to secondary education in the FSM, effectively cutting off opportunities for higher learning and career development for a large portion of the nation's youth and pointing to a systemic failure to provide a complete educational pathway.

INCIDENCE OF OUT-OF-SCHOOL CHILDREN (OSC RATE)

The **Incidence of Out-of-School Children (OSC)** at the elementary level measures the percentage of children of official elementary school age (typically 6-14 in the FSM) who are not enrolled in school. This indicator is a critical measure of the nation's progress toward achieving **universal primary education**. It directly quantifies the portion of the elementary-age population that is completely disconnected from formal learning opportunities, highlighting the most significant gaps in foundational access and equity.

Calculation Method

$$\text{OSC Rate} = \frac{\text{Number of out-of-school children of elementary school age}}{\text{The total number of children in the same elementary school age group}} \times 100$$

Data Requirements and Sources

The following data are needed to calculate the OSC rate:

- Total number of children of official elementary school age who are not in school
- Total population of children of the same official elementary school age

Unlike most other education indicators that rely on school records, the primary sources for OSC data are the **national census** and **household surveys** conducted by the **FSM Division of Statistics**. These surveys gather information directly from families, making it possible to identify children who are not registered in the **FedEMIS** at all.

How To Interpret

- **High Incidence:** A high OSC rate at the elementary level is a critical alarm, indicating that a significant portion of the nation's children is being excluded from their fundamental right to basic education. In the FSM, this would point to severe, systemic barriers such as a lack of physical access to elementary schools in remote atolls, prohibitive indirect costs of schooling for families, or a profound disconnect between communities and the formal education system.
- **Medium Incidence:** A medium rate suggests that while the education system has a broad reach, it is consistently failing to enroll specific vulnerable groups of elementary-aged children. This could highlight that children with disabilities, those from the most impoverished households, or those living in specific geographic pockets are being systematically missed. It points to a need for more targeted outreach programs and inclusive education policies to bring these marginalized children into the school system.
- **Low Incidence:** A low OSC rate is a strong sign of success, indicating that the nation is close to achieving universal primary education. It demonstrates that the FSM's elementary school system is accessible and that effective strategies are in place to identify, track, and enroll even the most hard-to-reach children, ensuring that nearly every child has the opportunity to receive a foundational education.

RESULTS LEVEL 3: UNIVERSAL ACCESS TO RELEVANT AND EQUITABLE LEARNING

The **Results Level 3** indicators address the core purpose of the ESSP: to ensure that schooling leads to meaningful learning. They provide the most direct evidence of the effectiveness of educational strategies by answering the critical question, "Are students actually learning?" By tracking tangible outcomes like foundational literacy, numeracy, and subject proficiency, these indicators allow leaders to evaluate and refine curricula, teaching methods, and resource allocation to guarantee that every student receives a high-quality education.

READING PROFICIENCY RATE

The **Reading Proficiency Rate** measures the percentage of students who have achieved at least a minimum proficiency level in foundational reading skills. In the FSM, proficiency is formally assessed through the **NMCT** administered to students in **Grades 6, 8, and 10**.

Calculation Method

The reading proficiency rate can be computed using the formula below:

$$\text{Reading Proficiency Rate (Grade 6)} = \frac{\text{Total number of Grade 6 students achieving the required proficiency in reading}}{\text{Total number of Grade 6 students assessed}} \times 100$$

$$\text{Reading Proficiency Rate (Grade 8)} = \frac{\text{Total number of Grade 8 students achieving the required proficiency in reading}}{\text{Total number of Grade 8 students assessed}} \times 100$$

$$\text{Reading Proficiency Rate (Grade 10)} = \frac{\text{Total number of Grade 10 students achieving the required proficiency in reading}}{\text{Total number of Grade 10 students assessed}} \times 100$$

How To Interpret

- **High Reading Proficiency Rate:** A high rate is a strong sign that reading instruction across the FSM is effective. It indicates that students are successfully acquiring the skills needed to read, understand, and learn from written text, which is fundamental to success in all other academic areas.
- **Medium Reading Proficiency Rate:** A medium rate indicates that a significant number of students are not developing adequate reading skills. This could point to various challenges within the FSM context, such as a lack of high-quality reading materials (both in English and local languages), a need for more specialized teacher training in reading instruction, or difficulties faced by students learning to read in a second language (English).
- **Low Reading Proficiency Rate:** A low rate signifies a foundational learning crisis. It suggests that the majority of students are passing through the school system without becoming proficient readers. This has severe consequences, as poor reading ability is a major barrier to learning in all other subjects and drastically limits future educational and employment opportunities for the youth of the FSM.

NUMERACY RATE

The **Numeracy Rate** measures the percentage of students who have achieved at least a minimum proficiency level in foundational mathematical skills of number sense, basic arithmetic operations (addition, subtraction, multiplication, division), measurement, and data interpretation. As a key indicator of learning outcomes under the ESSP, the numeracy rate answers the critical question, "Are students acquiring the essential quantitative reasoning skills needed for life and further education?" It directly reflects the quality and impact of mathematics instruction in the FSM's schools.

Calculation Method

The numeracy rate can be computed using the formula below:

$$\text{Numeracy Rate (Grade 6)} = \frac{\text{Total Grade 6 students achieving required proficiency in math}}{\text{Total number of Grade 6 students assessed}} \times 100$$

$$\text{Numeracy Rate (Grade 10)} = \frac{\text{Total Grade 10 students achieving the required proficiency in math}}{\text{Total number of Grade 10 students assessed}} \times 100$$

$$\text{Numeracy Rate (Grade 8)} = \frac{\text{Total Grade 8 students achieving the proficiency in math}}{\text{Total number of students assessed}} \times 100$$

$$\text{Numeracy Rate (Grade 4)} = \frac{\text{Total Grade 4 students achieving the required proficiency in math}}{\text{Total number of Grade 4 students assessed}} \times 100$$

The official means of verification for the **Numeracy Rate** are the published results report of the **NCMT**, which assesses student achievement against the FSM's national standards for foundational mathematical skills.

How To Interpret

- **High Numeracy Rate:** A high rate is a strong indicator that the mathematics curriculum and teaching methods are effective. It suggests that students across the FSM are building the necessary quantitative skills to solve problems, think critically, and prepare for higher education or the workforce.
- **Medium Numeracy Rate:** A medium rate indicates a mixed performance, where a significant portion of students are not mastering foundational mathematical concepts.
- **Low Numeracy Rate:** A low rate is a critical alarm signaling a systemic failure in mathematics education. It indicates that the majority of students are leaving school without the basic numeracy skills required for daily life and future employment.

RESULTS LEVEL 2: EQUIPPING SCHOOLS FOR QUALITY EDUCATION

The **Results Level 2** indicators address the essential prerequisites for achieving quality learning outcomes by creating a quality learning environment. The successful implementation of the ESSP is built on the understanding that student competency cannot be achieved without a strong foundation of well-equipped and well-supported schools. This set of indicators, therefore, measures the tangible **inputs** necessary for effective instruction across all levels, from ECE centers to secondary institutions. Monitoring these foundational indicators is vital for ensuring that resources are strategically allocated to create the conditions where quality teaching and meaningful learning can flourish.

PROPORTION OF ECE CENTERS WITH ADEQUATE LEARNING FACILITIES

This indicator measures the percentage of ECE centers that have a dedicated and appropriate physical learning facility for delivering ECE programs. An adequate facility is defined as more than just a classroom; it is an age-appropriate learning environment that includes child-sized furniture, access to safe indoor and outdoor play areas, adequate sanitation (water and toilets), and a supply of relevant learning and play materials.

The significance of this indicator is that it measures the system's investment in foundational learning infrastructure. Quality ECE facilities are essential for ensuring a safe, stimulating, and effective learning environment that promotes school readiness and holistic early childhood development, a key objective of the ESSP.

Calculation Method

The proportion of ECE centers with developmentally appropriate learning environment can be computed using the formula below:

$$\text{\% ECE Centers with developmentally appropriate} = \frac{\text{Total ECE centers with a developmentally appropriate learning environment}}{\text{Total number of ECE centers}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the percentage of ECE centers with developmentally appropriate learning environment:

- Total number of ECE centers
- Total number of ECE centers with a developmentally appropriate learning environment

How To Interpret

- **High Proportion:** A high proportion indicates a strong, system-wide commitment to providing the necessary infrastructure for early learning. It suggests that most communities across the FSM have

access to a proper, dedicated space for their youngest learners, which is a critical component of the ESSP's goal to improve the quality and equity of foundational education.

- **Medium Proportion:** A medium proportion suggests an inconsistent provision of ECE facilities. This may indicate that while communities have ECE, they often do so in makeshift spaces or repurposed classrooms not specifically designed for young children.
- **Low Proportion:** A low proportion signals a systemic failure to invest in the foundational infrastructure for early childhood education. This suggests that the vast majority of ECE programs are operating in inappropriate or unsafe environments, which severely compromises the quality of early learning and hinders efforts to improve school readiness. This would represent a significant obstacle to achieving core ESSP objectives.

PROPORTION OF ECE CENTERS WITH QUALIFIED ECE TEACHERS

The proportion of ECE centers with qualified teachers is a critical indicator measuring the percentage of centers employing at least one teacher who meets the minimum standards set by the FSM NDOE. As a monitoring tool, it allows the NDOE and SDOEs to assess the effectiveness of teacher training programs and identify geographic inequities between states. Consequently, a low proportion signals a clear need for policy interventions and strategic investment, such as creating scholarships and improving incentives to attract and retain qualified professionals in the ECE sector.

Calculation Method

The proportion of ECE centers with qualified ECE teachers can be computed using the formula below:

$$\% \text{ ECE Centers with qualified ECE teachers} = \frac{\text{Total ECE centers with at least one qualified teacher}}{\text{Total number of ECE centers}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the percentage of ECE centers with qualified ECE teachers:

- Total number of ECE centers
- A complete list of all ECE teachers currently employed at each ECE center

PROPORTION OF ECE CENTERS WITH CERTIFIED ECE TEACHERS

The indicator for certified teachers provides a deeper insight into the professional standard of the ECE workforce by measuring the percentage of centers with at least one teacher holding a valid, official license to practice. This distinction from being merely "qualified" is crucial; while a degree makes a teacher qualified, certification is the formal benchmark granted by a governing authority like the NDOE, often after a teacher has passed exams and committed to ongoing professional development. The significance of this in the FSM is multifaceted. It establishes a consistent standard of professional competence and accountability, offering parents and the community a higher level of assurance that their children's educators have met rigorous standards. On a systemic level, this metric is essential for the NDOE to regulate the workforce, ensure legal compliance in staffing, and identify areas where uncertified teachers may be working.

Calculation Method

The proportion of ECE centers with certified ECE teachers can be computed using the formula below:

$$\% \text{ ECE Centers with certified ECE teachers} = \frac{\text{Total ECE centers with at least one certified teachers}}{\text{Total number of ECE centers}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the percentage of ECE centers with certified ECE teachers:

- Total number of ECE centers
- A complete list of all ECE teachers currently employed at each ECE center

PROPORTION OF ECE CENTERS WITH THE DESIRED TEACHER TO PUPIL RATIO

The proportion of ECE centers meeting the desired teacher-to-pupil ratio is a fundamental indicator of educational quality, directly measuring whether classrooms are sufficiently staffed to provide students with the attention they require. This benchmark, an official standard set by FSM's education authorities, defines the maximum number of children a single teacher should be responsible for.

Calculation Method

The proportion of ECE centers with desired ECE teacher to pupil ratio can be computed using the formula below:

$$\% \text{ ECE Centers with desired teacher to pupil ratio} = \frac{\text{Total ECE centers with desired to pupil ratio}}{\text{Total number of ECE centers}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the percentage of ECE centers with desired pupil to student ratio:

- Total number of ECE centers
- A complete list of all ECE teachers currently employed at each ECE center

PROPORTION OF ECE CENTERS WITH STRONG COMMUNITY PARTICIPATION

This indicator is designed to measure the percentage of Early Childhood Education (ECE) centers that exhibit strong community participation. This standardized means of measurement is still being developed by the NDOE and the states.

Calculation Method

The proportion of ECE centers with strong community participation can be computed using the formula below:

$$\% \text{ ECE Centers with strong community participations} = \frac{\text{Total ECE centers with strong community participation}}{\text{Total number of ECE centers}} \times 100$$

Data Requirements and Sources

The following data are needed to determine the percentage of ECE centers with desired pupil to student ratio:

- **Official Rubric:** A standardized rubric or checklist from the NDOE that clearly defines the criteria and the evidence needed to demonstrate "strong community participation."
- **Center Roster:** A complete list of all operational ECE centers.

- **Documentary Evidence:** Each center must provide verifiable evidence to support its assessment. This could include:
 - PTA meeting minutes and attendance sheets.
 - Records or logs of volunteer hours.
 - Documentation of community contributions (in-kind or financial).
 - Sign-in sheets or photos from parent-teacher conferences and school events.

PROPORTION OF SCHOOLS WITH TRAINED OR QUALIFIED TEACHERS IN READING AND NUMERACY

This indicator is designed to measure a school system's capacity to deliver reading instruction by tracking the proportion of schools with access to the necessary expertise. It specifically identifies schools that have at least one teacher who is either formally "qualified" with an academic degree in reading or "trained" through a recognized professional development program in evidence-based literacy.

Calculation Method

The calculation involves first identifying compliant schools and then determining the overall proportion.

Step 1: Determine Compliance for Each School. For each school, the academic and training records of its teaching staff are reviewed. If at least one teacher is identified who meets the official definition of either "qualified" or "trained" in reading, the school is considered to have met the standard.

Step 2: Calculate the Overall Proportion

$$\begin{array}{l} \text{\% Elementary Schools with trained} \\ \text{or qualified teachers in reading and} \\ \text{numeracy} = \end{array} \frac{\text{Total elementary schools with trained or qualified teachers in reading and numeracy}}{\text{Total number of elementary schools}} \times 100$$

Data Requirements and Sources

The calculation involves first identifying compliant schools and then determining the overall proportion.:

- Total number of elementary schools
- Total number of schools with identified teachers who trained or qualified in reading and numeracy

To accurately calculate this indicator, the NDOE will first need to establish and disseminate an official definition of the accepted qualifications and training programs. This standard will then be applied to a comprehensive dataset. The data collection process will be initiated at the school level, where records from personnel files, including teacher rosters and detailed credentials, will be compiled and submitted to the SDOE. These local offices will then be responsible for transmitting the complete dataset to the NDOE. The FedEMIS will be used to aggregate, validate, and analyze the data against official criteria and subsequently publish the final, consolidated reports for the nation and its states.

PROPORTION OF ELEMENTARY SCHOOLS WITH DESIRED TEACHER-TO-PUPIL RATIO

The proportion of elementary schools that meet the desired teacher-to-pupil ratio is a key measure of the learning conditions within the FSM school system. It essentially tracks whether schools have a sufficient number of teachers for their student population, based on an official standard set by the NDOE to ensure an effective classroom environment. This indicator serves as an essential tool for education managers and policymakers at both the SDOE and NDOE levels to assess how well teaching

resources are distributed across the FSM education system. By tracking which schools meet the standard and which do not, the NDOE and the SDOEs can identify and address inequities between different schools and states.

Calculation Method

Calculating this indicator is a two-step process. First, the teacher-to-pupil ratio (TPR) for each elementary school is determined and then the overall proportion of compliant schools is calculated for the nation and for each state.

Step 1: Determine Compliance for Each Elementary School. For each school, the actual TPR is calculated using the following formula:

$$\text{Actual TPR} = \frac{\text{Total number of teachers}}{\text{Total number of enrolled pupils}}$$

This result is then compared to the official standard set by the NDOE. The school is considered compliant if its Actual TPR is equal to or less than the desired ratio. For example, if the standard is 1:35, a school with a calculated ratio of 35 or less meets the standard.

Step 2: Calculate the Overall Proportion. The final indicator is calculated by dividing the number of compliant schools by the total number of schools:

$$\% \text{ Elementary Schools with desired TPR} = \frac{\text{Total elementary schools meeting the desired TPR}}{\text{Total number of elementary schools}} \times 100$$

This calculation can be performed at the national level or for each state individually.

Data Requirements and Sources

To perform these calculations accurately, the following data are required:

1. **Official Standard:** A clear, official policy from the FSM NDOE that defines the desired teacher-to-pupil ratio for elementary schools. This policy may specify different ratios for different grade levels (e.g., lower vs. upper elementary).
2. **School Roster:** A complete and current list of all operational elementary schools in the FSM, disaggregated by state (Pohnpei, Chuuk, Yap, Kosrae).
3. **Enrollment Data:** The total number of pupils officially enrolled at each elementary school, based on data from the annual school census collected by the SDOEs.
4. **Teacher Count:** The total number of full-time equivalent (FTE) classroom teachers at each elementary school, also based on data from the annual school census collected by the SDOEs.

How To Interpret

The resulting percentage provides the NDOE and the SDOEs with a critical measure of resource adequacy and equity across the elementary school system. The interpretation of the data should guide policy and resource allocation decisions.

- **A High Proportion** (e.g., 90% or higher). A high percentage indicates that the vast majority of elementary schools are staffed at or above the nationally mandated standard. This suggests that teacher hiring and deployment strategies are generally effective in keeping pace with student enrollment. This reflects a healthy system where most students are in learning environments that are not overcrowded, allowing for greater individual attention. For planners at the NDOE and SDOEs, this can validate current resource allocation policies, allowing them to focus on other quality improvements, such as teacher training or curriculum development.
- **A Low Proportion** (e.g., below 60%). A low percentage is a significant red flag, indicating widespread overcrowded classrooms. This points to a systemic issue, such as a severe teacher shortage, insufficient funding for teacher positions, or an inefficient distribution of teaching staff

across the states. This signals a potential crisis in the quality of education, as teachers in overcrowded classrooms are often overburdened, and students receive less individual support. This result would necessitate urgent action from the NDOE, such as launching a targeted teacher recruitment campaign, revising budget allocations for new hires, or collaborating with SDOEs to reevaluate teacher deployment strategies.

- **Importance of State-Level Analysis** (Disaggregation). It is important to not only look at the national average but to disaggregate the data by state. A national proportion of 75% might seem acceptable, but it could mask critical disparities, where one state achieves 95% compliance while another struggles at 50%. Analyzing the data at the SDOE level provides a more accurate picture of where the challenges are most severe. This allows the NDOE to provide targeted support—whether through funding, policy adjustments, or technical assistance—to the specific states that need it most, rather than applying a one-size-fits-all solution. This ensures that resources are used more efficiently and effectively to address inequities within the FSM education system.

PROPORTION OF ELEMENTARY SCHOOLS THAT INTEGRATE INDIGENOUS AND TRADITIONAL KNOWLEDGE (ITK)

This indicator measures the percentage of elementary schools that meet the official standards for the meaningful and sustained integration of Indigenous and Traditional Knowledge (ITK) into core educational practices. Compliance will be assessed through a qualitative evaluation developed by the NDOE using a standardized rubric or framework.

PROPORTION OF ELEMENTARY and SECONDARY SCHOOLS DEMONSTRATING EFFECTIVE SCHOOL LEADERSHIP

This indicator measures the proportion of elementary schools across the FSM where the school leader/s demonstrate a high level of effectiveness. This is a comprehensive measure that goes far beyond basic administrative duties and would be assessed against a standardized framework under development.

The significance of measuring school leadership effectiveness is critical because school leaders are the most important factors in a school's success. An effective leader serves as the catalyst for school-wide improvement, setting the tone for a positive culture and high academic expectations.

PROPORTION OF ELEMENTARY and SECONDARY SCHOOLS THAT ARE READY FOR CLIMATE-CHANGE

This indicator measures the percentage of elementary and secondary schools across FSM that meet a defined set of standards for climate resilience and have a designated policy in place. This is a comprehensive assessment that evaluates if schools' physical infrastructures can withstand hazards like typhoons and flooding, if it has effective disaster preparedness plans, and if it is educating students about their changing environment.

State-by-State Analysis is more important than any national average because a national average of (for example) 60% hides the fact that schools in Pohnpei may be 90% resilient, while schools in Chuuk—a state frequently in the path of typhoons—are only at 30%. This interpretation reveals exactly where extreme risk is located.

PROPORTION OF ELEMENTARY and SECONDARY SCHOOLS WITH ADEQUATE LEARNING RESOURCES AND FACILITIES

The indicator is a foundational measure of the FSM education system's capacity to provide a complete and competitive secondary education. It assesses the percentage of secondary schools (Grades 9-12) that meet a minimum set of standards, as defined by the NDOE School Accreditation Standards. This indicator using data derived from the accreditation process is a critical diagnostic tool that provides a clear, data-driven basis for identifying and addressing resource inequities between states and schools, guiding strategic investments in infrastructure and technology to ensure that every secondary student in the FSM has access to the tools they need to succeed in college and beyond.

Calculation Method

The proportion of elementary and secondary schools with learning resources and facilities can be computed using the formula below:

$$\begin{array}{l} \text{\% Schools with learning resources} \\ \text{and facilities} = \end{array} \frac{\text{Total number of Elem od Sec schools with learning resources and facilities}}{\text{Total number of Elem or Sec schools}} \times 100$$

PROPORTION OF SECONDARY SCHOOLS WITH SUBJECT-QUALIFIED TEACHERS

The indicator is a quantitative measure that assesses the capacity of the FSM's secondary education system to provide specialized, high-quality instruction. A "subject-qualified teacher" is defined as an educator possessing a degree, major, or equivalent specialization in the specific academic subject they are assigned to teach, ensuring a direct vertical alignment between their expertise and their teaching load. For a secondary school to meet this standard, it must demonstrate that each of its core learning areas is staffed by at least one such qualified teacher, establishing a baseline of subject matter expertise across its curriculum.

The primary importance of this indicator is its direct correlation with the quality and depth of instruction. Subject-qualified teachers possess a nuanced and comprehensive understanding of their content area, enabling them to teach with greater accuracy, facilitate higher-order thinking, and move beyond textbook-based learning to address complex student inquiries. This expertise is fundamental to creating a robust academic environment where students are not just taught what to think, but how to think within a specific discipline. This is especially important at upper secondary levels, where specialized courses are designed to prepare students for college, vocational training, or entry into the workforce. .

From a systemic management perspective, this indicator serves as an essential diagnostic tool for the NDOE and the SDOEs. It provides clear, actionable data that highlights critical teacher shortages in specific subject areas. This information is invaluable for guiding teacher deployment policies across the four states and for informing the priorities of teacher training programs. By tracking this proportion, education planners at both state and national levels can identify and address inequities in instructional quality between schools or states, making strategic decisions to ensure that all secondary students in the FSM have access to the expert instruction they need to succeed.

Calculation Method

The calculation for this indicator requires establishing a clear, measurable standard for what constitutes a "school with subject-qualified teachers." The recommended standard is that a school must have **at least one subject-qualified teacher for each of the core subject areas** (e.g., Mathematics, Science, English, and Social Studies).

The calculation is then a two-step process:

Step 1: Determine Compliance for Each Secondary School. The school is classified as "compliant" only if it meets the standard for **all** core subject areas.

Step 2: Calculate the Overall Proportion. The final indicator is calculated by dividing the number of compliant schools by the total number of secondary schools.

$$\% \text{ Secondary Schools with Subject Qualified Teachers} = \frac{\text{Total number of secondary schools with subject qualified teachers}}{\text{Total number of secondary schools}} \times 100$$

Data Requirements and Sources

To perform this calculation accurately, the following data are required:

- Academic credentials (degree, major, minor) that define a "subject-qualified teacher" for each core subject.
 - The list of "core subject areas" that will be assessed.
 - The school-level standard for compliance (e.g., "at least one qualified teacher per core area").
2. **School Roster:** A complete and current list of all secondary schools in the FSM, disaggregated by state.
 3. **Teacher Roster and Teaching Load:** A complete teacher roster for each secondary school that includes the specific subjects and grade levels each teacher is assigned to teach for the current school year.
 4. **Verifiable Teacher Credentials:** Detailed and official academic records for every secondary school teacher, specifying their degree(s), major(s), and minor(s), to be cross-referenced with their teaching load.

This data would be collected through the established two-tiered system: the **SDOEs** would be responsible for collecting the detailed teacher credential and assignment data from each school, while the **NDOE** would be responsible for validating this data against the national standard, performing the final calculation, and publishing the official report.

The most valuable insights come from analyzing the data by state and by subject.

- **By State:** The data must be broken down by state (Pohnpei, Chuuk, Yap, Kosrae). A high national average might hide a crisis in one state with a low number of its schools meeting the standard. This allows the NDOE and international partners to provide **targeted support** to those states facing the greatest challenges.
- **By Subject:** The data can also reveal *which* subject areas have the biggest teacher shortages. This allows the NDOE to make highly specific, evidence-based decisions, such as creating a national initiative to recruit and train more teachers in subjects with a shortage, addressing the exact root of the problem.

PROPORTION OF SECONDARY SCHOOLS WITH DESIRED TEACHER-TO-STUDENT RATIO

The proportion of secondary schools that meet the desired teacher-to-student ratio is a key measure of the learning conditions within the FSM school system. It essentially tracks whether schools have a sufficient number of teachers for their student population, based on an official standard set by the NDOE to ensure an effective classroom environment. A balanced class size reduces teacher workload and stress, which helps with teacher retention and allows them to focus more on high-quality instruction.

On a broader level, this indicator serves as an essential tool for education managers and policymakers at both the SDOE and NDOE levels. Its primary purpose is to assess the manner in which teaching resources are distributed across the FSM education system. By tracking which schools meet the

standard and which do not, the NDOE and the SDOEs can identify and address inequities between different schools and states. In this way, the indicator helps ensure that all students within the FSM, regardless of their location, have an equal opportunity to learn in a properly staffed classroom.

Proposed Calculation Method

Determine the number of schools that have **at least one subject-qualified teacher for each of the defined core subject areas**.

The calculation is then a two-step process:

Step 1: Define the Official desired teacher-to-student ratio, typically expressed as a maximum average class size (e.g., a ratio of 1:30 means the average class size should not exceed 30 students).

Step 2: Calculate the Average Class Size for Each School. For each secondary school in the FSM, average class size is calculated using the following formula:

$$\% \text{ Secondary Schools with desired TSR} = \frac{\text{Total secondary schools meeting the desired TSR}}{\text{Total number of secondary schools}} \times 100$$

This calculation can be performed for the entire FSM and also disaggregated for each of the four states.

Data Requirements and Sources

To accurately compute this indicator within the FSM, the following data elements are required:

1. **Official Standard.** A formal policy document that clearly specifies the desired teacher-to-student ratio, expressed as a maximum average class size for secondary schools.
2. **Master List of Secondary Schools** A complete and current roster of all operational public and private secondary schools in the FSM, disaggregated by state to allow for state-level analysis.
3. **School-Level Operational Data** For each secondary school on the master list, the following two data points from the official annual school census are needed:
 - **Total Student Enrollment:** The official count of all students enrolled for the current school year.
 - **Total Number of Sections:** The official count of all distinct classes or sections being offered.

Clear interpretation comes from **analyzing the data by state** rather than a national average which can hide disparities between states. This state-level analysis allows **targeted and equitable decision-making**, with resources for new teacher positions or even new school construction directed to the specific states and communities with greatest need.

PROPORTION OF SECONDARY SCHOOLS OFFERING TECHNICAL AND VOCATIONAL EDUCATION WITH PROGRAM-QUALIFIED TEACHERS

This indicator measures the percentage of FSM secondary schools offering technical and vocational education (TVE) where the teachers in those specific programs are appropriately qualified. A **"program-qualified" teacher** is defined by two key components: **technical competency**, which means they have proven industry experience or a formal trade certification, and **pedagogical skill**, which means they have the required training on how to teach.

This **critical indicator** is directly linked to student employability and economic development. The primary goal of TVE is to equip students with job-ready skills, and only instructors with real-world industry experience can best teach the specific techniques and safety protocols that local employers require. Furthermore, a program's credibility with students, parents, and local businesses hinges on

the expertise of its teachers. This directly supports FSM's economy by ensuring that the education system produces graduates capable of strengthening key local industries.

Proposed Calculation Method

The indicator is calculated as the percentage of secondary schools offering TVE programs where 100% of the TVE teaching staff meet the official 'program-qualified' standard.

1. Definition of the Population (Denominator)

The denominator for this indicator is the total count of all secondary schools within the FSM that are officially designated as offering one or more Technical and Vocational Education (TVE) programs. Schools not offering TVE programs are excluded from this calculation.

2. Standard for Compliance (Numerator)

The numerator is the total count of schools from the defined population that are assessed as compliant. A school is deemed compliant only if 100% of its teaching staff assigned to any TVE program meet the two-part definition of 'program-qualified':

- **Technical Competency:** Possession of verifiable industry experience or a relevant, recognized trade certification in their field of instruction.
- **Pedagogical Qualification:** Possession of a formal teaching certificate, license, or degree.

The final proportion is computed using the following formula:

$$\begin{array}{l} \text{\% Secondary Schools Offering} \\ \text{Technical \& Vocational Education} \\ \text{with Program-Qualified Teachers} = \end{array} \frac{\text{Total secondary schools offering technical and vocation education with} \\ \text{program-qualified teachers}}{\text{Total number of secondary schools}} \times 100$$

Data Requirements and Sources

Verification of this indicator is contingent upon the availability and accuracy of the following four data elements:

1. **Qualification Standards Framework:** This framework must explicitly define the minimum credentialing requirements (academic, technical, and experiential) for a teacher to be classified as 'program-qualified' for each designated TVE field.
2. **Master List of TVE Programs:** An official and current roster, maintained at the national and state levels, that enumerates all secondary schools with designated TVE programs and specifies the exact programs offered at each institution.
3. **Teacher Assignment Records:** Official school-level data specifying the full teaching load and subject assignments of each instructor designated to any TVE program for the current academic year.
4. **Teacher Credential Portfolio:** A verifiable collection of documents for each TVE instructor. This portfolio must contain, but is not limited to academic diplomas, official transcripts, valid trade certifications or licenses, and a curriculum vitae (CV) or service record that documents relevant industry experience.

This data would be collected through the established two-tiered system: the SDOEs would be responsible for collecting the detailed teacher credential and assignment data from each school, while the NDOE would be responsible for validating this data against the national standard, performing the final calculation, and publishing the official report.

The indicators is of greater use if the data is disaggregated by state and program.

- **By State:** Analyzing the data by state can ensure that a satisfactory national average might hide a severe shortage of qualified TVE teachers in one particular state.

- **By Program:** Breaking down the data by the specific TVE trade (e.g., construction, tourism, agriculture) provides an even more precise diagnostic. It can reveal, for example, that while the FSM has many qualified agriculture teachers, there is a critical shortage of certified hospitality instructors. This allows for highly targeted and efficient decision-making, such as creating a specific training pipeline with the local tourism industry to fill that exact gap.

PROPORTION OF SECONDARY SCHOOLS OFFERING TECHNICAL AND VOCATIONAL EDUCATION WITH ADEQUATE LEARNING FACILITIES

The indicator assesses the physical capacity of FSM's vocational programs to provide authentic, hands-on training. It measures the percentage of secondary schools with TVE programs whose facilities meet a minimum standard of adequacy as defined in the accreditation standards.

Proposed Calculation Method

The calculation is a formal process that depends on a clear, standardized assessment of each school's physical capacity to deliver vocational training.

Step 1: Establish the Standard The standards might be expanded for TVET and included in the School Accreditation System (SAS). They might include the following:

- Minimum space requirements per student.
- A mandatory inventory of industry-standard equipment and tools.
- Checks for equipment functionality and maintenance.
- Compliance with all safety standards (e.g., ventilation, fire suppression, emergency shut-offs).

Step 2: Identify the Target Schools. This specific group of schools is the **total population** for the indicator.

Step 3: Conduct Facilities Audits and Determine Compliance. A physical audit of the TVE facilities at each target school must be conducted by trained personnel during the SAS process.

The final proportion is calculated using the following formula:

$$\frac{\text{\% Secondary Schools Offering Technical \& Vocational Education with Adequate Learning Facilities} \times \text{Total secondary schools offering technical and vocation education with adequate learning facilities}}{\text{Total number of secondary schools}} \times 100$$

PROPORTION OF SECONDARY SCHOOLS THAT INTEGRATE INDIGENOUS AND TRADITIONAL KNOWLEDGE (ITK)

This indicator measures the percentage of secondary schools that meet the designated standards for the meaningful and sustained integration of Indigenous and Traditional Knowledge (ITK) into core educational practices. Compliance will be assessed through a qualitative evaluation developed by the NDOE using a standardized rubric or framework.

RESULTS LEVEL 1: EFFICIENT IMPLEMENTATION OF POLICIES AND SYSTEMS

The Key Performance Indicators (KPIs) at Level 1 provide a critical assessment of the education system's foundational health and operational efficiency. Indicators such as the **Financial Utilization Rate** and **Physical Accomplishment** track the core administrative functions, measuring how effectively the system manages its budget and implements its planned programs and projects. While these metrics may seem procedural, they are the essential bedrock upon which all educational quality is built. This operational efficiency at Level 1 is not just an administrative goal; it is the prerequisite for

achieving Level 2 results. A system that spends its funds efficiently and delivers projects on time is what ensures that resources are successfully translated into tangible outcomes at Level 2 which are the direct drivers of educational quality.

PERCENTAGE OF PHYSICAL ACCOMPLISHMENT TO DATE

This is a core project management metric that tracks the real-world completion of planned activities. Unlike financial indicators that only track spending, this KPI measures tangible outputs. For example, if the annual plan was to build 50 classrooms and 25 have been fully constructed to date, the physical accomplishment is 50%.

Other examples include:

- The number of teachers who have completed a training program versus the target number.
- The number of textbooks delivered to schools versus the target number.
- The number of schools provided with new computer labs versus the target number.

It essentially answers the critical question: "Are we actually getting things done?"

Significance of this Indicator

This indicator serves as a **reality check** on the system's performance and is the direct foundation for achieving higher-level results. It functions as an early warning system since a low physical accomplishment rate, especially when paired with a high financial utilization rate, signals a major problem; money is being spent, but tangible results aren't being produced. This allows managers to identify project bottlenecks (like procurement delays or construction issues) and intervene before a program fails.

Most importantly, this Level 1 KPI is the direct delivery mechanism for Level 2 results. The Level 2 outcome of "well-equipped schools" cannot be achieved if the Level 1 physical accomplishment for school construction is low. Similarly, "trained teachers" (Level 2) will not be produced if the physical accomplishment of the teacher training program is behind schedule. Strong physical accomplishment ensures that the necessary inputs (such as buildings, books, and trained personnel), —are actually in schools.

How to Compute for Percentage Physical Accomplishment To Date

The core formula for calculating physical accomplishment is:

$$\% \text{ Physical Accomplishment To Date} = \frac{\text{Actual Outputs to Date}}{\text{Planned Outputs to Date}} \times 100$$

Comparing with Financial Data (The True Diagnostic)

The most powerful interpretation comes from comparing physical accomplishment with the **Financial Utilization Rate**. This comparison reveals the true story of a project's efficiency.

- **High Financial Use, Low Physical Accomplishment:** This is a major red flag. For example, if 90% of the budget has been spent but only 40% of the classrooms are built, it indicates a severe efficiency problem. Money is being consumed quickly without **yielding** the expected tangible results, indicating potential cost overruns, poor performance, or other serious issues.
- **Low Financial Use, Low Physical Accomplishment:** This is also a problem, but a different kind. For example, if only 20% of the budget is spent and only 20% of the work is done halfway through the year, it suggests the project is stalled or delayed. The issue is likely an administrative bottleneck, such as a delay in releasing funds or starting the procurement process. The project is behind, but at least money isn't being wasted at an alarming rate.

FINANCIAL UTILIZATION RATE TO DATE

The Financial Utilization Rate measures how much of an allocated budget has been spent to date. It's a key indicator of financial management efficiency (Level 1), and its significance lies in its role as an enabler for physical progress (Level 2). It is calculated by dividing the actual expenditure by the total budget. A high rate isn't automatically good, and a low rate isn't automatically bad; it must be interpreted alongside physical accomplishment to understand the true story of sector performance.

The **Financial Utilization Rate** (also known as budget absorption rate) is the percentage of a program's total budget that has been spent (obligated or disbursed) by a specific point in time. It is a fundamental indicator of budget management and financial efficiency. It essentially answers the question: "Are we using the money as planned?"

Significance of this Indicator

At Level 1 (Operational Effectiveness): This KPI is a direct measure of the health of the education sector's financial machinery. A healthy utilization rate suggests that financial processes, such as fund releases, procurement, and payments, are working smoothly. A low rate often suggest that administrative bottlenecks or poor financial planning is stalling progress.

Supporting Level 2 (School-Level Results): Financial utilization is the essential enabler of Level 2 results. A Level 2 outcome of "well-equipped schools" cannot be achieved if the Level 1 budget for buying equipment is not being spent. Timely spending is the necessary first step to turning financial inputs into the tangible outputs (buildings, books, equipment) that drive improvements in educational quality.

How to Compute for Utilization Rate

$$\% \text{ Utilization Rate To Date} = \frac{\text{Actual Expenditure to Date}}{\text{Planned Expenditure to Date}} \times 100$$

It is important that the Financial Utilization Rate is always compared with the Percentage of Physical Accomplishment. This comparison reveals the true story of a program's efficiency and performance.

EXPENDITURE IN EDUCATION AS PERCENT OF GDP

This is a macro-level indicator that shows how much of FSM's total annual income is being reinvested into its education system. The "expenditure" figure includes all public spending on education from both the FSM National Government and the four State Governments. Gross Domestic Product (GDP) is the total value of all goods and services produced within the FSM in a year. This KPI essentially reflects the portion of the national economic budget that is dedicated to education.

Significance of this Indicator

This indicator is significant for three key reasons. It is:

- the primary measure of the government's commitment to education as a driver of national development. A higher percentage suggests that education is a top priority relative to other sectors like health or infrastructure.
- a standard global metric used by international organizations (UNESCO, World Bank) and permits the FSM to compare its education investment to other Pacific Island nations and to international benchmarks. This is crucial for policy discussions and for engaging with

international development partners, who often look for evidence of strong national investment.

- a means to demonstrate that a healthy percentage of GDP is the necessary foundation for providing the resources needed to achieve better school-level results (Level 2)

The calculation is a straightforward ratio of total education spending to the nation's GDP.

Education Expenditure as % of GDP = (Total Public Expenditure on Education / Gross Domestic Product) x 100

The interpretation of this indicator is all about comparison and context rather than an expression of a single number, such as the following:

- **Trend Over Time:** The most important interpretation is whether the percentage for FSM is increasing, decreasing, or staying stagnant over the past 5-10 years? A declining trend is a major warning sign that education may be losing its priority status in the national budget.
- **Comparison with Other Nations:** How does FSM's percentage compare to the average for other Pacific Island nations? Is it higher or lower? How does it compare to international benchmarks, such as the goal of allocating at least 4-6% of GDP to education?
- **Important Limitation:** This indicator measures the level of investment, not the efficiency or quality of that investment. A high percentage of GDP spent on education doesn't guarantee good results. It must be analyzed alongside other Level 1 KPIs (like Financial Utilization and Physical Accomplishment) to understand if the investment is actually translating into tangible outcomes for schools and students.