

A Policy Audit of the **NATIONAL EDUCATION BUDGET**

FINANCING EDUCATION is one of the key issues for governments and development partners of all developing economies in their endeavor to achieve education for all by 2015. Successive governments of Bangladesh have put emphasis on literacy and on the overall education sector which has been reflected through their involvement in global development goals like the MDGs (Millennium Development Goals) and EFA (Education for All). Despite our achievements, it is a fact that education has been articulated as the fundamental principle in the constitution of Bangladesh rather than as a fundamental human right and there is no education law till date in our country which would enable citizens to legally act upon their exclusion from education. Exclusion and inequity are still present. It is evident that resource flow to the education sector has been gradually rising over the years. However, in order to increase efficiency in using these resources and thereby achieve national education objectives, distribution needs to match policy priorities of the country for the sector.

This policy paper attempts a policy audit of the education budget of Bangladesh, where policy priorities are identified from Education Policy 2010, the Sixth Five Year Plan (SFYP) and the political manifesto of the government and evaluates whether the overall distribution of financing parallels that of the policies. The budgetary allocations are also compared against the education sector priorities as identified by civil society members and education practitioners. An evaluation of the implementation scenario of the education sector projects is also conducted with an objective to identify the major implementation obstacles the sector is faced with.

POLICY PRIORITIES OF THE EDUCATION SECTOR OF BANGLADESH

Major policy documents for the education sector in Bangladesh include the SFYP and the National Education Policy 2010. Given the policy targets set by these two

Education Sector in Bangladesh: Some Key Statistics

Over the years, Bangladesh has made significant improvement in education related indicators. Adult literacy rate has amplified from 24 per cent in 1970 to almost 60 per cent in 2010. Female literacy rate boosted from 11 per cent in 1970 to 55.8 per cent in 2010. Along with number of educational institutions, enrolment rates at primary levels (both gross and net) have improved. Similarly, dropout rate has plunged to 39.8 per cent in 2010. Pre-school attendance has also improved. Some key statistics has been presented on page 4 and 5.

Overall literacy rate has improved to 53.7 per cent in 2013. However, it remains a fact that compared to international standards, education expenditure of Bangladesh is still very low. According to UNESCO, a country should spend 20 per cent of the national budget (or 6 per cent of GDP) towards the education sector. In Bangladesh, allocation for the education sector hovered only between 13 and 15 per cent of the national annual budget (around 2 per cent of GDP) during the last two decades, which was far from the UNESCO prescribed level.

documents, education sector policy priorities can broadly be classified into three categories:- (a) improving access to education, (b) ensuring quality of education, and (c) ensuring equity in education.

Improving access to education

This priority area primarily involves increasing the number of teachers, improving student-teacher ratio, and establishing more educational institutions and classroom capacities.

Ensuring quality of education

Quality of education is broadly approached from four dimensions in the policy documents. First, improve teachers' capacity through training. Second, attempts to improve the general system of education involving development of curriculum, learning materials, reorientation of education system in different types of educational institutions like madrasas, changing the duration of conventional education phases, changing the nature of public exams, etc. Third, ensure a composition of students in education types (science, arts, etc.) to match the country's future strategic direction (encouraging science studies). Fourth, encourage research in education.

Ensuring equity in education

The first approach towards this end concerns support such as stipends, lunch for students, free admission, free education material and other forms of financial aid. The policies also pertain to support for children with special needs, special support to the indigenous people and gender support.

Policy Priorities in the Manifesto

From what is stated in the election manifesto of the current government, priorities are placed in enhancing education quality and ensuring equity. However, it is understandable that the manifesto highlights political priorities and does not imply that the usual government efforts in expanding physical access to education have been neglected.

EDUCATION SECTOR PRIORITIES FROM THE CIVIL SOCIETY AND EDUCATION ACTIVIST PERSPECTIVES

It is not surprising that education sector priorities from the policy makers and politicians does not entirely match that of the civil society and activists/professionals of the sector. As revealed from interviews and dialogues with civil society and activists/professionals of the sector, they are more concerned with implementation factor of the policy targets.

This group identifies effective use of resources in projects, quality of project implementation and participatory project planning at the top of their list of agendas. Quality of education is the other area where this group places its priority in (Table 1). However, this is not to say that this group is not concerned with increased physical access to

education or equity ensuring measures. Perhaps this is only a reflection of the fact that the civil society and activists are vocal of the issues that have more chances of being overlooked by the political governments.

As identified through consultations and literature review, apart from the thematic priorities, this group of stakeholders identifies some discrete priorities to be addressed through the national budget. Within the quality component, education research and teachers training is prioritized. Within the equity component, emphasis is placed on education in emergencies, teacher recruitment from the ethnic communities and study materials in ethnic languages at early stages, learning materials suitable for children with special needs, end to corporal punishment in support of a conducive environment for children etc. In the access enhancing efforts, improving on the student-teacher ratio is called for.

Table 1. Education sector priorities.

Issues	Perceived ground reality	Policy documents	Civil society/activists/professional
Access	High	High	Medium
Quality	Low	High	High
Equity	Medium	High	Medium
Plan, implement & monitor	Low	Low	High

FINANCING THE POLICY PRIORITIES

Education priorities set in the policy documents are financed to be implemented through the national budget. "Education for all" policy of the country requires that allocation in the sector be increased over the years. As is evident, education budget (development and revenue budget together), in absolute terms, is growing gradually in Bangladesh. However, it has declined over the years into its relative share in the national budget. Similar trend is found in the development budget for the sector (implemented through ADP projects and programmes). On the other hand, primary education receives due prioritisation in the budget over secondary and higher level education, which is aligned with the "education for all" policy (see 'Trends in Education Financing' on page 4). However, the overall budget may not reveal much of its effectiveness in view of achieving the set priorities in the policy documents, unless the allocations are categorized and put against the policy priorities.

LINKING POLICY PROMISES WITH EDUCATION DEVELOPMENT BUDGET

To aid an understanding on policy alignment of the budget,

Box 1: Selected Policies and Promises Regarding Education in Sixth Five Year Plan (SFYP), Education Policy 2010 and Election Manifesto of the Government

	Education Policy 2010	SFYP	Election Manifesto
1. Access			
1.1 Teacher Recruitment			
Creation of new teaching position	✓		
Teacher-student ratio in primary education will be 1:30 within 2018	✓		
1.2 Physical facilities			
Increased number of classrooms	✓	✓	
More govt. secondary schools will be set up in the capital			✓
Govt. secondary schools at district headquarters will be developed and expanded			
Govt. secondary schools will be established at every Upazilla headquarter			✓
2. Quality			
2.1 Teaching methods/teacher training			
Implement alternative teaching method with interesting learning material, model	✓		
Ensure child protection from corporal punishment (physical and psychological)	✓		
Train all primary teachers on “learning teaching technique”	✓		
Teachers’ training	✓	✓	
2.2 Education system: curriculum, teaching materials, public exams, etc.			
Extend the duration of primary education from 5 years to 8 years	✓		
Develop new curriculum, learning material and implementation of newly developed teacher’s guides and upgrading schools towards this	✓		
Rearrangement of education administration	✓		
Reorient madrasas education to implement 8- year primary education	✓		
Introduce “Junior School Certificate” exam at the end of class VIII	✓		
Madrasa education will be reoriented to develop productive skills and knowledge			✓
Introduce pre-primary schooling	✓		
Ensure a higher salary scale for teachers			✓
2.3 Promoting science education			
Science and technology education will be encouraged			✓
2.4 Education research			
Scope of science education and research will be expanded			✓
3. Equity			
3.1 General financial support			
Stipend will be expanded for reducing drop-out rates among the marginalised		✓	
All rural schools will be provided with lunch for students	✓		
Free education material, lunch and other financial aid for street children	✓		
3.2 Children with special needs			
Brail system reading books will be developed for vision handicapped students	✓		
Each PTI shall train at least one trainer on teaching methods to physically or mentally challenged students			
3.3 Education for indigenous people			
Residential arrangements in hill tracts and other remote areas	✓		
3.4 Gender equity			
Education up to graduation level will be provided free of cost in phases			✓
Continuation of free education and scholarship opportunities for female students			✓

Trends in Education Financing

Benchmark for Budget and Policy Priorities

Allocation for education budget (MoPME & MoE)
Actual expenditures
(on average 5% lower than annual targets)

Tk 5145 Cr

Tk 25093 cr

FY00 FY01 FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13 FY14

Since FY2000, the allocation for education budget has increased by about **5 times**

However, UNESCO suggested share of education in national budget to be



... though the government proposed only

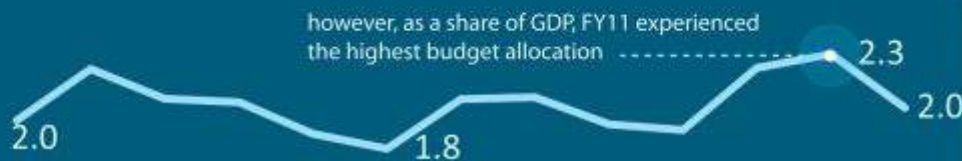
11.3%

in FY2014, in a decreasing trend as other areas are taking priorities in budget allocation



as a share of annual budget, FY07 experienced the highest budget allocation for education ...

... which gradually dropped down to



however, as a share of GDP, FY11 experienced the highest budget allocation

Still, as the economy grows, Bangladesh continues to

spend **2%** of GDP in education budget

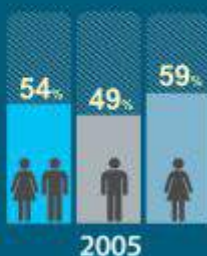
During 2005 to 2010, dropout rate slowly decreased from **47.2%** to **39.8%**



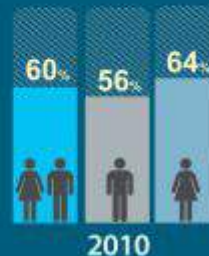
... and completion rate increased from **52.8%** to **60.2%**

Nonetheless, Bangladesh's education sector is showing signs of improvements...

... thus, overall adult literacy rate increased from **54%** to **60%**



... and male literacy rate catching up with the inspiring female literacy rate.



... with a positive approach towards equity.

However,

... a lot remains to be done, as has been promised in national policy documents >

Policy Promises made in SFYP, Education Policy and Election Manifesto of the incumbent can be categorised into **3** priority areas-



Access

Teacher Recruitment

- e.g. creation of new teaching position; increasing teacher-student ratio in primary education to 1:30 by 2018

Physical facilities

- e.g. increasing number of classrooms; development of government secondary schools.

Quality

Teaching methods/training

- e.g. implementing alternative teaching method with interesting learning material

Education system

- e.g. developing curriculum, teaching materials, etc.

Education research

- e.g. expanding scope of science education and research

Equity

General financial support

- e.g. expanding stipend for reducing drop-out rates among the marginalized;

Children with special needs

Education for indigenous people

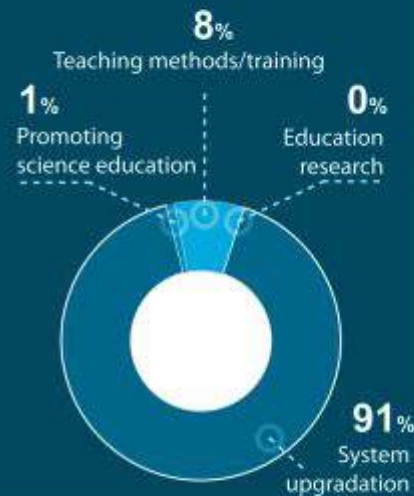
Gender equity

- e.g. continuing free education along with scholarship for female education

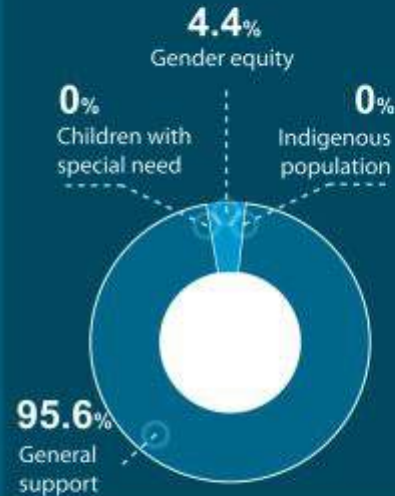
Promises

Share of ADP allocation to ensure access to education goes entirely to the development of physical facilities. Recruitment and salary related expenditure are covered by the revenue budget.

Share of ADP allocation in quality improvement related projects in FY2014



Share of ADP allocation in equity ensuring projects in FY2014



Financing



During FY2010 to FY2014, highest allocation went to quality enhancement of the education sector with an average allocation of

46%

Second highest budget priority went to ensuring equity in education services with an average allocation of

26%

And, allocation for providing more access through expanding physical facilities accounted for

21%



Share (%) of ADP allocation for Education in FY2014 for

- Access
- Quality &
- Equity



this study made a project by project analysis of the education development budgets from 2009-10 to 2013-14. All investment as well as non-investment projects were considered. Projects were classified and tallied against the thematic distribution of the education policy priorities. They were also matched against the sub-themes of policy priorities. The findings reveal that highest development allocation is channeled for projects targeting quality enhancement of the education sector; in 2013-14 fiscal year, 52 per cent of the education budget in the ADP was allocated for this. The second highest budget priority (25 per cent) goes to ensuring equity in education services. 20 per cent of the resources are allocated to provide more access through expanding physical facilities (Table 2). While their respective shares varied over the years, overall order of priority remained the same during the study period. It is to be noted here that a number of projects listed as education projects in the ADP do not appear to be proper education projects and those were omitted from the analysis.

Table 2. Education policy priorities in ADP.

Issues	FY 10	FY 11	FY 12	FY 13	FY 14
Access	23	9	13	14	29
Quality	52	53	30	40	52
Equity	23	27	36	35	25

Source: Authors' calculation based on Annual Development Programme (various years), IMED.

When matched against the sub-themes, it is found that majority of the quality enhancing allocations are there for changing and upgrading the system, particularly on school upgradation. On the other hand, allocation towards teachers training and encouraging science students is least prioritised in terms of resource allocation. Policy target to support education research is another area receiving zero support from the national budget, except in one year with one small project in the recent past (see 'Trends in Education Financing' on page 4). Also, no allocations are found for targeted teachers training towards pre-schooling, alternative teaching methods and establishment of permanent Pay Commission and separate Service Commission for teachers.

As for equity supporting allocations, although those like stipends, meals and other types of financial support are undoubtedly important, data shows that almost 95 per cent of the equity ensuring allocation is spent on such supports, leaving little for other type of equity support allocations. Projects targeting gender equity only hold a share of about 5

Table 3. Quality enhancing projects in ADP.

Issues	FY 10	FY 11	FY 12	FY 13	FY 14
System upgrade	91	87	65	80	91
Education research	0	0	0	0	0
Promote science education	2	2	15	10	1
Teaching method/ teachers' training	7	11	21	10	8

Source: Authors' calculation based on Annual Development Programme (various years), IMED.

per cent in such allocations. Moreover, policy targets to support children with special needs and indigenous/ethnic population received zero allocations during the last few fiscal years through the ADP (see 'Trends in Education Financing' on page 4). No allocations are found for printing books for children with special needs, books in ethnic languages, and teachers development for the education of indigenous students. Initiatives to address "education in emergencies" are also not reflected in the ADP.

Table 4. Quality supporting allocations in ADP.

Issues	FY 10	FY 11	FY 12	FY 13	FY 14
General support	92	94	95	96	96
Children with special need	0	0	0	0	0
Indigenous population	0	0	15	10	1
Gender equity	8	6	5	4	4

Source: Authors' calculation based on Annual Development Programme (various years), IMED.

Allocations to improve general access in the development budget for education, on the other hand, are all given towards building, renovating and expanding physical capacities for providing education. Recruiting more teachers towards this end is not reflected in the development budget, as it is a concern for the revenue budget.

SOME NOTES ON EDUCATION BUDGET FOR FY2013-14

As was noted earlier, budgetary allocations for the education sector have been hovering between 13 per cent and 15 per cent of the total budget. In the national budget for FY2013-14, allocations for the education sector (MoE and MoPME) accounted for 11.3 per cent of the total expenditure (which is 2.1 per cent of the GDP). Hence, despite the fact that allocation for this sector in FY2013-14

is about Tk. 3,685 crore higher than that of FY2012-13, it can hardly be seen as a significant upturn, if at all. A positive sign is that development expenditure for the education sector has increased more than non-development expenditure. However, this could also raise the concern whether allocations for physical expansion of educational facilities are properly supported with allocations for recruiting teachers or not.

Proposed development expenditure for the two ministries in the education sector accounted for 12.7 per cent of the total development budget (ADP). Besides, 13 education related programmes were listed within the social safety net programme. Allocations for these programmes in FY2013-14, though higher than what was originally allocated for them in FY2012-13, has been reduced by 1.7 per cent if compared with the revised budget for FY2012-13. Allocations for “Stipend for Dropout Students” and “Post Literacy Education Project for Human Resource Development” have been completely withdrawn. Budget for “Stipend and Access Increase for Secondary and Higher Secondary Level Students” has faced major cut. Nevertheless, allocations for programmes like stipend for primary students, school feeding programme and reaching out-of-school children have been increased. Overall, equity ensuring projects have lost their share in total ADP allocation for the education budget once again. Only about 11 per cent of the education allocations in the ADP for FY2013-14 is equity focused, which was 26 per cent in the original allocations of FY2012-13.

IMPLEMENTATION OF EDUCATION PROJECTS

ADP shows the slow progression of many projects in the education sector that were supposed to be finished years earlier with very low percentage of actual expenditure.

The reason for such discrepancy in planning and implementation originates from lack of coordination and proper policy guidelines. The planning phase lacks the consideration of available human resources with required skills and technical knowledge (further discussed in the next section). Some projects from the ADP 2013-14 that could barely reach half of its progression in its planned duration are presented in Table 3:

MAJOR OBSTACLES IN IMPLEMENTING EDUCATION PROJECTS

Indeed, the problems of implementation in Bangladesh are not only linked to implementation capacities of the ministries, but they also reflect the practice of planning in

isolation. For example, one education officer is responsible for overseeing too many schools, which is beyond a person's capacity. Providing supervisory authorities with adequate manpower and supporting them with sufficient training has been a missing component that should be a part of the plan to expand education facilities.

IMED identifies a number of issues:

a) Project design failure

- Excessive (unforeseen) increase in building costs
- Expansion of existing building rather than constructing new ones
- Inclusion of new activity according to practical demand in the ongoing project

b) Implementation planning failure

- Project execution started without proper demand forecasting and recurring revision of the project
- Starting the construction works just 10-45 days prior to project deadline

c) Lack of capacities at the field level

- Delay in land acquisition and processing and approval of building design

d) Lack of monitoring/supervisory capacity

- Spending more than the amount
- Unauthorised and unapproved consultant recruitment and spending
- Activity against the financial discipline of the project
- Integrating common activities of two projects together violating the planning discipline
- Using resources as personal property that is not approved

e) Finance constraints

- Insufficient supply of money from the approved budget

f) General administration issues

- Frequent changes in the post of Project Manager hamper project activity flow

In order to remedy the current disconcerting condition in project implementation, above problems identified by the implementing agencies need to be taken more seriously, as we have seen these problems persisted over the years.

CONCLUSION AND RECOMMENDATIONS

An overwhelming share of the education development budget is dedicated towards quality enhancement while only about 20 per cent goes to access expansion. Another

25 per cent is allocated for ensuring equity in education. However, a fairly large part of access enhancing projects are directed towards increasing the number of teachers through new recruitments, and this part of the budget is reflected in revenue expenditures, not in the ADP. As such, overall distribution of education budget, including revenue expenditure, is likely to show higher share of access enhancing projects.

Irrespective of the distributive justifications, it remains a fact that education allocations in general need to be raised in order to meet global standards. At the same time, there are some critical within-theme priorities that are still more or less neglected in the recourse plans. Some of the policy commitments that are not properly reflected in the development resource allocations are:

Pre-school

Regarding the commitment to introduce pre-primary education, it is unclear what steps are being taken. This step will require dedicated teachers, suitable classrooms, special learning materials, etc.

Targeted teachers training

New initiatives such as “creative learning”, alternative teaching method, ending corporal punishment and pre-primary schooling – all requires training of the teachers under new dimensions.

Teachers' salary

To bring meritorious and talented personnel in teaching profession it is necessary to improve quality of education. This will require a good salary structure for teachers, taking in cognizance the present consumer market context. The promise of the current government in establishing

permanent Pay Commission and a separate Service Commission for teachers needs to be realised.

Education research

Education research is essential and must be prioritised in resource plans to provide directions for the sector in its access, quality and equity dimensions.

Material for children with special needs

Learning materials need to be developed for children with special needs.

Teachers from indigenous population

Initiatives are needed for teacher recruitment from indigenous population.

Learning materials in local languages

Development of learning materials in indigenous languages for early ages should be addressed through the development budget.

Whither implementation?

The development budget does not reflect any initiative at all to strengthen implementation of education projects or projects in general. It is clear that progress has been made in achieving policy and resource planning in the education sector towards balancing the three national priorities – ensuring education for all, ensuring quality of education and ensuring equity in education services. However, unless there is a conscious effort to strengthen implementation of these policy and resource plans, undoubtedly, we are likely to end up spending more, in time and money, in achieving our targets than we should – a concern that should be reflected in the national development budget.

Un·dia·logue [uhn-dahy-uh-lawg, -log]
noun

1 Methodical policy advocacy approach that addresses the limitations of traditional dialogues

2 Pre-roundtable “Undialogue Agenda” identifies the development challenges and sets the agenda for discussion; the Roundtable keeps its focus on finding solutions; “Undialogue Notes” records the solutions; and a post-roundtable approach follows-up the implementation.



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