

A young boy with dark skin and short hair, wearing a light-colored school uniform, is smiling and looking towards the camera. He is holding a book in front of him, which is partially visible. In the background, another person's hand is visible, holding a piece of paper.

unicef 
for every child

Rwanda

Education Budget Brief

Investing in Child Education in Rwanda
2022/2023

Preface

This education budget brief analyses the extent to which the Government of Rwanda (GoR) commits resources to support access to education and training for children and young people. The brief reviews the size and composition of budget allocations to the Education Sector for the fiscal year 2022/23, as well as the adequacy of past spending. It aims to synthesize complex budget information and offers recommendations to strengthen public investments in children. Financial data used in this analysis are drawn from *the Law determining the state finances for the 2022/23 fiscal year* and the revised state finance laws for previous years. The analysis covers only allocations to the Ministry of Education, affiliated agencies, and Districts.

Key Messages and Recommendations

The Government of Rwanda continues to prioritize the education sector in national budgeting, reflected by a budget increase for the sector of nearly 20 percent, from FRW 479.1 billion in 2021/22 to FRW 573.5 billion in 2022/23. As a share of GDP, the education budget increased from 4.2 percent in 2021/22 to 4.5 percent in 2022/23. This increase demonstrates the government's commitment to strengthen human capital development through the education of Rwandan children and young people. However, the current level of funding falls short when compared to the costed Education Sector Strategic Plan (ESSP) 2018-2024. There is a need to continue improving investments in the education sector by exploring alternative financing options, including through Public Private Partnership (PPPs) to complement public financing for education.

The main drivers of the education sector budget increase in this fiscal year are the school feeding programme, the school feeding programme and recruitment of more teachers for pre-primary, primary and secondary education levels. On the other hand, the budgets for Education Quality and Standards and the Technical and Vocational Education Training (TVET) programmes have fallen in 2022/23.

- Building on a long-term school feeding financing strategy, which is under development, there is a need to strengthen monitoring and learning mechanisms of the school feeding programme and implement strategic actions aiming at ensuring its sustainability.
- To ensure a smooth school-to-work transition and build a capable critical mass of young Rwandans who respond and compete with the labour market demands, there is a need to continuously increase public investments in education quality enhancement and increase the capacity to accommodate more children in secondary schools and in TVET development.
- To accelerate access to early learning through pre-primary education or Early Childhood Education (ECE) as per the National Strategy for Transformation (NST1) and Sustainable Development Goal (SDG) targets, there

is a need to (i) develop a costed plan for the scale up of pre-primary teachers' recruitment and other ECE infrastructure needs, and (ii) establish a stand-alone budget line of pre-primary education in the finance law which will contribute to a stronger monitoring of pre-primary education financing.



Section 1: Introduction and Sector Overview

Education Sector Overview

The Ministry of Education (MINEDUC) coordinates education policies and programmes, and is supported by affiliated agencies, including (i) the Rwanda Basic Education Board (REB), (ii) the National Examination and School Inspection Authority (NESA), (iii) the Rwanda TVET Board (RTB), (iv) the University of Rwanda (UR), (v) Rwanda Polytechnic (RP), (vi) Rwanda National Commission for UNESCO (CNRU), (vii) the Higher Education Council (HEC), and (viii) the decentralized entities (districts and City of Kigali). For the past decade, Rwanda's education sector has seen significant developments across all education levels.

The latest statistics provided by the Ministry of Education (MINEDUC) indicate that in 2020/21, a total of 4,033,046 children and young people accessed education at different levels. By gender, 1,977,323 were male learners representing 49.0 percent while 2,055,723 were female learners representing 51.0 percent. By education levels, 297,021 (7.4 percent) are in nursery or pre-nursery schools, 2,729,116 (67.7 percent) in primary schools, while in secondary education level, the total learners were 782,846 (19.4 percent). The majority of learners in Rwanda (90 percent) are either in public or government-subsidized schools (MINEDUC, 2021).

Table 1: Students population trends: 2017-2020/21

Indicator/Year	2017	2018	2019	2020/21
Total learners	3,619,238	3,626,362	3,756,942	4,033,046
Pre-Nursery pupils	5,234	6,491	6,690	3,198
Nursery pupils	220,435	226,706	282,428	293,823
Primary pupils	2,540,374	2,503,705	2,512,465	2,729,116
Secondary students	592,501	658,285	732,104	782,846
Higher education students	91,193	89,160	86,206	88,448
Other students/learners	169,501	142,015	137,049	135,615

Source: Ministry of Education, annual statistical yearbooks



Access to basic education in Rwanda (pre-primary, primary and secondary) has recorded a strong performance for the past two decades. The latest data show that the net enrolment rate (NER) for pre-primary increased from 20.6 percent in 2017 to 25.9 percent in 2020/21. The NER for both primary and secondary education were maintained at around 98 percent and 43 percent respectively (**Figure 1**). However, for Rwanda to achieve NST1 targets of expanding access to pre-primary to 45 percent net enrolment by 2024, there is a need to increase investments in pre-primary education for expansion of infrastructure, teachers' recruitment, and engaging parents to enroll their children in the Early Childhood Education programme.

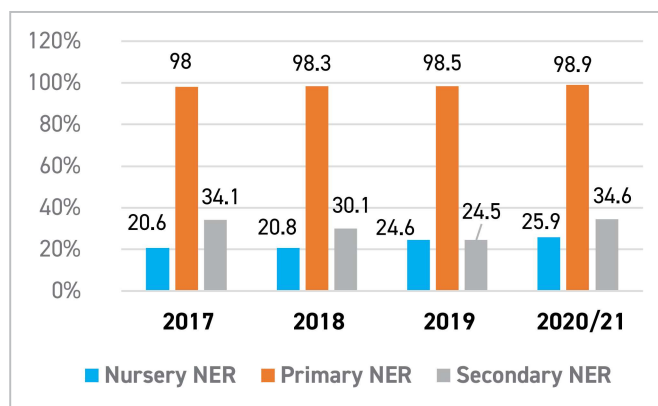
The drop-out rate at primary education level has been rising for the past five years and boys are more likely to drop out of school than girls. In 2019/20, the overall dropout rate was 9.5 percent, up from 7.8 percent in 2018/19. Boys in primary education show consistently higher likelihood of dropping out of school. In 2020/21, 11.3 percent of boys were reported to have dropped out compared to 7.7 percent of girls, and a similar trend has been observed for the past three years (**Figure 2**).

In secondary schools, the dropout rate has also been increasing from 4.4 percent in 2016/17 to 10.4 percent in 2019/20. The analysis by gender shows no significant difference between girls (10.5 percent) and boys (10.1 percent) (**Figure 3**). To deal with the school dropout issue, the Government of Rwanda (through the Ministry of Education) is developing a national strategy to address dropout and repetition in Rwanda's basic education system.

The quality of education remains an issue, reflected in the 2021 Learning Achievement in Rwandan Schools (LARS). Selected indicators on reading fluency, English and numeracy show that:

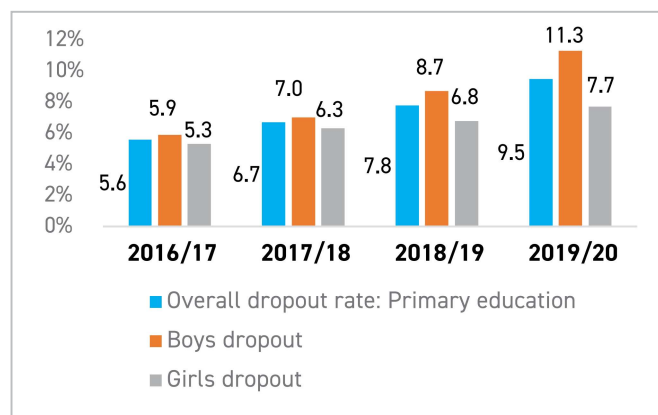
- 22 percent of students in primary/grade 3 assessed met the expected benchmark (correctly reading at least 40 out of 50 familiar words per minute in Kinyarwanda), while 55 percent of the children partially met expectations for reading fluency.
- Only 10.0 percent of learners in primary/grade 3 achieved the expected benchmark in the English language test, however, a higher proportion (61 percent) achieved the numeracy benchmark.
- In primary/grade 6, data shows that 38.5 percent achieved the benchmark for the English language test, while only 32.1 percent achieved the expected numeracy benchmark.

Figure 1: Net enrolment by Education levels (NER)



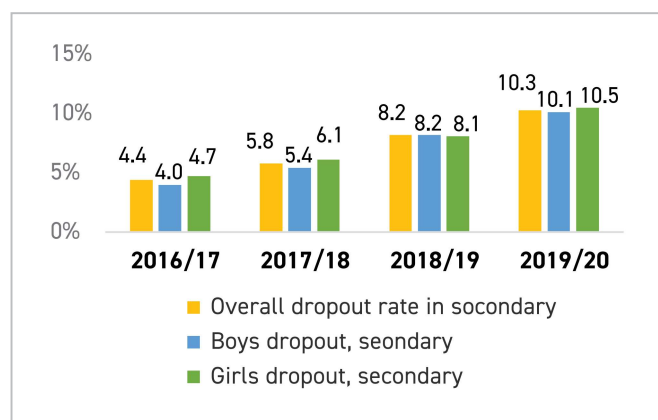
Source: Ministry of Education, annual statistical yearbooks

Figure 2: School dropout rates in primary education



Source: Ministry of Education, Annual statistical yearbooks

Figure 3: School dropout rates in secondary education

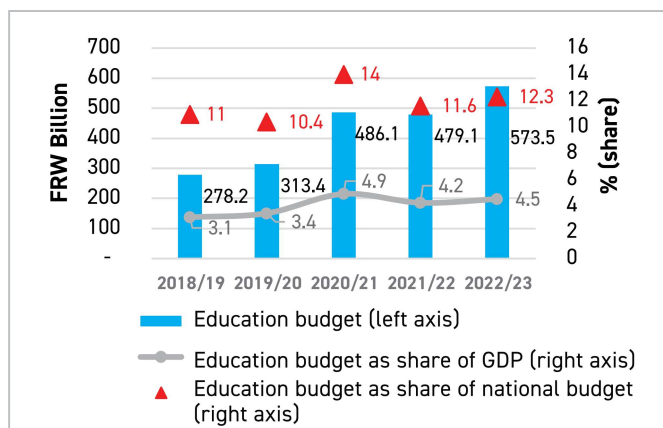


Source: Ministry of Education, Annual statistical yearbooks

Section 2: Trends in Budget Allocations to the Education Sector

In 2022/23, the Government of Rwanda increased the education sector budget by nearly 20 percent, reflecting its commitment to strengthening human capital development through education. The total education sector budget (MINEDUC and affiliated agencies and the districts) amounts to FRW 573.5 billion, up from FRW 479.1 billion in the 2021/22 revised budget. The education budget as a share of the national budget has also increased from 11.6 percent in 2021/22 to 12.3 percent in 2022/23 (Figure 4). The explanatory note of the Budget Framework Paper (BFP) for the period 2022/23-2024/25 reveals that the major drivers of the education sector budget increase are (i) improving the quality of education, (ii) strengthening the school feeding programme, (iii) recruiting new qualified teachers for pre-primary, primary and secondary schools, and (iv) improving school infrastructures.

Figure 4: Education budget in FRW billion and as % of GDP

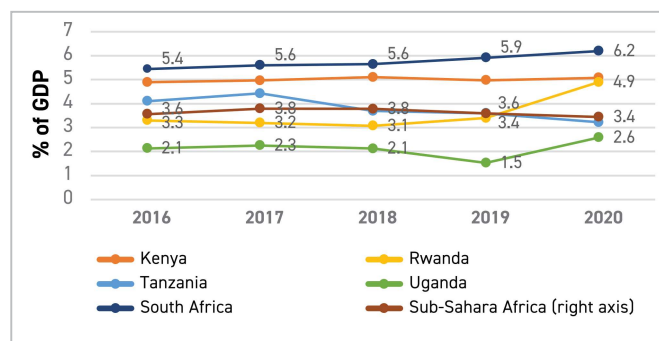


Source: Ministry of Education, annual statistical yearbooks

Disclaimer: To avoid double counting, this budget brief excludes other funds contributing indirectly to education outcomes which were allocated to other sectors such as social protection, health, Public Finance Management (PFM), Water and Sanitation (WASH), electricity, sports, and culture, among others.

A comparison with selected countries in the region on the education sector's expenditure shows that in 2020, Rwanda's education expenditure as a share of GDP has increased and is above the Sub-Saharan average (4.9 per cent) against 3.4 per cent as a share of GDP. South Africa shows a higher share of education spending, spending above 5.2 percent between 2016 and 2022. Uganda has been spending below the regional average, ranging between 2.1 percent and 2.6 percent of GDP (Figure 5).

Figure 5: Education expenditure as a share of GDP



Source: Ministry of Education, annual statistical yearbooks



The Paris Declaration on Education (2021) sets out the global call to invest in the future of education for humanity and the planet. The participating States committed and reiterated to (i) improving investments in the Education sector by relying on public financing and public-private cooperation, (ii) allocating at least 4-6 percent of GDP and/or at least 15-20 percent of total public expenditure to education, and (iii) increasing the volume, predictability, and effectiveness of international aid to education by meeting the benchmark of 0.7 percent of donor gross national income (GNI) for official development assistance (ODA) to developing countries. The size of the education sector budget in Rwanda is in line with the global benchmark of education financing.

2.1. The Education Budget Against National Commitments

The Education Sector Strategic Plan (ESSP) 2018-2024 defines the level of public funding required to achieve Rwanda's national development agenda for the education sector. The ESSP presents three costed scenarios for developments in the education sector between 2018-2024. These are: (i) a "Business as usual" situation in which the education sector maintains the current pace of innovations, (ii) a "Pragmatic scenario" envisioning that most of new initiatives shall be implemented by 50 percent, and (iii) an "Ambitious scenario" in which all new initiatives are fully implemented. Table 2 provides the

various ESSP cost scenarios and respective funding gaps when compared to the 2022/23 allocated budget. The ambitious scenario of costed SSP plan shows a financing gap of 23 percent. Under the pragmatic scenario, the gap reduces to 10 percent while under the business-as-usual scenario, the ESSP funding gap narrows to around 5 percent.

As there are two years remaining for ESSP implementation, there is a need to comprehensively review Education Sector Strategies including emerging education priorities, to establish a robust baseline for the next generation of long-term education sector strategic plans including financing options.

Table 2: Education Budget Allocations against ESSP Cost Estimates

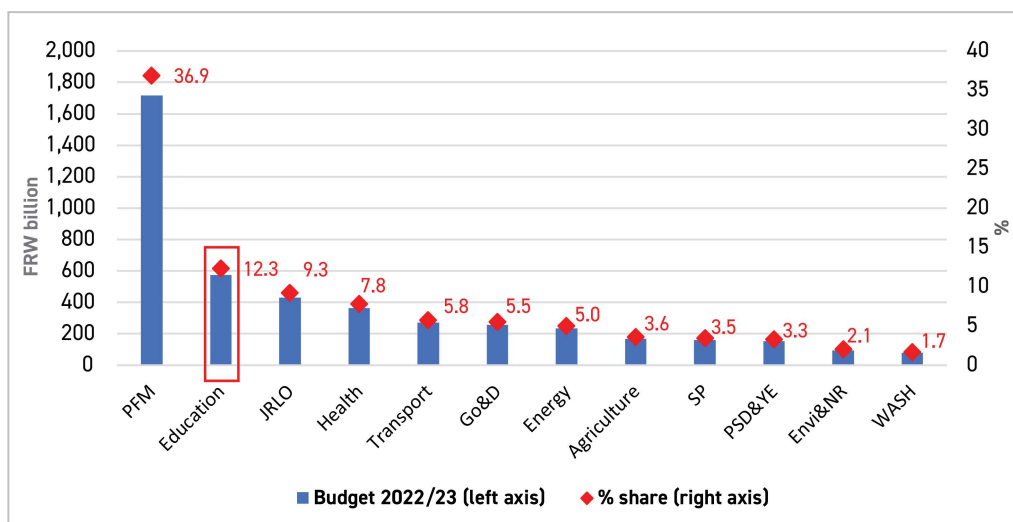
Financing Scenarios	2022/22 Costed plans	Allocated Budget (FRW)	Funding gap by ESSP
Scenario 1: ESSP implemented fully implemented	705,793,630,357	573,463,661,179	132,329,969,178 (23.0%)
Scenario 2: Most new initiatives implemented by half	630,817,551,636		57,353,890,457 (10.0%)
Scenario 3: Business-as-usual	604,059,276,894		30,595,615,715 (5.3%)

Source: MINEDUC-ESSP 2018/19 – 2023/24 and National budget law 2022/23

2.2. The Education Sector Budget Allocation among Other NST1 Sectors

Across NST1 sectors, the education sector was allocated 12.3 percent of the total national budget in 2022/23 and the sector budget allocation continues to take second position among the most prioritized NST1 sectors. The Public Finance Management sector is allocated 36.9 percent of the national budget. This sector covers allocations for executive offices, legislative organs, financial and fiscal affairs, external affairs, and net lending (Figure 6).

Figure 6: Budget Allocations by NST1 sectors in FRW billion and as a % of national budget



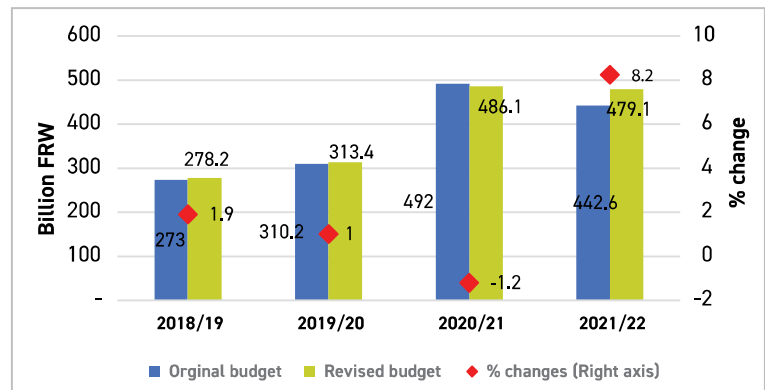
Source: Calculated using Rwandan Budget Laws

Section 3: Education Budget Changes

3.1. Initial and Revised Education Sector Budget Trends

Except for the fiscal year 2020/21, the education sector budget has been consistently revised upwards. In 2021/22 the budget increased from FRW 442.6 billion in the original budget to FRW 479.1 billion in the revised budget, reflecting a budget increase of 8.2 percent. The mid-year budget shows a stronger commitment by the Government of Rwanda to invest in emerging sector priorities during budget execution (Figure 7).

Figure 7: Trends budget revisions (FRW billion and % change)



Source: Ministry of Education, annual statistical yearbooks



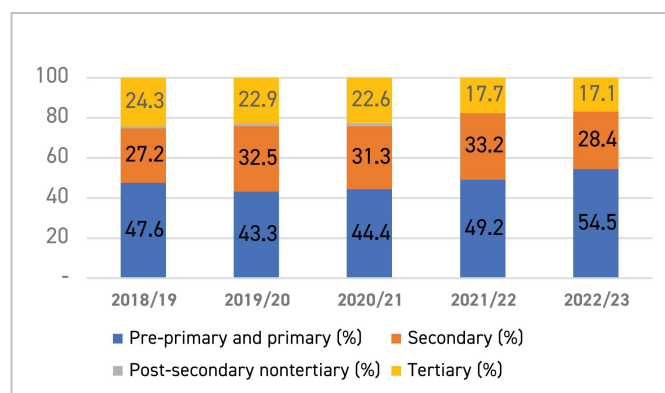
Section 4: Composition of the Education Sector Spending

4.1. Budget Trends by Education Levels

More budget is allocated to pre-primary and primary education levels. The analysis of budget allocations by education levels as a share of the total education sector shows that in 2022/23, the budget share for pre-primary and primary increased to 54.5 percent up from 49.2 percent in 2022/23, while the budget share for secondary education reduced by 5 percent from 33.2 percent in 2021/22 to 28.4 percent in 2022/23 (**Figure 8**). However, in nominal terms, the budget for secondary education increased from FRW 119.3 billion in 2021/22 to FRW 128.2 billion in 2022/23. The budget increase is largely explained by more teachers in primary, pre-primary, and secondary, funding for the school feeding programme and teacher salaries.

Against the national ambitions to expand access to early learning, there is still a funding gap for scaling up recruitment of pre-primary teachers and lack of evidence on the sustainability of school feeding program. Recognizing that the long-term school feeding financing strategy is in development, there is a need to strengthen monitoring and learning mechanisms within the school feeding programme and the implementation of strategic actions to ensure its sustainability and fiscal affordability.

Figure 8: Share of budget allocations by education level



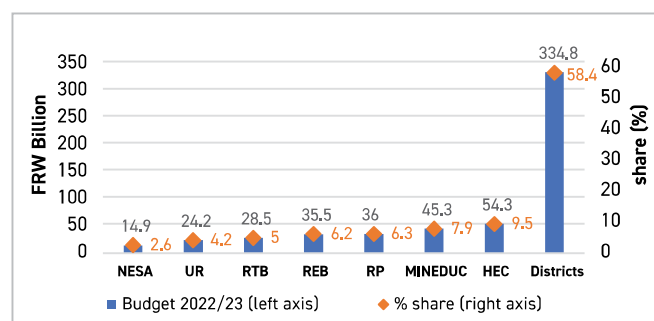
**** Excluding the budget allocated to the areas not classified by education level**

Source: Calculated using National Budget Laws

4.2. Education Budget Allocation by Spending Institutions

A significant portion of education sector resources are transferred to districts (decentralized entities). In 2022/23, the districts' allocation for education total to FRW 262.7 billion (representing 58.4 percent of the total education sector budget). This emphasizes the role of decentralized entities in the promotion of access and quality education in Rwanda. The allocations for the Higher Education Council (HEC) amount to FRW 54.3 billion (9.5 percent), the budget for MINEDUC is FRW 45.3 billion (7.9 percent), the Rwanda Basic Education Board (REB) budget is RWF 35.5 billion (6.2 percent), and the Rwanda Polytechnic was allocated FRW 36.0 billion (6.3 percent) (**Figure 9**).

Figure 9: Budget allocations, by spending agency



Source: Calculated using State Finance Laws

RTB: Rwanda Technical and Vocational Education and Training Board

NESA: National Examination and School Inspection Authority

HEC: High Education Council

UR: University of Rwanda

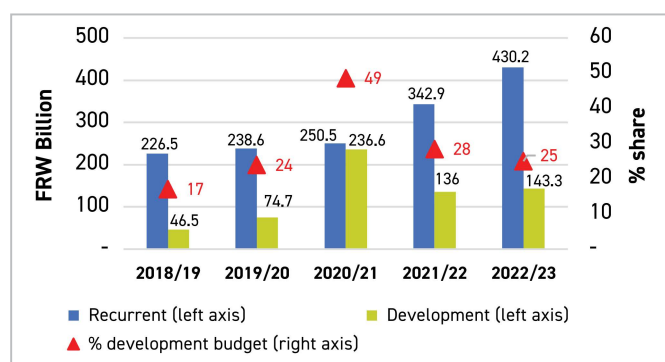
RP: Rwanda Polytechnic

MINEDUC: Ministry of Education

4.3. The Education Sector Budget by Recurrent and Capital Expenditure Categories

The budget for education is characterized by recurrent spending to cover salaries and other fixed expenditure needed to run schools, including daily feeding. Budget figures show that the recurrent budget increased to FRW 430.2 billion in 2022/23, up from FRW 342.9 billion in 2021/22. The rise in the recurrent budget is attributed to the need for more resources to cover the wages and salaries of newly recruited teachers for pre-primary and primary education levels as well as the school feeding programme. The development budget shows a slight increase from FRW 136 billion in the 2021/22 revised budget to FRW 143.3 billion in 2022/23 (Figure 10).

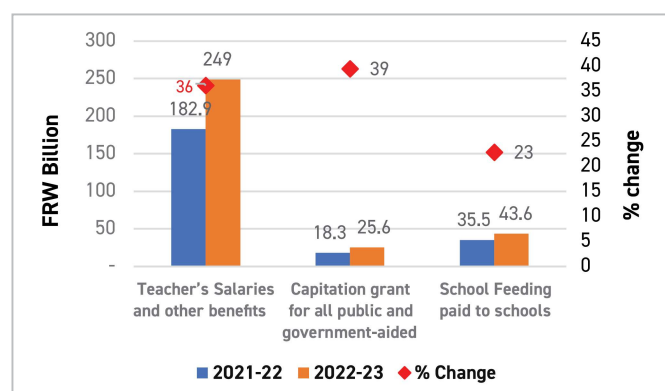
Figure 10: Education budget recurrent vs. development categories



Source: Calculated using Rwandan Budget Laws

The review of earmarked transfer guidelines shows that the budget for teachers' salaries has increased by 36.1 percent from 182.9 billion in 2021/22 to FRW 249 billion in 2022/23. The budget for school feeding rose to FRW 43.6 billion compared to FRW 35.5 billion in 2021/22, reflecting an increase of 22.8 percent (Figure 11).

Figure 11: Budget trends in teachers' salaries, capitation grant, school feeding



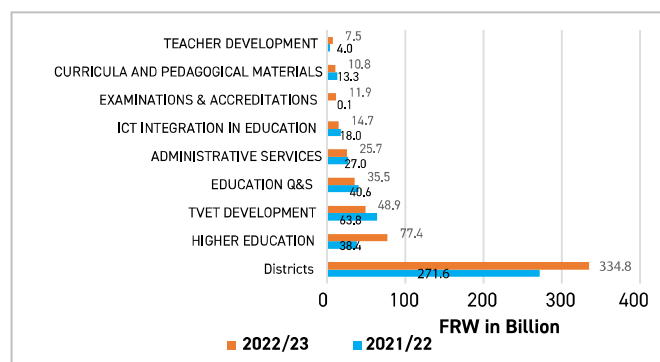
Source: Source: Calculated using Rwandan Budget Laws

With the recent increase of teachers' salaries across primary and secondary schools, there is a need to conduct a full-scale costing analysis to understand fiscal implications on the education budget in the short and medium term.

4.4. Budget Allocations for Key Education Programmes

In 2022/23, the allocations for decentralized entities (districts) and the higher education programme (which includes quality assurance and higher learning education programme, scholarships, and quality development) have recorded a significant budget increase of 23.3 percent, and 101.8 percent, respectively.

Figure 12: Education budget allocations (FRW Billion) for quality enhancing programmes



Source: Calculated using Rwandan Budget Laws

The allocations for education programmes implemented at district level (the budget for pre-primary, primary and secondary) increased from FRW 271.6 billion in 2021/22 to FRW 334.8 billion in 2022/23. This reflects a budget increase of 23 per cent. The allocation for higher learning increased by almost 100 percent, up from FRW 38.4 billion to FRW 77.4 billion during the same period. However, the budget allocations for TVET and quality development programmes recorded a decline in 2022/23. The TVET programme budget declined from FRW 63.8 billion in 2021/22 to FRW 48.9 billion, reflecting a decrease of 23 percent. The budget for Education quality and standards programme reduced from FRW 40.6 billion in the 2021/22 revised budget to FRW 35.5 billion in 2022/23 (Figure 12).

To ensure a smooth school-to-work transition and build a capable critical mass of young Rwandans who respond to labor market demands, there is a need to continuously increase public investments in education quality enhancement, and the capacity to accommodate more children in secondary schools and in TVET development.

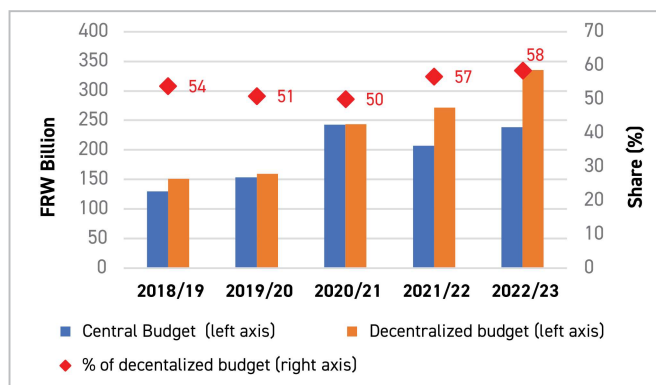
Section 5: Decentralization and Education Spending

Education is the most decentralized sector in Rwanda.

Administrative coordination mechanisms have been established for each district and education service delivery at decentralized levels is monitored by MINEDUC in collaboration with the Ministry of Local Government (MINALOC). In 2022/23, the share of the total education sector budget allocated to decentralized entities increased to 58 percent from 57 percent in 2021/22 (**Figure 13**). The nominal increase of the education budget at district level is attributed to the increase of teachers' salaries, the increasing number of teachers recruited across primary and secondary levels, and the scale-up of the school feeding programme.

To ensure geographical equity in education budget allocations at district level, the GoR uses an output-based formula driven primarily by the student population number, as well as the number of teachers and schools. On this basis, each district is allocated a budget for education depending on the number of teachers, students, and national examination sites, which contribute to a relatively equitable distribution of education budget at district level. However, a mechanism is needed to target children from low income, disability, and other vulnerabilities to ensure that the needs of all children are taken into consideration.

Figure 13: Budget allocations by central vs. decentralized institutions

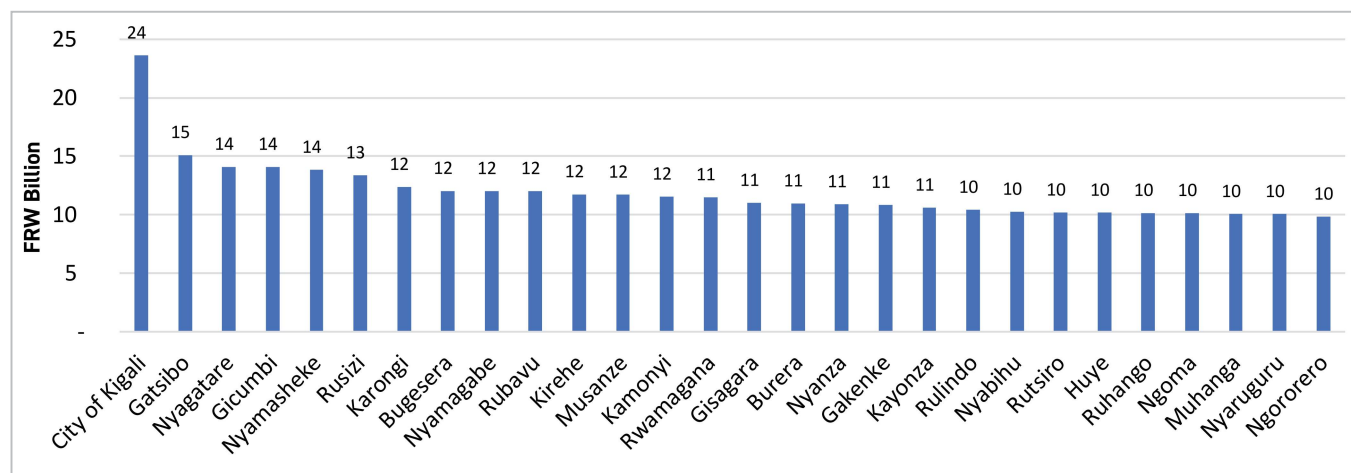


Source: Calculated using Rwandan Budget Laws

Further analysis of the decentralized budget for the education sector shows a rapid increase in allocations for pre-primary and primary education level.

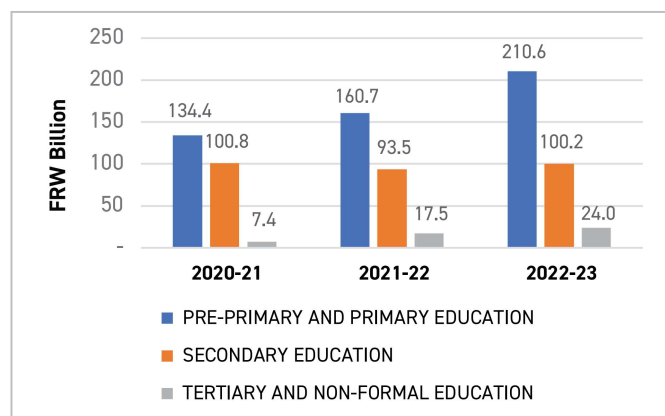
The allocated budget increased from FRW 134.4 billion in 2020/21 to FRW 210.6 billion in 2022/23, reflecting an increase of 57 percent. However, the budget for secondary education stagnated around FRW 100 billion for the past three years (**Figure 15**).

Figure 14: Budget allocations at decentralized level



Source: Calculated using Rwandan Budget Laws

Figure 15: Decentralized budget allocations by levels of education



Source: Calculated using Rwandan Budget Laws



© UNICEF/UNIS19833/Karobana



© UNICEF/UN0311977/Park

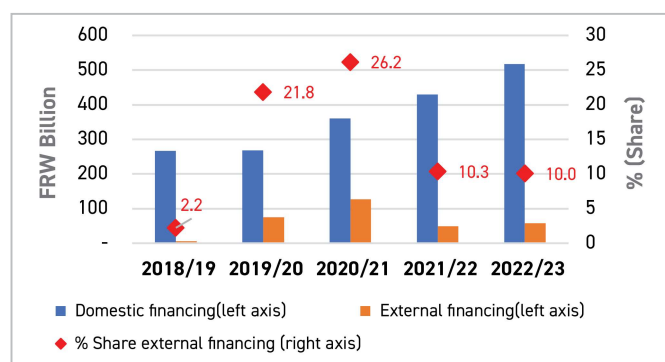
Section 7: Financing of the Education Sector

The education sector is mainly funded from domestic resources (including budget support) which is an indication of the financing predictability and sustainability of the sector both in the medium and long term. In 2022/23, the domestic resources allocated to education amount to FRW 516.8 billion, up from FRW 429.5 billion in 2021/22. The external resources slightly increased from FRW 49.6 billion in 2021/22 revised budget to FRW 57.7 billion in 2022/23. As a share of the total education budget, the externally mobilized resources continue to show a decreasing trend from 26.2 percent in 2020/21 to 10.0 percent in 2022/23 (Figure 16). The reduction of the share of external resources for education can be explained by the phasing out of government borrowing and grants received in previous years under the Human Capital Development Project, mainly funded by the World Bank.

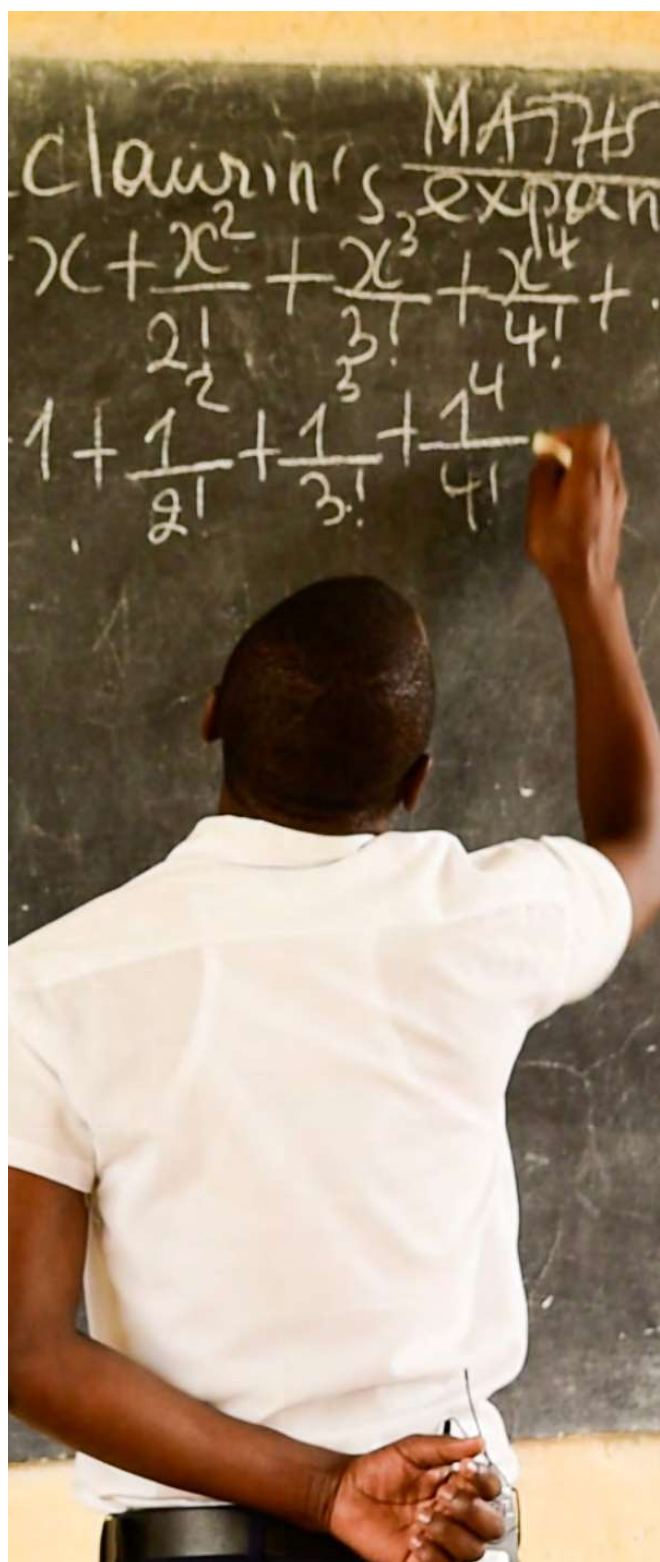
The main development partners and donors in the education sector include the World Bank, the German Development Bank (KfW), the Foreign, Commonwealth & Development Office (FCDO), USAID, the Global Partnership for Education (GPE), the Japan International Cooperation Agency (JICA), the Korea International Cooperation Agency (KOICA), the Swedish International Development Cooperation Agency (Sida), and UNICEF.

The Government of Rwanda also leverages its resources within homegrown initiatives like engaging the community during school construction and schools' management as well as Faith-based Organizations (FBOs), Civil Society Organizations (CSOs) to strengthen their contribution in schools' management, improvements, or modernization. Further innovations are being explored to engage private sectors to expand internet connectivity in school under the GIGA initiative.

Figure 16: Financing sources of the education sector budget



Source: Calculated using National Budget Laws



Annex 1: Strategic documents and targets

Strategic documents	Key performance indicators and targets
National Strategy for Transformation (2017-2024) ¹	<ol style="list-style-type: none"> 1. Increase access to pre-primary education; net enrolment rates will reach 45% by 2024 from 17.5% in 2016 2. Improve quality of education at all levels: <ul style="list-style-type: none"> ○ Schools connected to the internet will increase to 100% by 2024 from 10% in 2016/17 ○ The primary and secondary schools with access to electricity will increase from 32% and 46% in 2016 to 100% in 2024 3. Strengthen mechanisms to promote completion rates, especially in primary and secondary education <ul style="list-style-type: none"> ○ Transition rate from primary to lower secondary will increase from 71.1% in 2015 to 92.4% by 2024 4. Ensure that people with disabilities can start school and progress through all levels of education 5. Strengthen Science, Technology, Engineering and Mathematics across all levels of education <ul style="list-style-type: none"> ○ Achieve 80% of students enrolled in STEM in HLIs and TVETs by 2024 from 44% in 2016 6. By 2024, ensure digital literacy for all youth (16 to 30 years) by achieving a digital literacy rate of at least 60% by 2024
Education sector strategic plan ² 2018/19 - 2023/24	<ol style="list-style-type: none"> 1. All learners achieve basic levels of literacy and numeracy in early grades and beyond 2. All learners enter primary school at the correct age and successfully complete 12 years of basic education 3. All children complete school readiness programmes 4. Ensure gender parity in participation and achievement at all levels of education 5. Increased participation and achievement of children and young people with disabilities at all levels of education 6. TVET and HEI programmes are responsive to both labor market needs and Rwanda's social and economic development 7. Qualified pupil-teacher ratio in pre-primary, primary and secondary schools shall increase from 1:32; 1:62 and 1:28 in 2015 to 1:32, 1:52 and 1:34 respectively by 2024

Endnotes

¹ Ministry of Finance and Economic Planning, 'Seven Years Government Programme (7YGP)', Kigali, Rwanda, 2010, available at: <www.rwandapedia.rw/cm1s/views/workspace%253A%252F%252FspacesStore%252F1adfd4d9-01e0-4834-8d8a-9b1edb581294>.

² Ministry of Finance and Economic Planning, 'Education Sector Strategic Plan 2013/14–2017/18', Kigali, Rwanda, 2013, available at: <www.mine-cofin.gov.rw/index.php?id=163>.



United Nations Children's Fund
Ebenezer House
1370 Umuganda Boulevard
Kacyiru
Kigali

P O Box 381
Kigali

Tel: +250 788 162 700
Email: kigali@unicef.org
Web: www.unicef.org/rwanda



www.facebook.com/unicefrw



twitter.com/unicefrw



www.instagram.com/unicefrwanda