

### INVESTMENT IN CHILDREN'S EDUCATION IN RWANDA

### A STUDY PRODUCED BY RENCP / SAVE THE CHILDREN RESEARCH CONDUCTED BY CLAIRE KUMAR

This briefing paper presents the executive summary from an analysis of Rwanda's education budget. It looks at budget data from 2007 to 2015/16 analysing how investment in education in Rwanda has changed over the years. It also includes an analysis of district level education spending per student, bringing a new angle to education budget debate in Rwanda.

#### **PURPOSE**

This information was presented in the context of Rwanda's education strategies and an evaluation of progress, challenges and financing gaps. It aimed to provide important reference material for Rwanda's Ministry of Education (MINEDUC), key Development Partners supporting the education sector and the Rwanda Education NGO Coordination Platform (RENCP) members engaged in planning, policy and budget discussions within the national education sector working group.

The data and analysis presented in this paper are based on findings from a large Save the Children study in 2014 looking broadly at investment in children and also include an update based on the 2015/16 Annual Finance Law. The full study looked at where financing gaps for children exist, the progress being made with domestic resource mobilisation strategies, and the equity and effectiveness of current budget allocations for children in education, social protection and child protection. A comprehensive data package accompanies the full study and includes all data collected in relation to revenue raising and expenditure trends.<sup>1</sup>



Photo: Colin Crowley/Save the Children



Photo: Colin Crowley/Save the Children

## KEY FINDINGS: PROGRESS IN THE EDUCATION SECTOR

- There has been a lot of progress for children in relation to education in Rwanda. Access to education is increasing as demonstrated by rising enrolment and attendance rates.<sup>2</sup> Rwanda is one of the top 3 performing countries globally with regard to achieving universal primary education goals.<sup>3</sup>
- This study also finds evidence that progress for children is often equitable, with the poorest children, and those living in rural areas, catching up with regard to access to primary education.
- Up until 2014/15 education budgets have been consistently increasing year on year facilitating significant investments in education infrastructure.

# KEY FINDINGS: CHALLENGES IN FUNDING WITHIN THE EDUCATION SECTOR

• One of this study's key findings is that while the education sector has seen strong increases in its budget year on year up to 2014/15, its share of the national budget has fallen: from 21.3% in 2006 to 12.3% in 2015/16.4 This is a worrying signal that

education has been de-prioritised overall as other sectors (such as Transport and Communication and Fuel and Energy) have moved up the GoR's development agenda. The education budget has also suffered its first cut in absolute value terms in many years - declining by 8% in 2015/16 over the previous year's allocation.

There is concern about progress with regard to education quality and teacher training and significant focus on improving education quality is now central to MINEDUC's efforts. The serious underinvestment in early years' education and the pre-primary level has also been recognised in the Education Sector Strategic Plan (ESSP) as a new area for concerted action.<sup>5</sup>

## KEY FINDINGS: CHALLENGES IN EQUITY WITHIN THE EDUCATION SECTOR

• There are also a number of key areas where education budget allocations appear to be inequitable. Budget trends show a de-prioritisation of primary education, as spending on secondary has increased. This shift is part of the GoR's education strategy,

<sup>2</sup> See: EICV II2005/6 and EICV III 2010/11 and MINEDUC, 2014, 2013 Education Statistics Yearbook

<sup>3</sup> UNESCO, 2014, Education for All Global Monitoring Report 2013/14, Teaching and Learning: Achieving Quality for All.

<sup>4</sup> It should be noted that if externally financed special projects - such as World Bank financed energy projects - are excluded

from the total budget amount the share spent on education is higher than the percentages presented here. MINEDUC prefers to exclude externally financed special projects when it does its analysis, given the GoR does not have a choice over how to spend the sums allocated to these. The GoR commitment to education is therefore higher if this approach is used. This is discussed more in a later section where figures from MINEDUC are provided as a comparison (see page 12).

Ministry of Education, Education Sector Strategic Plan 2013/14-2017/18

as first lower and later upper secondary were targeted for expansion. Investing in new infrastructure has necessitated an increase in budget at secondary level. This trend was generally not expected to be permanent. However 2015/16 budget data shows that the secondary level received a 14% increase in its share of the education budget over 2014/15 allocations and MINECOFIN projections indicate this level is likely to also go up further in future. On-going monitoring of the investment in basic education, therefore, continues to be important particularly given recent data has shown increasing challenges with drop out and repetition rates at primary level. This could indicate that the disinvestment at primary level is having a negative impact.

Another key concern from the perspective of budget equity are the continuing high levels of spending on higher education despite the ambition in the ESSP to reduce spending at this level. Higher education was allocated 19% of the education budget in 2014/15 while benefiting only 1% of enrolled learners. This is a clear example of inequitable spending given that overall it is very small number who benefit, as

well as the fact that students from the wealthiest families are much more likely to attend higher education. At the other end of the spectrum, early years education is losing out. While the GoR's commitment to pre-primary education is strong, budget allocations are not living up to the targets developed in the ESSP as yet. There is more to be done in this area and it is hoped that MINEDUC's recent work costing a targeted pre-primary expansion plan will lead to increased budget being allocated to this level in the mid-term budget review in December 2015.

 The analysis of district education budgets also raises concerns given the pattern of education spending per student at district level has little relation to poverty levels, particularly at primary level.

<sup>6</sup> EICV 4 data shows that 8% of the population aged 16-30 from the richest 20% of the population attended tertiary level education, while the comparable percentage for the poorest 20% was only 0.3%.



#### RECOMMENDATIONS

There are a number of options to increase investment - and to invest more equitably - in children's education in Rwanda. Increasing tax revenue, which should flow from the broad tax reform agenda underway, could provide increased resources for the education sector. It would also be possible to finance much needed interventions by re-allocating budget from areas which are currently absorbing too much budget share and which do not deliver either efficiency or equity in spending. There is also a clear opportunity for more equitable targeting of resources at district levels. Such budget re-orientation exercises are important given the budget reductions which are now a reality and the fact that tax reforms will take time to design, approve and implement and significant education budget increases might not be achieved for several years to come.

Particularly, this paper asserts the following recommendations:

- The GoR should consider ensuring that education receives a disproportionately higher share
  of the increase in domestic revenues, thereby enabling an increase in its share of the national
  budget. MINEDUC and MINECOFIN could adopt a shared target of reaching 20% of the national
  budget for education by 2017/18.
- The GoR should consider increasing budget shares for pre-primary and primary education. This could be facilitated by moving the higher education scholarships fund out of the national budget to be taken over by a private firm. Savings could be allocated to pre-primary efforts to ensure greater funding for children's early years.
- The GoR should consistently publish disaggregated data on pre-primary level spending in MINECOFIN budget execution reports. MINEDUC and its partners should also investigate fully current spending at this level and monitor closely budgetary commitments to early years' education.
- The GoR should explore making pre-primary education fee-free, and pursue strategies that enable increased access to pre-primary services for children from the poorest families. As the pre-primary system expands there is also an opportunity to pursue more equitable targeting geographically.

