

Motivation

In the context of an economic crisis, the government and donors sought to increase quality and equity in primary education. In order to accomplish this, reforms in the administrative and institutional structure of the education delivery system were introduced. This study provides a detailed evaluation of public expenditure through tracking and a funding-equity exercise, which gauges the extent to which educational expenditures earmarked under the central budget actually reach schools, as well as the extent to which such funding can be regarded as progressive.

Objectives

A PETS was implemented in order to examine the structure of funding and implications for service delivery, to examine the relationship between expenditures and educational outcomes, and to determine if the changes undertaken by the MOE had the desired impacts in terms of educational outcomes.

Main findings

Rule-based funds reach almost every school, most of discretionary funds are spent at the district and province levels; the rest is allocated to less than 20% of all the schools, and average amounts are large (greater bargaining power of schools). Rule-based allocations have led to greater per-pupil funding for poorer and more rural schools; these allocations are the only progressive disbursements in the survey. Staff allocations per pupil are higher in urban and richer schools; discretionary disbursements are higher to richer schools within rural areas and wealth neutral allocations within urban areas. Public school funding is regressive: almost 30% higher allocations to richer schools. Impact of private expenditures at the household level on equity in educational funding: non-fee expenditures incurred by households, rather than contributions to school funds, are the major source of inequalities in the current environment; private contributions decrease when public funds to the schools increase.

Leakage

Leakage is of 10% for fixed-rule grants and 76% for discretionary non-wage expenditures.

Leakage estimation focuses on how much money per pupil is available at each level of the delivery chain. The estimate of leakage focuses on the rule-based allocations and payroll components. Equity in funding examines the degree to which variation in funding across districts and schools is explained by funding rules. Rule-based allocations leakage: amount received by school divided by \$600 or \$650 (primary and basic school grant amounts).

Causes: For rule-based funds, delays in disbursement may be a factor. For discretionary funds, the few schools that received large amounts have greater bargaining power with higher administrative levels.

Absenteeism

Absenteeism is estimated to be 17%.

Other findings

Delays concern about 5% of teachers' salaries. Concerning hardship allowance, for almost all the provinces, about 20% of teachers incur delays. Concerning "double-class allowances" (additional amount paid for overtime, etc): more than 75% of recipients experience at least 6 month overdue. Although well defined allowances (hardship and responsibilities) tend to be paid on time, less well defined allowances suffer important delays. Decentralized provinces tend to shift administrative spending from provinces to districts but also to reduce resources reaching schools.

Sample

- 33 districts
- 182 primary schools (grades 1-9)

Sample design

Stratified random sample from urban/rural location.

Schools were chosen from 4 provinces (2 richest and 2 poor with enrolment rates just marginally better than the worst performer)

Resources monitored

Non-wage funding for basic education (fixed-school grant, discretionary non-wage grant program)

Data for June 2001-June 2002

6 units (central level, provinces, districts, schools, households and student achievement)

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Main report

Das, Jishnu, Stefan Dercon, James Habyarimana and Pramila Krishnan (2004a) "Public and Private Funding Basic Education in Zambia: Implications of Budgetary Allocations for Service Delivery" Africa Region Human Development Working Paper Series No. 62, The World Bank, Washington, DC.