

EDUCATION FINANCING OBSERVATORY ZIMBABWE



Introduction

The Education Financing Observatory (EFO), an initiative coordinated by the Global Campaign for Education (GCE), supports the GCE movement with generating evidence and knowledge to inform policy on education financing, therefore strengthening public education systems and the implementation of Education 2030 Agenda/SDG4.

Drawing on the 4s framework (GCE, 2022), it examines the proportion of the national budget spent on education, the size of the budget, the sensitivity of public expenditure on education, and the education budget's scrutiny. The changes and trends that compound the complexity of public education financing are also considered, including tax justice, debt alleviation and increased privatization in education.

This Policy Brief presents the highlights of the study on Zimbabwe and aims to understand whether and how the government is investing the maximum of resources available to respect, protect and fulfill everyone's right to education. Data sources were mainly the Ministry of Higher and Tertiary Education, Innovation, Science and Technology Development (MoHTEISTD), Ministry of Primary and Secondary Education (MoPSE) and Ministry of Finance and Economic Development and Investment Promotion (MoFEDIP).

Economic national context



The economic crisis in Zimbabwe has had a considerable influence on the education system, resulting in disparities between schools in comparatively less poorer neighborhoods, as well as between urban and rural locations (MoPSE, 2020). In the near to long term, low funding for education in substantial terms, according to ECOZI (2022), will have ramifications for the entire sector, including school infrastructure, the availability of teaching and learning resources, teacher employment and compensation, and the MoPSE's ability to conduct its mandate.

Zimbabwe's economic development continues to be hampered by prices and exchange rate instability, high inflation, multiple currency system, and unsustainable debt levels have increased the cost of production, reduced incentives for productivity-enhancing investment, and encouraged informality. Trade integration has declined, and foreign direct investment (FDI) remains low, limiting the transfer of new technologies and investment in modernizing the economy.

According to ISS Africa (2023) the country owes around US\$17 billion in public debt, the vast majority of which (US\$14 billion) is external debt. Sixty percent of this external debt is arrears or interest incurred by non-payment. The country's currency is in free fall, losing over 90% of its value on the parallel market, and the Reserve Bank of Zimbabwe auction rate plays catch-up daily. Inflation is galloping at over 700% a year, and citizens are poor (Trading Economics, 2023).

Urban vs. Rural
School Disparities

Economic
Challenges

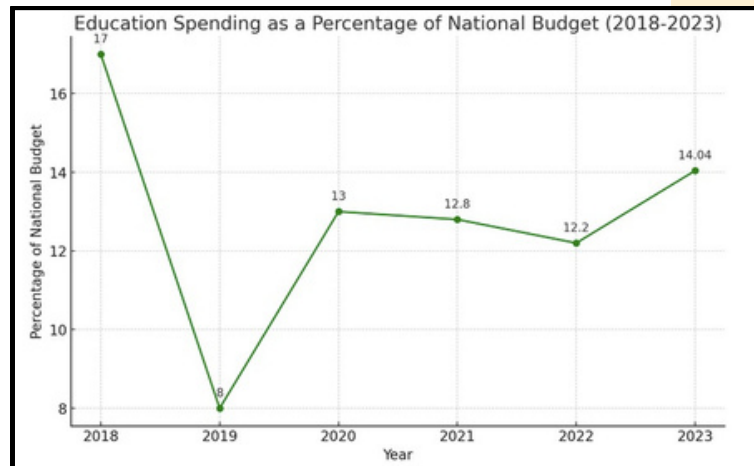
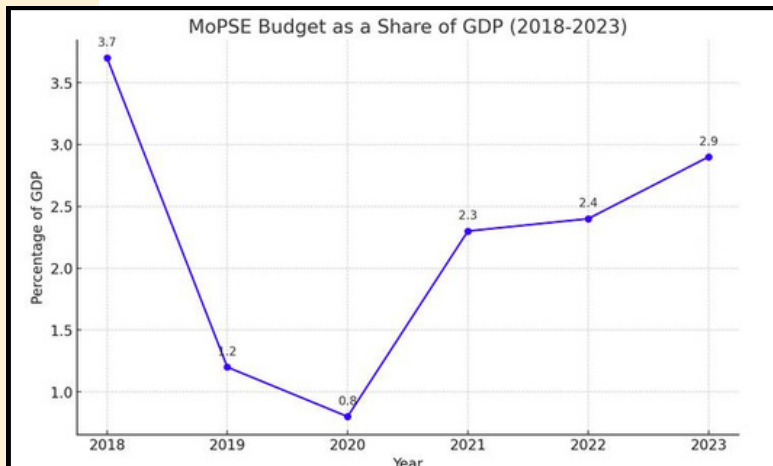
Public Debt and
Inflation

Educational financing overview

The 2020 Education Act as amended introduced basic state-funded education, which is key in guaranteeing free education and determining future levels of public investment into the education sector. Through the 2020 and 2021 budgets, the government has progressively initiated its implementation, targeting schools in communities with high poverty levels particularly in rural areas.

Trends in Education Spending Over the Years

The graphs below highlight the variations in education spending over these years



14.9%

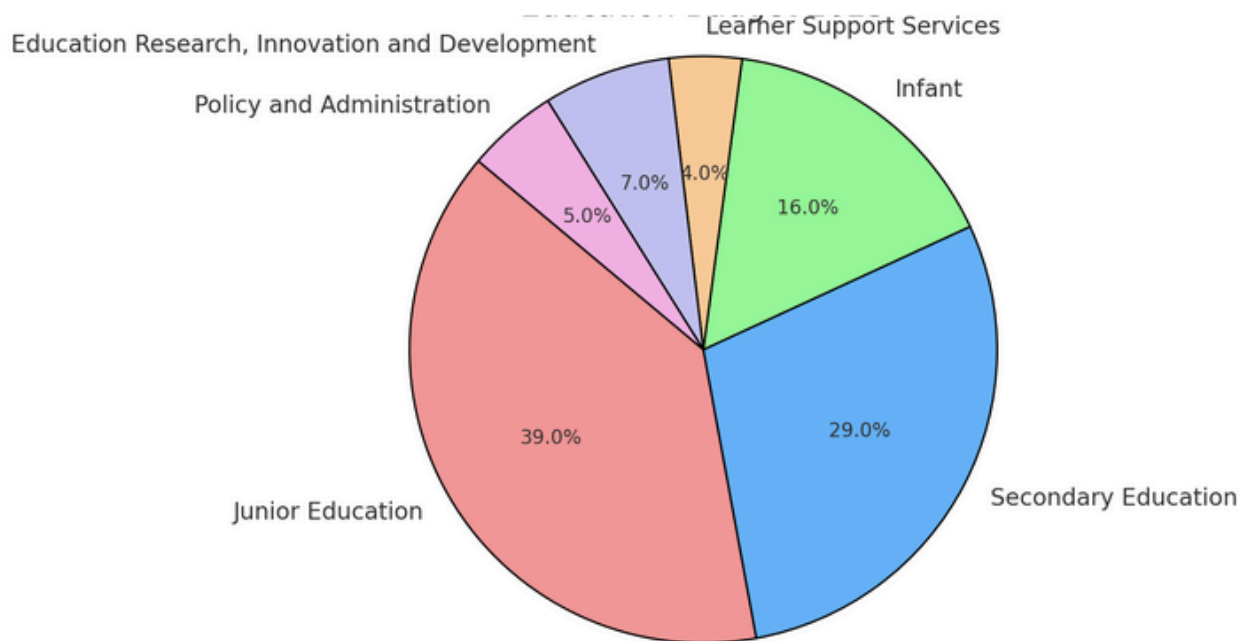
The budget allocation for education in 2023 was 14.9%, which is still below the GPE commitment of 16.5%

While the Constitution (section 27) and the Education Act guarantees the right to education including basic state funded education, there is limited money and a financial management mechanism in place to ensure that this is met. In general, education spending continues to fall short of the internationally approved targets. According to ECOZI (2021), the 2023 MoPSE budget was equivalent to 2.9% of GDP, which is less than the 4-6% Incheon Declaration, while education spending was 14.04% of total budget, which is less than the suggested international benchmark of 15-20%.

The Government of Zimbabwe remains committed to funding education through domestic resources. A commitment was made at the Global Partnership for Education (GPE) Summit in July 2021 to increase primary and secondary education's share of the national budget from 13.6% (2021) to 15% in 2022. The 2022 budget allocation, however, dropped to 12.4% reflecting underfunding of the sector. The one for 2023 at 14.9% falls below the GPE domestic financing commitment of 16.5%. Over the period 2017–2021, domestic resources accounted for an average of 94% of education financing, while 6% came from external sources.

Since 2015, the education budget has shrunk dramatically, hitting a low of US\$137 million in 2019 representing 8% of public expenditure. There is significant awareness of the education sector's deteriorating financial pattern if compared to previous years, yet data shows slight recovery in the past few years.

2023 National Education Budget



The education budget has dramatically decreased since 2015, constituting only 8% of public expenditure

Key highlights

- Overall, there is a need for more allocation of public funds towards the education sector as well as to address disbursement and utilization bottlenecks. While the Constitution (section 27) and the Education Act (Amendment No. 15) guarantees the right to education including basic state funded education, there is limited money and a financial management mechanism in place to ensure that this is met.
- Education Financing is hampered by significant macroeconomic challenges remitted by debt repayments, corruption and red tape that affects availability and efficiency in management of resources allocated to the sector. Hyperinflationary environment and currency rate depreciation can deplete the MoPSE budget severely, as it was the case in previous years and particularly in 2020, necessitating a major modification of budget lines, particularly wages and salaries.

Key highlights contd...

- Employment costs accounted for the greatest share at 83%. This is even though teachers who form the biggest component of the civil service are underpaid. Teachers face low pay and deteriorating conditions, affecting the status of the profession.
- The lack of available funding violates the principle of free education: parents contribute up to 96% of the non-salary education costs at school level raising equity issues (Holistic Think Tanks on Conditions for the education systems in Zimbabwe –April 15, 2022).
- Investment in the sector is largely limited by inadequacies in public finance management, particularly related to delays and disparities between what is allocated to MoPSE and what gets disbursed by the Treasury. This was attributed to a lengthy and bureaucratic procurement process. Additionally, there is low utilization of funds by the MoPSE thus leading to underservicing beneficiaries.
- Whilst the country implements laws and policies aiming to guarantee gender equality in the education sector, there is a general lack of elaborate and efficient frameworks for school financing promotion of gender parity in education. Nonetheless, good progress has been made in allocations – it is possible to note specific budget vote heads and programmes that seek to address issues that limit gender equity in education: (i) delivering free primary and secondary education, (ii) re-entry policies for learners who previously dropped out of school due to pregnancies, (iii) provision of free sanitary pads and other menstrual hygiene commodities, (iv) capacity building of training of teachers to be more gender-responsive, (v) nutrition and school feeding programmes to keep children in school, (vi) improving WASH, and (vii) programmes addressing gender based violence. Due to data limitations, especially lack of sufficient disaggregation of data and limited comparability – determining the size of proportion of budget that goes to gender remains a challenge.
- Though still limited, there are notable resource allocations targeting learners with disability in the budget. The general observation when assessing responsiveness of the education sector to disability inclusion is that frameworks for monitoring and evaluation and maintaining robust data for monitoring learning outcomes for disabled learners remain largely underdeveloped. Moreover, there is a lack of specific guidelines on budgeting for learners with disabilities. Specifications that warrant and guide the process of allocation of funds e.g., number of learners with specific type of disability, requirements for modification of school equipment to be responsive to learners with disability among other considerations are unavailable.

Recommendations

Based on the findings and particularly on the international commitments ratified by the country, the following points below are highly recommended:

Increase prioritization of education at national level, reaching the international benchmark of at least 4-6% of the GDP and at least 15-20% of the public budget to education. There needs to be sufficient public resources available to guarantee free, quality and inclusive education for all, from early childhood to adult education.

Increase the availability of domestic resources for education through fairer taxation. By ensuring fair and equitable tax systems, the country can mobilize the public resources needed to invest in public education and other essential public services.

Ensure available resources are efficiently managed and utilized. This will be possible with more rigorous reviews of sector policies and regular updates of plans to generate current information for the sector to keep up with emerging issues and trends.

Build stronger and accurate school financing management systems and accountability. Avail transparent information on plans, resource allocation and expenditures. Data must be fully available, in a transparent and accessible manner, including disaggregated statistics on gender and students with disabilities.

Encourage relevant education sector ministries, departments, and agencies at national level to strengthen management information systems to facilitate regular gathering of data on sector outcomes to inform policy and resource allocation.

Ensure civil society participation in the education planning, budget allocation and management processes. Programmes may not align with the real needs of youth today because of misplaced priorities.
