Preface

This education budget brief is one of four briefs that explore the extent to which the Government of Rwanda addresses the educational needs of children under 18 years of age. The brief analyses the size and composition of budget allocations to the education sector for the fiscal year 2017/18, as well as the adequacy of past spending. The budget briefs aim to synthesize complex budget information and offer recommendations to strengthen budgeting for children.

Key messages

• The budget allocated to the education sector has fluctuated throughout the past five years and, overall, its share as a proportion of the total government budget has declined from 16.2 per cent in 2012/13 to 11.5 per cent in 2017/18. This is nearly 50 per cent below the global benchmark for spending on education established through the Global Partnership for Education (GPE) framework (20 per cent of the national budget).

• More than 60 per cent of the education budget is allocated to pre-primary, primary and secondary education, combined: Over the past six years, the budget allocated to secondary education declined, from 36.5 per cent in 2012/13 to 26.5 per cent in 2017/18, while within the same period the share of the budget allocated to pre-primary and primary education levels increased from 27.8 per cent to 41.7 per cent. This shows strong government commitment to ensure access to basic universal education.

• Education spending is highly decentralized and broadly achieving territorial equality: More than 50 per cent of the education budget is allocated and executed at district levels. The share of the budget executed by districts has increased from 46.3 per cent in 2013/14 to 54.7 per cent in 2017/18. There is very little variance in spending at the sub-national level, with per capita district spending ranging between 33,279 FRW and 41,117 FRW.

• The Government of Rwanda’s commitment to improving the quality of learning is increasing: Budget allocations to quality education development have increased from 15.8 per cent to 22.3 per cent of the total education budget between 2012/13 and 2017/18.

• The education sector performs strongly in terms of budget execution at national and district levels. Overall budget execution rates have remained above 92 per cent over the last three years at the national level and close to 100 per cent at district levels, which indicates strong planning and budgeting capacities across the education sector.

• The external financing to the education sector has fallen sharply in recent years: External financing decreased from 6.7 per cent of the education budget in 2015/16 to 2.5 per cent in 2017/18. The Government of Rwanda has tried to offset the reduction of external financing by domestic funds. As this trend is expected to continue, the Government of Rwanda will have to continuously identify new and sustainable financing to maintain, scale up and meet the growing education sector needs.
1. Introduction

1.1 Understanding the Rwandan education sector

The Rwandan education sector is coordinated by the Ministry of Education (MINEDUC), whose mission is to ensure equitable access to quality education by focusing on combating illiteracy, promoting science and technology, and developing critical thinking and positive values. The following agencies are involved in managing the education sector: the Rwanda Education Board, responsible for pre-primary, primary and secondary school programmes; the Workforce Development Authority, responsible for Technical and Vocational Education and Training (TVET) and Integrated Polytechnics; the High Council of Education, responsible for university accreditations and tertiary schools regulation; and districts, responsible for daily management of schools.

Education in Rwanda is structured following the International Standard Classification of Education (ISCED) of the United Nations Educational, Scientific and Cultural Organization (UNESCO), as shown in Table 1. Rwanda’s constitution of 2003 and its revision of 2015, Article 20, stipulates that primary education is compulsory and free in public schools, and the 12 Years Basic Education Program (12YBE), established in 2012, guarantees free education for 12 years, including primary and secondary levels. Additionally, education services are decentralized and coordinated from local levels (administrative sectors) to the national level.

<table>
<thead>
<tr>
<th>Levels of education</th>
<th>Acceptable years of schooling</th>
<th>Age range (approximate years of age)</th>
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<tbody>
<tr>
<td>Pre-primary</td>
<td>3 years</td>
<td>3–6</td>
</tr>
<tr>
<td>Primary</td>
<td>6 years</td>
<td>6–12</td>
</tr>
<tr>
<td>Secondary (general)</td>
<td>6 years</td>
<td>12–18</td>
</tr>
<tr>
<td>Secondary vocational</td>
<td>2–3 years</td>
<td>12–15</td>
</tr>
<tr>
<td>Post-secondary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vocational–Polytechnic</td>
<td>2–3 years</td>
<td>18–21</td>
</tr>
<tr>
<td>Undergraduate (BA/BSc)</td>
<td>3–5 years</td>
<td>18–23</td>
</tr>
<tr>
<td>Post-graduate</td>
<td>1–4 years</td>
<td>Above 23</td>
</tr>
</tbody>
</table>

Table 1: Levels of education in Rwanda

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1.2 Key strategic documents and targets

<table>
<thead>
<tr>
<th>Strategic documents</th>
<th>Key performance indicators and targets</th>
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<tbody>
<tr>
<td>Seven Years Government programmes (2010–2017)</td>
<td>• Extend basic education from 9 years to 12 years, with increased focus on technical and vocational schools</td>
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<tr>
<td></td>
<td>• Increase the adult literacy level to at least 90 per cent</td>
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<td></td>
<td>• Increase the proportion of qualified teachers at primary and secondary levels to at least 95 per cent</td>
</tr>
<tr>
<td>Replace with: Economic Development and Poverty Reduction Strategy (EDPRS 2) (2013/14 – 2017/18)</td>
<td>Equitable access to 12 years of basic education:</td>
</tr>
<tr>
<td></td>
<td>• Transition from primary to lower secondary (girls/boys) increased to 89/89 by 2017/18 from 84.9/87.7 in 2012/13</td>
</tr>
<tr>
<td></td>
<td>• Transition from lower secondary to upper secondary (girls/boys) increased to 96/96 by 2017/18 from 97.8/94 in 2012/13</td>
</tr>
<tr>
<td></td>
<td>• Improved education quality and learning outcomes across all levels of education:</td>
</tr>
<tr>
<td></td>
<td>• Ratio of students to qualified teacher (primary) increase to 48:1 by 2017/18 from 62:1 in 2012/13</td>
</tr>
<tr>
<td></td>
<td>• Ratio of students to qualified teacher (secondary) increase to 30:1 by 2017/18 from 34:1 in 2012/13</td>
</tr>
<tr>
<td>Education Sector Strategic Plan (2013/14 – 2017/18)</td>
<td>• Gross enrolment ratio (GER) in pre-primary increased from 12.9 per cent to 29.9 per cent</td>
</tr>
</tbody>
</table>

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1.3 Education sector performance against selected indicators

The Government of Rwanda’s ‘Vision 2020’ aims to transform Rwanda’s economy into a sophisticated knowledge-based economy by 2020. Throughout the implementation of the Vision 2020 targets, Rwanda has made notable achievements towards ensuring universal education for all.

1.3.1 Pre-primary education
Pre-primary education has seen rapid growth since 2011. The net enrolment rate (NER) at the pre-primary level increased from 10.1 per cent in 2011 to 17.5 per cent in 2016. Early childhood attendance is relatively high in the following areas: (i) urban setting (City of Kigali): 37.5 per cent; (ii) population with higher levels of education: 48.8 per cent; and (iii) high-income quintile households: 44.8 per cent. However, early childhood education access is significantly lower among children from the lowest income quintile households (Figure 1).

Figure 1: Per cent of early childhood attendance rates

Government interventions to increase early childhood education access in rural areas and to low income quantile households need to be strengthened to ensure equitable access to education.
1.3.2 Primary education

Since universal free primary school education was introduced in 2003, gender parity has been achieved and enrolment in primary education has increased steadily. From 2013 to 2015, the gross enrolment rate has remained far above 100 per cent (Figure 2). During the same period, the net enrolment remained above 96 per cent for both male and female children (Figure 3).

The primary school transition rate remained above 70 per cent for both male and female children (Figure 4). Despite high enrolment, the primary school dropout rate remains high, with significant difference between girls and boys (Figure 5).

Primary school teacher-to-pupil ratio remains a challenge. While there has been slight improvements in the ratio, which was reduced from 60:1 in 2013 to 58:1 in 2015, the qualified teachers-to-pupil ratio remained unchanged, at above 62:1 in 2015 (Figure 6). This is a result of increased student enrolment and a decline in the number of qualified teachers.
Primary school transition rates remain low compared with the EDPRS 2 targets and inequity persists (female/male transition). Addressing this shall require identifying the bottlenecks facing girls in primary schools, tracking the performance of girls early on and before level completion, and introducing tailored coaching for lower wealth quantile performers.

A high pupil-to-teacher ratio requires special considerations, as it impedes the quality of education services and further degrades education outcomes for children (employability and innovation). Increased investment in human resources will increase the number of qualified teachers.

Despite a commendable effort made to reduce primary school dropout, the rate is still high and more efforts towards reduction should remain a national priority addressed through the interventions targeting the most vulnerable households located in rural areas.
### 1.3.3 Secondary education

The number of students enrolled in lower and upper secondary schools increased from 486,437 to 553,739 between 2011 and 2016, reflecting an increase of 13 per cent over the past five years. Additionally, net attendance by disabled children increased from 9.7 per cent in 2011 to 15.5 per cent in 2015. However, access to secondary schooling is less equitable, with significant disparities evident between consumption quantiles and rural versus urban areas (Figure 7).

The transition rate in secondary school was maintained at above 80 per cent over the past four years, with 96.4 per cent for girls and 81.2 per cent for boys (2014). The increase in the female transition rate is a result of efforts by the Government of Rwanda to encourage the retention of female students through mobilization campaigns at local levels. Also, increased investment by the Government of Rwanda in training secondary school teachers through education colleges contributed to an increased qualified teacher-to-student ratio, from 32:1 in 2013 to 29:1 in 2015. (Figure 8).

![Figure 7: Net attendance rates in secondary schools](image)

![Figure 8: Transition rates and student-teacher ratio](image)
1.3.4 Vocational education
The Government of Rwanda’s commitment to Technical and Vocational Education (TVET) contributed to increasing the number of training centres between 2011 and 2015: Vocational Training Centres (VTC) increased from 98 to 186; Technical Secondary Schools (TSS) increased from 151 to 184; and Technical Tertiary Institutions (Integrated Polytechnics) increased from 2 to 13 (Figure 9).

The number of students enrolled in TVET (all levels) increased from 67,919 in 2011 to 94,373 in 2016; however, male participation remains higher (58.2 per cent of males compared with 41.8 per cent of females) (Figure 10).

1.3.5 Tertiary education
MINEDUC data (2016) show that the total number of students enrolled in tertiary education increased from 73,674 in 2011 to 86,315 in 2016, indicating a 17.1 per cent increase. However, there is still a noticeable difference in terms of gender, as female students constitute only 43.4 per cent (Figure 11).
2. Trends in government spending for education

2.1 Size of government spending

From 2012/13, the budget allocated to the education sector realized a number of fluctuations. For example, in 2013/14, the education budget reached 251.8 billion FRW, in comparison to 224.7 billion FRW in 2012/13, reflecting an increase of 12 per cent. During 2015/16 and 2016/17, the budget allocated to the education sector was 216.9 billion FRW and 220 respectively; however, in 2017/18, it was increased to 240.8 billion FRW, reflecting an increase of 9.4 per cent when compared with the 2016/17 budget (Figure 12).

In addition, the share of the education budget compared with the total budget shows a decreasing trend, from 16.2 per cent in 2012/13 to 11.5 per cent in 2017/18.

Unlike Uganda, which allocated less than 10 per cent of the national budget to education, other countries reviewed herein allocated more than 15 per cent of their annual revenues to education in 2014: South Africa allocated 19.1 per cent, followed by the United Republic of Tanzania at 17.3 per cent, Kenya at 17.1 per cent, and Rwanda at 15.2 percent (Figure 13).
2.3 Budget allocation in selected priority areas

The budget share of the national priority sectors has realised a declining trend compared with the total national budget. However, a comparative outlook of the education budget relative to other national priority sectors— including health, energy, transport, and public order and safety – indicates that the education sector remains well positioned and holds a substantial share of national revenue (Figure 14).

2.4 Changes in the education budget

2.4.1 Original vs. revised budgets

By law, the national budget is revised mid-year (usually December–January), in response to emerging priorities. Comparing the original budget against the revised budget reveals heavy downward budget revisions during the 2012/13 to 2014/15 period and slightly upward budget revisions in 2015/16 and 2016/17 (Figure 15).

2.4.2 Nominal vs. real changes in education sector budget

When looking at the trends of nominal and inflation adjusted education budget, there have been significant effects of inflation on government investments in education. In 2014/15, the decrease in budget deepens from -6.5 per cent (nominal) to -10.5 per cent (inflation adjusted); in 2015/16, the decrease deepens to -9.5 per cent from -7.8 per cent. However from 2016/17 to 2017/18, the inflation effect has started to narrow due to an increase of education budget in nominal terms (Figure 16).
2.5 Budget trends by education programmes

Pre-primary, primary and secondary programmes account for a large and increasing share of the education budget. All such programmes combined account for 67.2 per cent in 2017/18 from 53.2 per cent in 2013/14. While the share of the budget allocated to pre-primary and primary increased from 26.3 per cent in 2013/14 to 41.7 per cent in 2017/18, the share of budget allocated to secondary schools decreased from 36.5 per cent in 2012/13 to 26.5 per cent in 2017/18. Tertiary education budgets are further characterized by significant fluctuations, which reflects the development of private-sector operators that are increasingly dominating this landscape (Figure 17).

![Figure 17: Share of education budget per key programmes](image)

Source: Calculated using National Budget Laws

2.6 Budget allocation for quality education and per student spending

When looking at spending on different programmes, there has been a major increase of investments to improve the quality of education and to develop new curricula. At 9.2 billion FRW, education quality and standards programmes occupied a large part of the Ministry of Education budget in 2017/18, followed by curricula and pedagogical materials and ICT integration programmes with 6.8 billion FRW and 6.4 billion FRW, respectively. It is worth noting that ICT integration was allocated a large share of the budget over the past five years, ranging between 5.6 billion FRW and 11.7 billion FRW (Figure 18). Additionally, the share of the budget allocated to quality education development increased from 15.8 per cent in 2013/14 to 22 per cent in 2017/18.

![Figure 18: Budget allocation by quality focused programmes](image)

Source: Calculated using National Budget Laws
Per student spending in education remained stable between 2014/15 and 2017/18, hovering about 40,000 FRW for all children under 18 years old. For ages 25 and below, per student spending ranged between 32,224 FRW and 33,279 FRW (Figure 19). This indicates that the Government of Rwanda attempted to adjust spending to account for the growing number of students throughout the education system.

![Figure 19: Per capita spending in education](image)

Source: Calculated using population projection data and National Budget law

Over the past five years, the education share of total Government budget has decreased, nominally fluctuated, and remained below the government commitment to reach a 20 per cent share of the total government budget. A continued decrease of the education budget relative to the total government budget could challenge the achievements that Rwanda has realized in ensuring universal primary education as well as improving the quality of learning across all education levels.
3. Composition of education spending

3.1 Budget allocation by education agencies and districts

When looking at spending by different agencies, districts receive the largest share of education budget. The education budget allocated to district has increased from 102 billion FRW in 2014/15 to 135.2 billion FRW in 2017/18, reflecting 35 per cent increase. The budget allocated to Rwanda Education Board (REB), has increased from 42.1 billion FRW in 2014/15 to 70.7 billion FRW in 2017/18 reflecting an increase of 67.9 per cent. However, the budget allocated the Workforce Development Authority (WDA), has declined over the last four years from 47.9 billion FRW in 2014/15 to 26.6 billion FRW in 2017/18 (Figure 20).

3.2 Share of budget allocated tp districts

Education is the most decentralized sector in Rwanda, coordinated from the cell levels to the national level. The per cent share of education budget allocated to districts has increased significantly in recent years from 46.3 per cent in 2013/14 to 54.7 per cent in 2017/18 (Figure 21).

3.3 Education budget by economic activity: Recurrent vs. development budget

The recurrent budget has been increasing and the development budget has been decreasing in recent years. The recurrent budget in the education sector has increased from 167.8 billion in 2013/14 to 207.6 billion in 2017/18, which amounts to a nearly 25 per cent increase. The increase is attributed to growing teachers’ incentives, including salary increments, which range between 10 per cent and 15 per cent after three years of outstanding performance. The development budget, however, realized a negative trend, from 64.7 billion FRW in 2013/14 to 38.4 billion FRW in 2017/18 (Figure 22).
There is an increasing trend of recurrent budget exceeding development budget allocated to education sector. Presidential order No. 24/01 of 24/11/2016 establishes special statutes governing teachers in pre-primary and secondary education. The order has significant implications on the education budget, particularly annual performance bonuses and periodic salary increments.

Given the number of teachers, and the increasing number of newly enrolled students across all education levels, the Government of Rwanda should continue strengthening measures for domestic resource mobilization with the aim of guaranteeing stable funding for the education sector.
4. Budget execution

Budget execution has been consistently high across education agencies. At aggregate level, it has remained near 94 per cent; about 93 per cent at national level, and close to 100 per cent at district level; this is also consistent with the national budget execution rate, which has a three-year average of 98.2 per cent (Figure 23). The increased spending and improved management at local levels indicate strengthened capacities of local education institutions.

5. Financing of the education sector

Like in other sectors, the share of external financing in education has decreased in recent years. In 2013/14, it amounted to 15.4 billion FRW, and fell to 6.2 billion FRW in the 2017/18 budget. Similarly, the share of external financing in the education budget fell from 6.7 per cent in 2015/16 to 2.5 per cent in 2017/18 (Figure 26). The demand for domestic financing to cater to the education sector needs will continue to increase and put pressure on the national budget. As a result, the Government of Rwanda will have to continue identifying alternative financing to support the education sector, particularly the pre-primary and primary education sub-sectors.

6. Policy issues

Insufficient school infrastructure and old school buildings necessitates a large increase in development budget: Given the large student-per-classroom ratio, ranging from 50 to 70 students per classroom in primary school, and the growing number of schools in need of rehabilitation, the education sector will continue to request an increased government development budget for education infrastructure and related projects in the foreseeable future.

The demand for domestic financing to cater to the education sector needs will continue to increase and put pressure on the national budget. As a result, the Government of Rwanda will have to continue identifying alternative financing to support the education sector, particularly the pre-primary and primary education sub-sectors.
Endnotes


