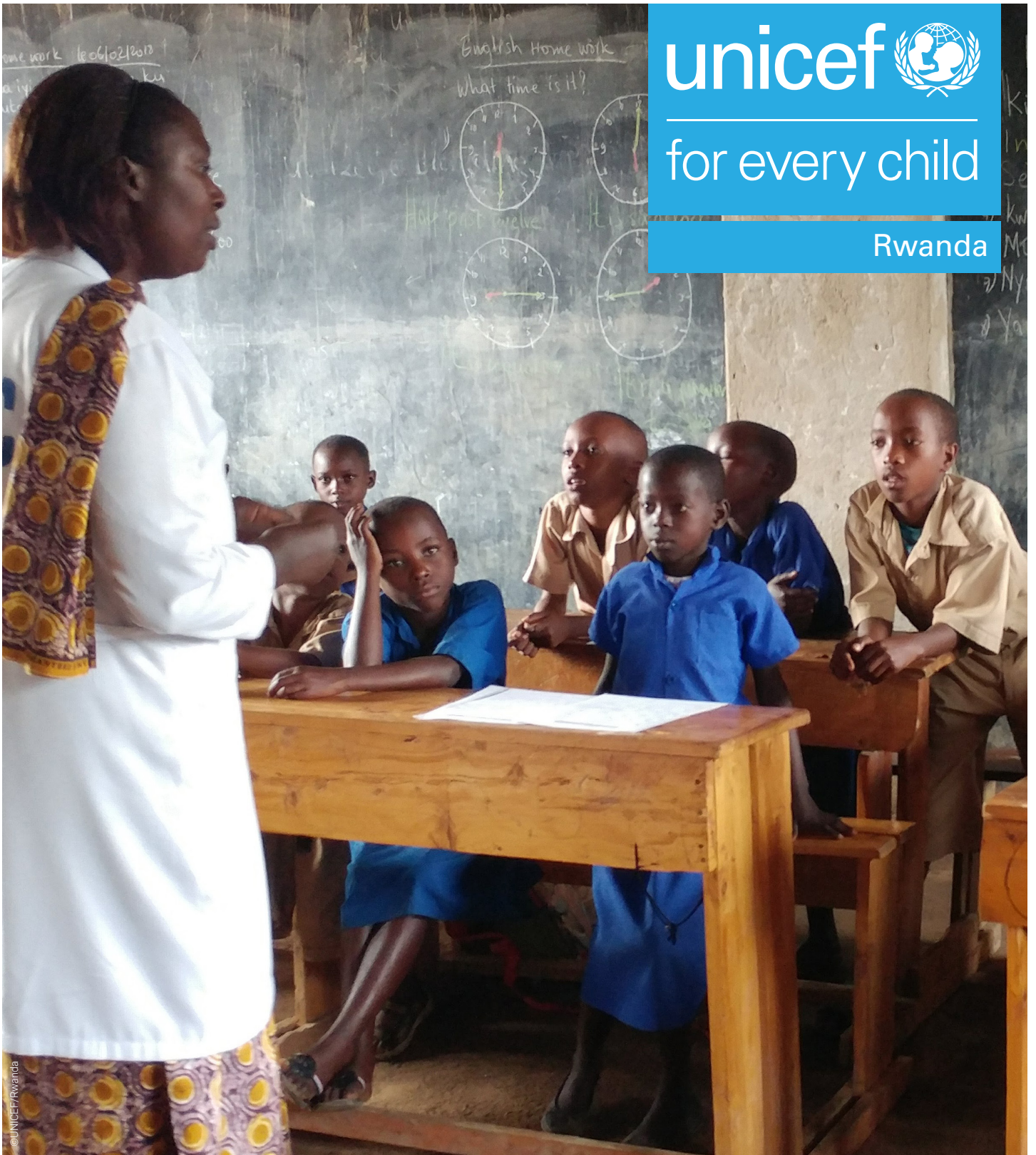


unicef 
for every child

Rwanda



Education Budget Brief

Investing in Children's Education in Rwanda
2023/24

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 2023/24, as well as the adequacy of past spending. It aims to synthesise complex budget information and offers recommendations to strengthen public investments in children. Financial data used in this analysis are drawn from the Law n° 030/2023 of 30/06/2023 on State finances for the 2023/2024 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

In the Fiscal Year 2023/24, the Government of Rwanda has demonstrated a significant commitment to the education sector by increasing budget allocations for the education sector from FRW 675.0 billion in the 2022/23 revised budget to FRW 786.9 billion in 2023/24, making a notable increase of 16.5 per cent. A large share (57.0 per cent) of the budget for education is also allocated to pre-primary and primary programmes. Current budget data within the legislation lack the necessary detailed breakdown between pre-primary and primary levels of education.

- There is a need to establish a distinct budget programme dedicated to pre-primary education within the legislative framework. Simultaneously, the government and relevant stakeholders need to increase investments to ensure universal access to high-quality early childhood education for every 5-year-old child through both formal pre-schools and innovative approaches such as the early childhood development centres.

Most education programmes recorded a positive budget change in the 2023/24 fiscal years. For instance, the budget for technical and vocational training education and standards increased to FRW 54.1 billion in 2023/24, up from FRW 48.9 billion, while the budget for teachers' development increased from FRW 7.5 billion to FRW 10 billion in the same period.

- However, there is a compelling need for further investments to enhance foundational teaching and learning. These investments would help to build the capacity of teachers as a core strategy for addressing dropout and repetition for accelerated transition to secondary education. Similarly, it is crucial to develop a national market-driven apprenticeship system to build a critical mass of Rwandans with TVET (Technical and Vocational Education and Training) and specialised skills matching the national labour demand.



1. Introduction

1.1. 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) decentralised entities (districts and the City of Kigali). For the past decade, Rwanda's education sector has seen developments across all education levels.

The latest statistics provided by the MINEDUC indicate that in 2021/22, a total of 4,159,782 children and young people accessed education at different levels. By gender, 2,050,664 were male learners, representing 49.3 per cent, while 2,109,118 were female learners, representing 50.7 per cent. By education levels, 355,325 were in pre-primary education, 2,742,551 in primary schools, while in secondary education level, total learners were 739,585¹.

Table 1: Students Population Trends (2018-2021/22)

Source: Ministry of Education, Annual Statistical Yearbooks

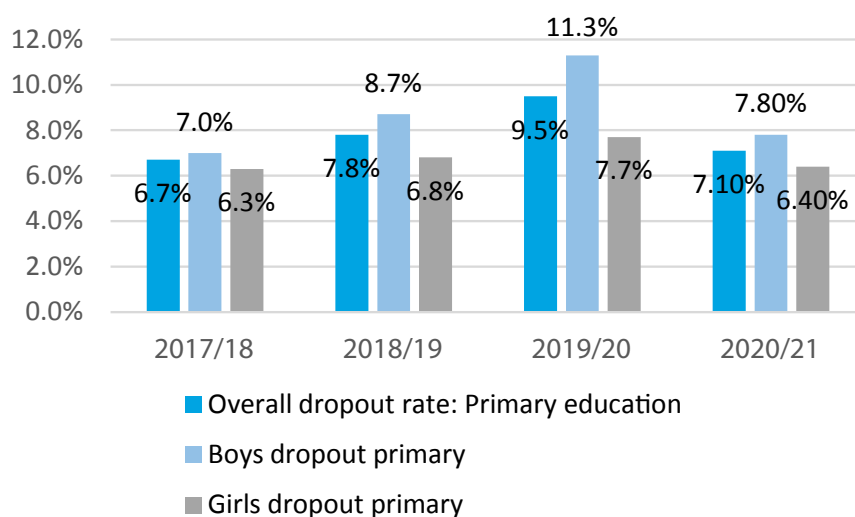
Indicator/Year	2018	2019	2020/21	2021/22
Total learners	3,626,362	3,756,942	4,033,046	4,159,782
of Pre-primary education	233,197	289,118	297,021	355,325
of Primary education	2,503,705	2,512,465	2,729,116	2,742,551
of Secondary education	658,285	732,104	782,846	739,585

Compared to 2019/20 data, the overall primary school dropout rate has reduced from 9.5 per cent to 7.1 per cent in 2020/21 academic year. The analysis by gender shows a higher dropout rate among boys (7.8 per cent) compared with girls (6.4 per

cent). However, it's worth noting that boys' dropout rate in primary education reduced by around three per cent between 2019/20 - 2020/21 (**Figure 1**).

Figure 1: School Dropout Rates in Primary Education

Source: Ministry of Education, Annual Statistical Yearbooks



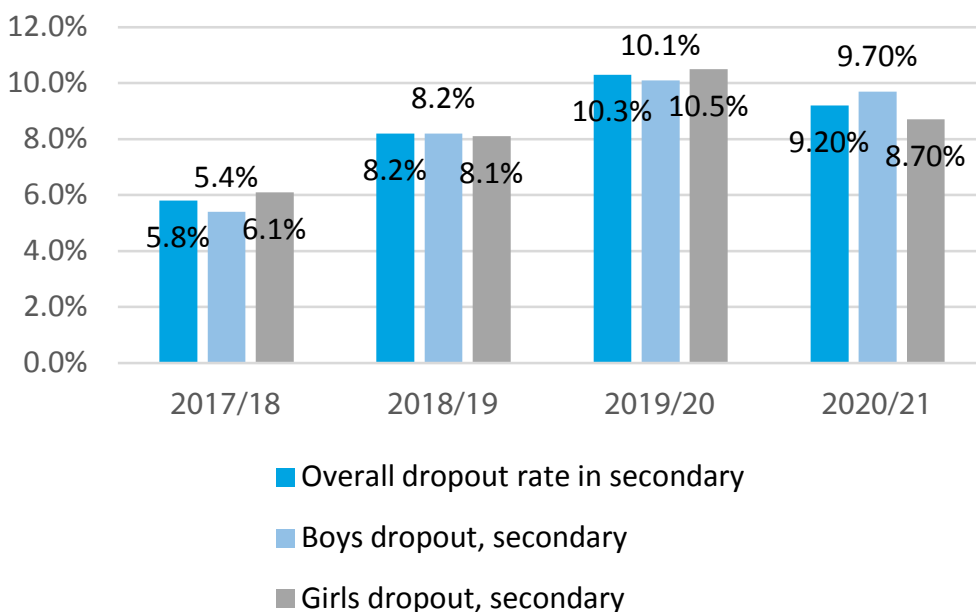
¹MINEDUC, 2023

An analysis conducted by UNICEF in collaboration with MINEDUC in 2022, shows that a student that drops out before completing primary school will be likely to lose RWF 6.1M (~US\$ 6.2K) in lifetime earnings compared to workers with complete basic education. At secondary education level, the dropout rate remains high at around 10 per cent. There is no significant reduction when compared with 2019/20 data on

school dropouts. The distribution of the secondary school dropout by gender shows that 9.7 per cent of boys and 8.7 per cent of girls in secondary education dropped out in 2020/21 academic year (Figure 2).

Figure 2: School Dropout Rates in Secondary Education

Source: Ministry of Education, Annual Statistical Yearbooks



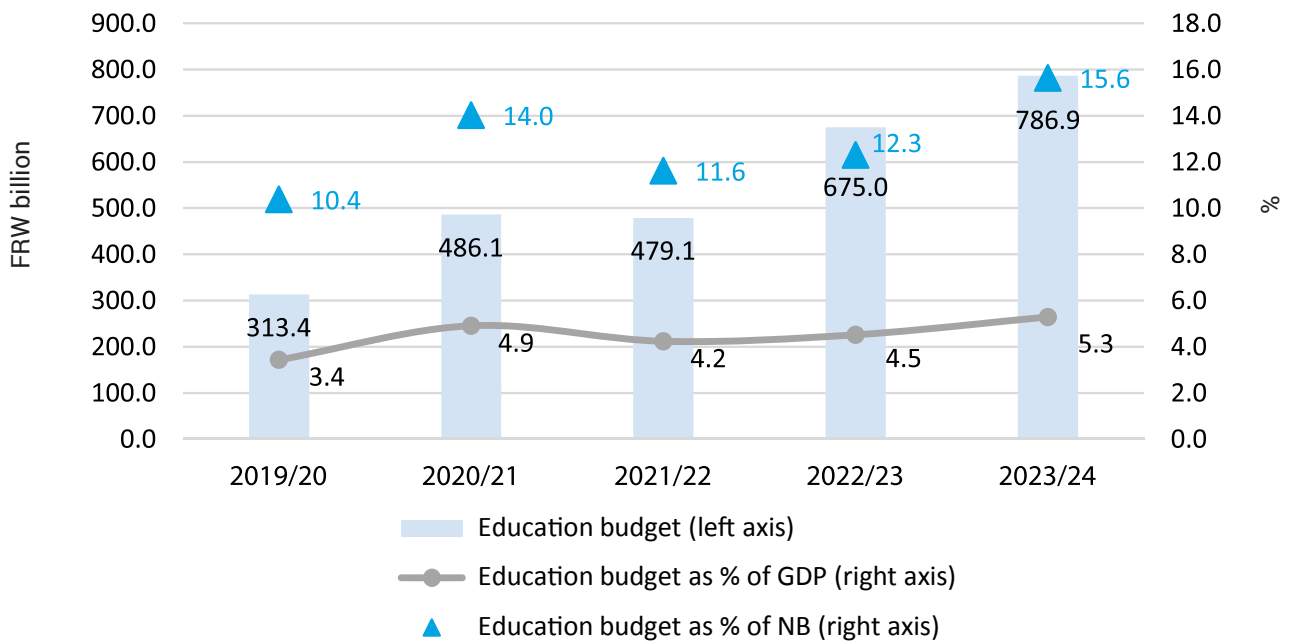
2. Trends of Budget Allocation to the Education Sector

The Government of Rwanda has increased budget allocations for the education sector from FRW 675.0 billion in the 2022/23 revised budget to FRW 786.9 billion in 2023/24. This translates into an increase of 15.6 per cent and reflects a continued commitment by the government to strengthen human capital development through education and skills development.

The education budget as a share of the national budget has also increased from 12.3 per cent in 2022/23 to 15.6 per cent in 2023/24, while the education budget as a share of GDP accounts for 5.6 per cent, up from 4.5 per cent in 2022/23 (Figure 3).

Figure 3: The Education Budget (FRW billion) and as a % of the Total Budget and GDP

Source: Calculated using State Finance Laws and Macro-Framework Data



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.

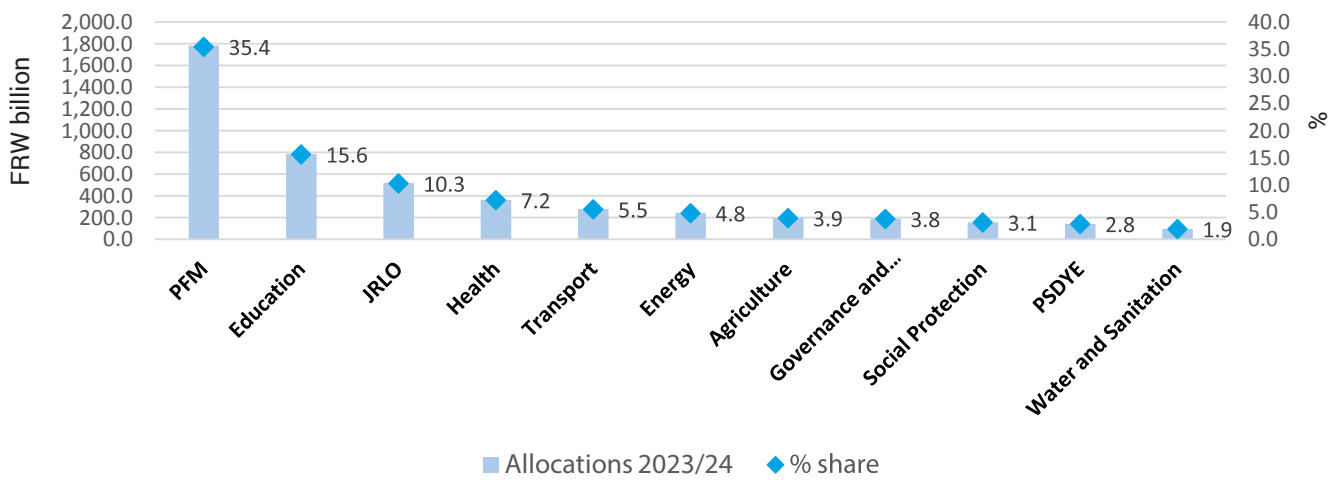
2.1. The Education Sector Budget Allocation among Other NST1 Sectors

Across NST1 sectors, the education sector ranks second among NST1 priority sectors, receiving 15.6 per cent of the total national budget in 2023/24, after 35.4 per cent allocated to the PFM sector. The PFM sector budget covers allocations for executive offices, legislative organs, financial and fiscal affairs, external affairs and net lending. The third largest sector

in terms of budget allocations is Justice Reconciliation, Laws, and Order (JRLO) with 10.3 per cent, followed by the Health Sector which receives 7.2 per cent of the total national budget (Figure 4).

Figure 4: Budget Allocations by NST1 Sectors in FRW billion and as a % of National Budget

Source: Calculated using State Finance Laws



3. Education Budget Changes

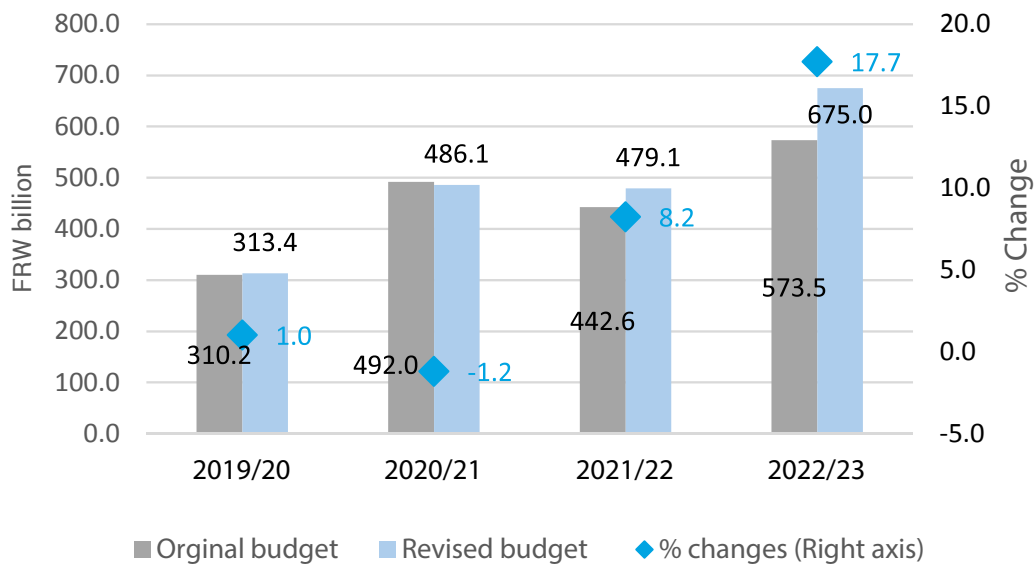
3.1. Initial and Revised Education Sector Budget Trends

The education sector budget has been revised upwards for the past two years. In 2022/23 the budget increased from FRW 573.5 billion in the original budget to FRW 675.0 billion in the revised budget, reflecting an increase of 17.7 per cent.

The upward mid-year budget revision was mainly driven by the increase of teachers' salaries in basic education and the additional government contributions to the national school feeding programme (Figure 5).

Figure 5: Trends Budget Revision (FRW billion and % change)

Source: Calculated using State Finance Laws



4. Composition of the Education Sector Spending

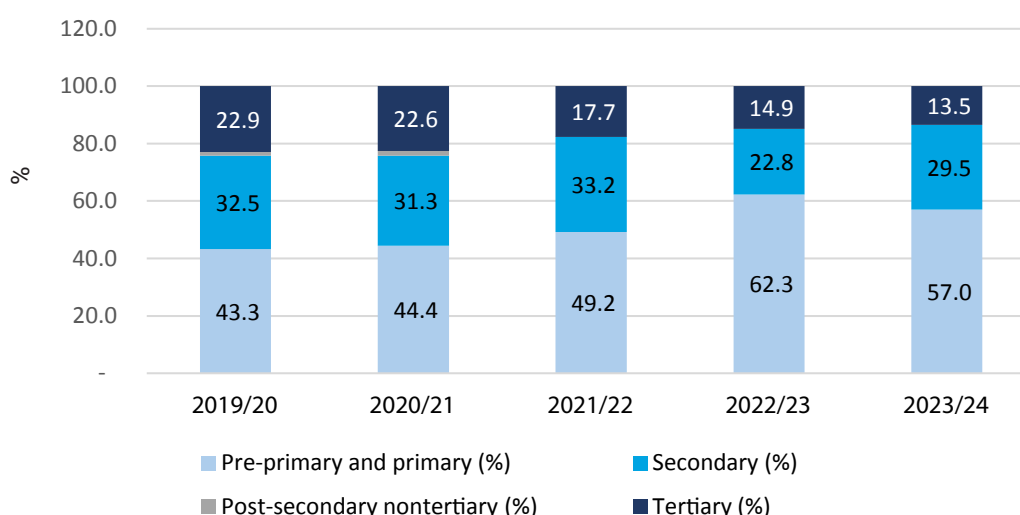
4.1. Budget Trends by Education Levels

More budget is allocated to pre-primary and primary education levels compared to other levels. In 2023/24, the pre-primary and primary budget as a share of the total education sector accounts for 57.0 per cent, secondary education at 29.5 per cent (up from 22.8 per cent), and tertiary education level at 13.5 per cent (Figure 6). However, despite a reduction in percentage of the budget allocations for pre-primary and primary level,

in nominal terms, the budget allocation for pre-primary and primary education increased from FRW 349.3 in 2022/23 to FRW 364.0 billion in 2023/24. The budget increase is largely explained by the increase in teachers across pre-primary, primary, and secondary education levels, additional funding for the school feeding programme and teacher salaries.

Figure 6: Share of Allocated Budget by Education Levels*

Source: Calculated using State Finance Laws



In August 2022, the Government of Rwanda took a decision to increase teachers' salaries as follows:

- 88 per cent increase in net starting salary (or 50,849 FRW) for a teacher recruited and paid on the basis of an A2 certificate (total of 68,207 teachers).
- 40 per cent increase in net starting salary (or 54,916 FRW) for a teacher recruited and paid on the basis of an A1 diploma (total of 12,214 teachers).
- 40 per cent increase in net starting salary (or 70,195 FRW) for a teacher recruited and paid on the basis of an A0 degree (total of 17,547 teachers).

*Excluding the budget allocate under education programme non classified by levels and other subsidiary services to education

4.2. Budget Allocations for Key Education Programmes

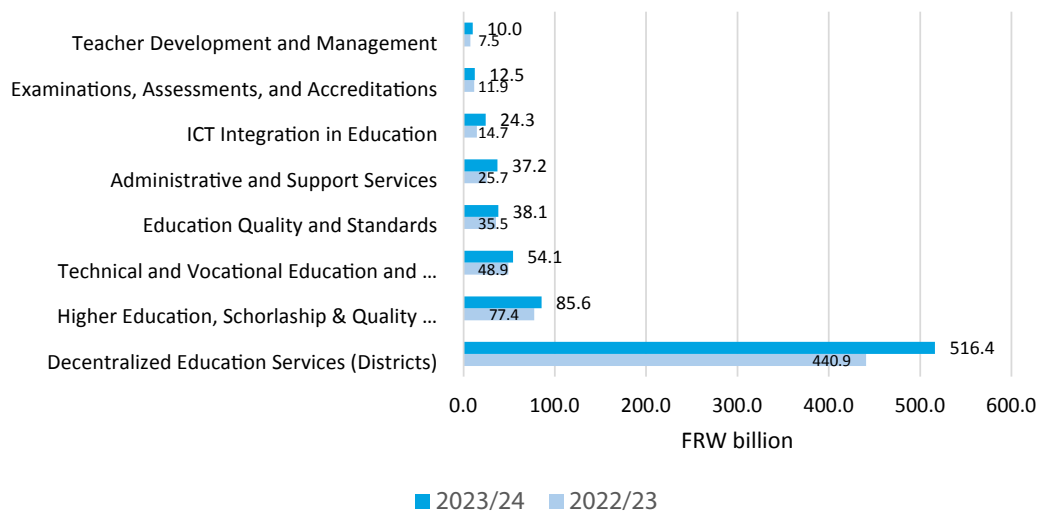
Most education programmes recorded a positive budget change in 2023/24 FY. The allocations for decentralised entities, or districts, increased to FRW 516.4 billion up from FRW 440.9 billion in the 2022/23 revised budget. The Higher Education Programme (which includes quality assurance and higher learning education programme, scholarships, and quality development) was allocated FRW 85.6 billion in 2023/24 up from FRW 77.4 billion in 2022/23. The budget for technical and vocational training education and standards increased to FRW 54.1 billion in 2023/24 up from FRW 48.9 billion. The budget for ICT (Information and Communication

Technologies) integration in education increased to FRW 24.3 billion up from FRW 14.7 billion in the previous year.

The budget increase across all key programmes is a strong indication that the government is committed to strengthening the quality of education holistically (**Figure 7**). However, there is a need to implement measures of budget efficiency improvement in order to maximise gains from the budget use. This includes, among others, reducing repetitions and drop-outs in basic education.

Figure 7: Education Budget Allocations (FRW billion) for Quality Enhancing Programmes

Source: Calculated using State Finance Laws



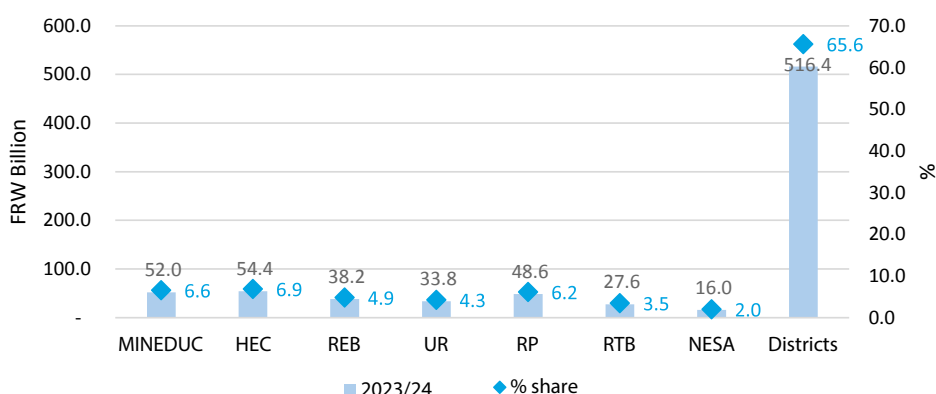
4.3. Education Budget Allocation by Spending Institutions

A significant portion of education sector resources are transferred to districts (decentralised entities). In 2023/24, the districts earmarked sector transfers for education to reach a total of FRW 516.4 billion, representing 65.6 per cent of the total education sector budget. This emphasises the role of decentralised entities in the promotion of access and quality

education in Rwanda. The allocations for Higher Education Council (HEC) amounts to FRW 54.4 billion (6.9 per cent), FRW 52.0 billion (6.6 per cent) for MINEDUC, RWF 38.2 billion (4.9 per cent) for the Rwanda Basic Education Board (REB), and FRW 48.6 billion (6.2 per cent) for the Rwanda Polytechnic is allocated FRW 48.6 billion (6.2 per cent) (**Figure 8**).

Figure 8: Budget allocations by spending agency

Source: Calculated using State Finance Laws

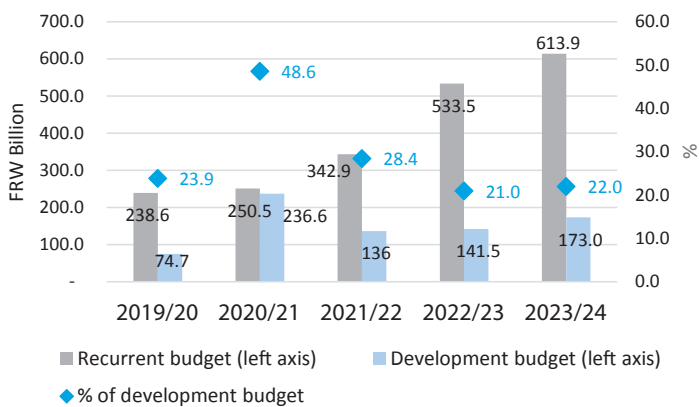


4.4. The Education Sector Budget by Recurrent and Capital Expenditure Categories

Most of the Education Sector budget is allocated to recurrent spending to cover salaries and other fixed expenditure needed to run schools, including feeding. The recurrent budget increased to FRW 613.9 billion in 2023/24, up from FRW 533.5 billion in 2022/23. The rise in the recurrent budget is attributed to the need for more resources to cover wages, salary increases, the recruitment of teachers for pre-primary, primary and secondary education levels. The development budget also increased from FRW 141.5 billion in 2022/23 to FRW 173 billion in 2023/24. The development budget as a share of the total education budget shows a slight increase from 21 per cent in the 2022/23 revised budget to 22 per cent in 2023/24 (Figure 9).

Figure 9: Education Recurrent vs. Development Categories

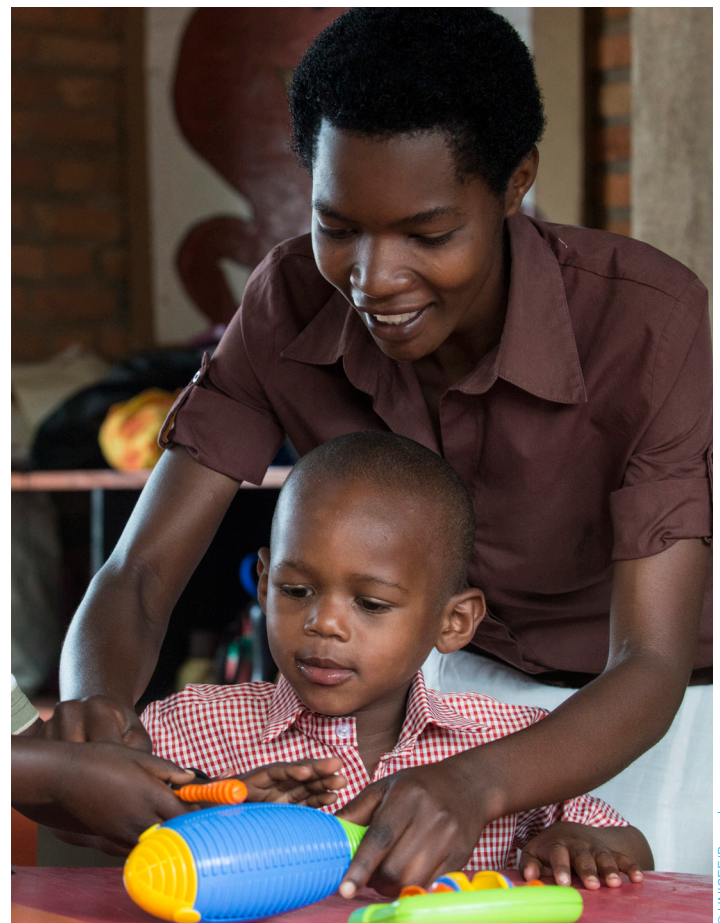
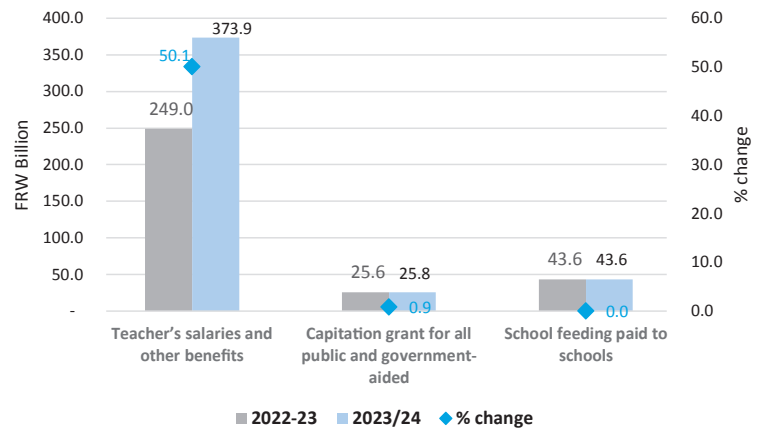
Source: Calculated using State Finance Laws



The review of earmarked transfer guidelines shows that the budget for teachers' salaries has increased by 36.1 per cent from FRW 249 billion in 2022/23 to FRW 373.9 billion in 2023/24. However, allocations for school feeding (FRW 43.6 billion) and the capitation grant for all public schools and government aided schools (FRW 26 billion) remained constant during the same period (Figure 10). There is a need to increase budget allocations for capitation grants and the school feeding programme to reflect predicted increases in numbers of students including repeaters, and teachers benefiting from these sub-programmes in the 2023/24 academic year.

Figure 10: Budget Trends for Teachers' Salaries, Capitation Grant, School Feeding.

Source: Calculated using Earmarked Transfers Guidelines



5. Decentralisation and Education Spending

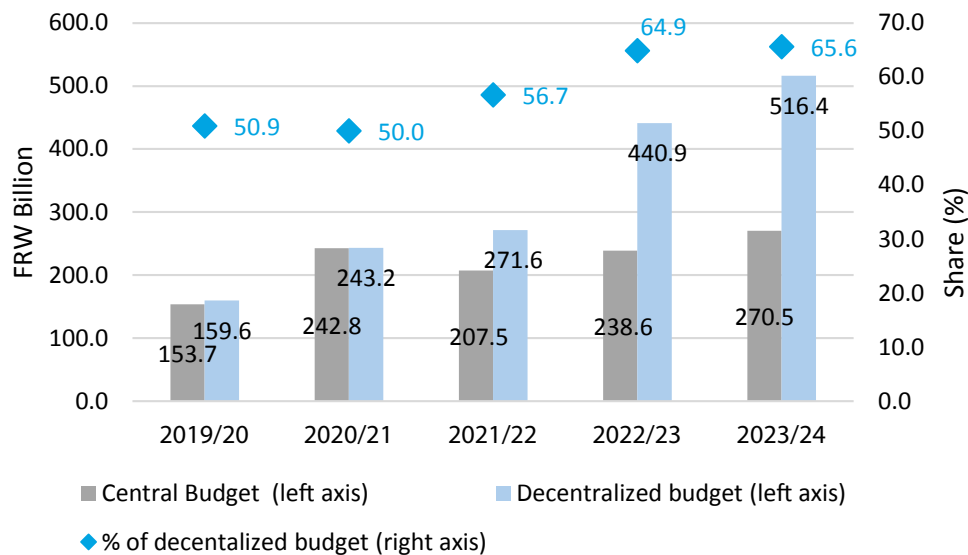
As discussed in the previous section, the education sector is the most decentralised sector in Rwanda.

Education service delivery at a decentralised level is monitored by MINEDUC in collaboration with the Ministry of Local Government (MINALOC). In 2023/24, the share of the total education sector budget allocated to decentralised entities hovered around 65 per cent. However, in nominal terms, the budget allocated to districts for education services amounts

to FRW 516.4 billion compared to FRW 440.9 billion allocated in 2022/23 (Figure 11). 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 pre-primary, primary, and secondary education levels, and national roll-out of the school feeding programme.

Figure 11: Budget Allocations by Centralized vs. Decentralized Institutions

Source: Calculated using State Finance Laws

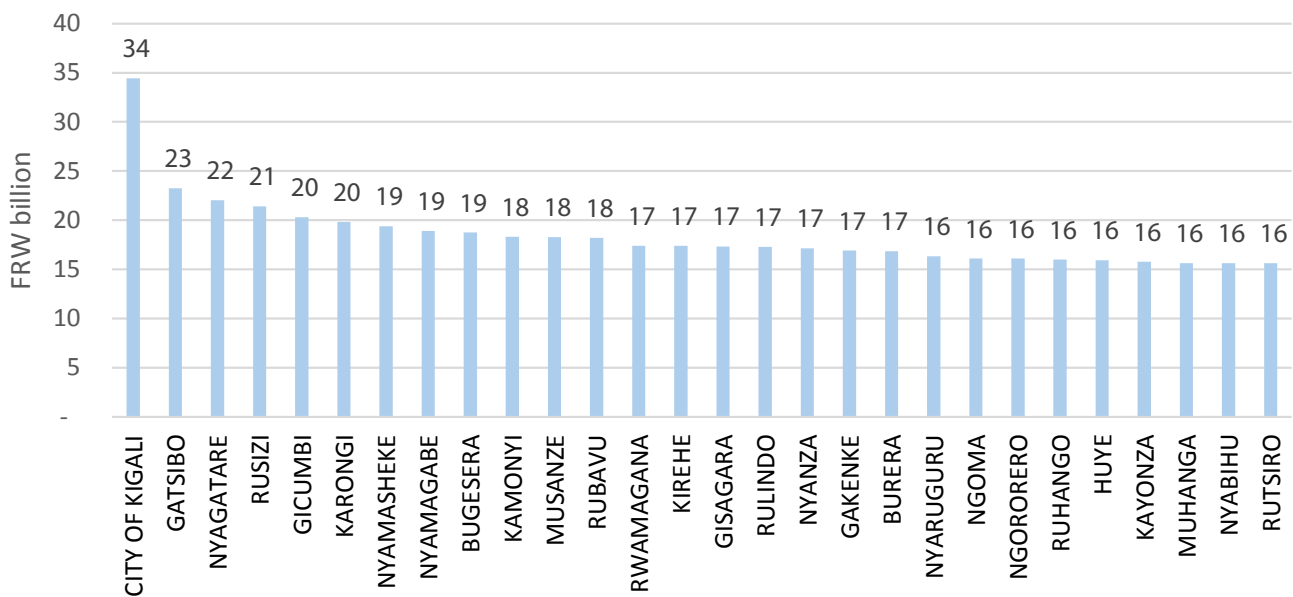


To ensure geographical equity in education budget allocations at district level, the government uses an output-based formula driven primarily by the student population number, as well as the number of teachers and schools. On this basis, each district is allocated a budget for education depending on the number of teachers, students, and national examination sites, which

contribute to a relatively equitable distribution of education budget at district level (Figure 12). However, there is a need to establish a mechanism to monitor equitable spending of the education budget by targeting children from low-income households, and other vulnerable populations to ensure that the needs of all children are taken into consideration.

Figure 12: Distribution of Education Budget per District (2023/4)

Source: Calculated using State Finance Laws

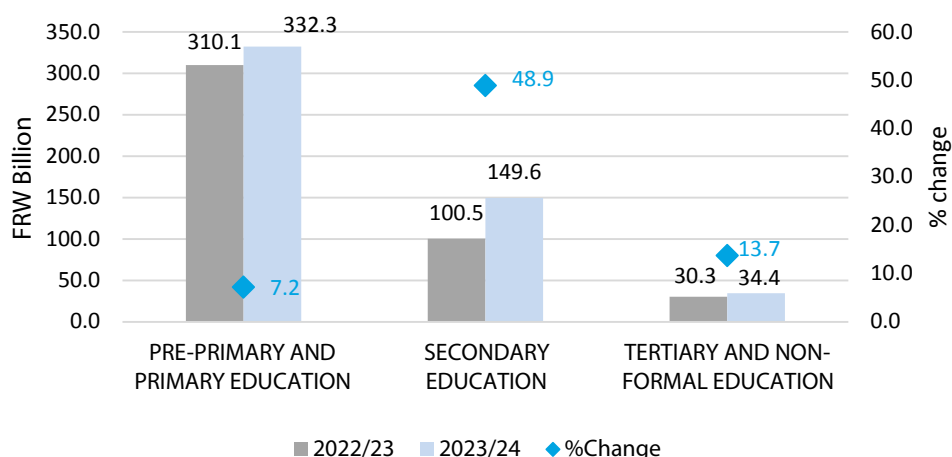


Further analysis shows that a large portion of the decentralised budget for education is allocated to pre-primary and primary education level (combined), followed by secondary education, and tertiary education. In 2023/24, the pre-primary and primary education sub-programme at local level was allocated FRW 332.3 billion up from FRW 310.1 billion in 2022/23, reflecting

a budget increase of 7.2 per cent. Additionally, the secondary education sub-programme was allocated FRW 149.6 billion up from FRW 100.5 billion in 2022/23, reflecting an increase of 49 per cent (Figure 13).

Figure 13: Decentralized Budget Allocations by Education Level

Source: Calculated using State Finance Laws



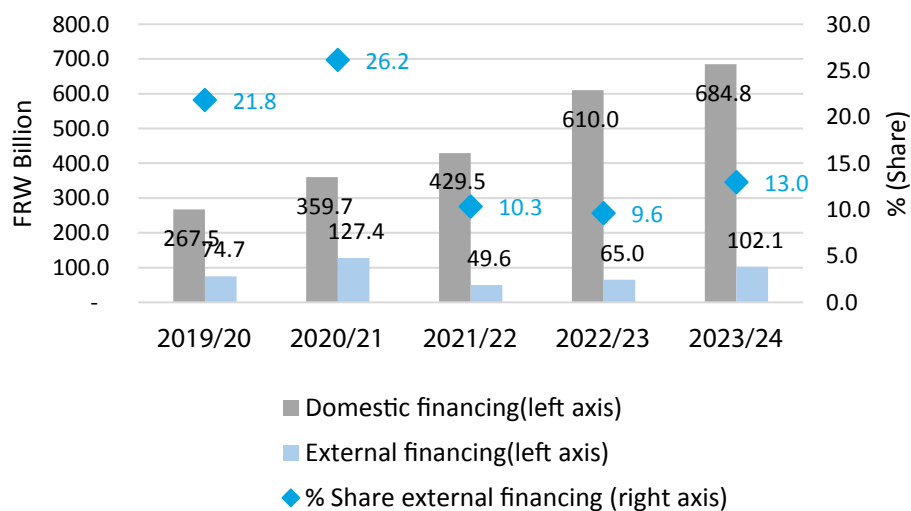
6. Financing of the Education Sector

The education sector is mainly funded through domestic resources (including budget support commitments reflected under the domestic budget). In 2023/24, the domestic resources allocated to education amounts to FRW 684.8 billion, up from FRW 610 billion in the 2022/23 revised budget. The external resources increased from FRW 65.0 billion in 2022/23 revised budget to FRW 102.1 billion in 2023/24. As a share of the total

education budget, externally mobilised resources rebounded to 13 per cent from a declining trend recorded during previous years, mainly in 2021/22 and 2022/23 FY (Figure 14). The increase of external resources for the education sector can be explained by increased commitments from development partners to support the sector and the external loans by the Government of Rwanda allocated to the education projects.

Figure 14: Financing Sources of the Education Sector Budget

Source: Calculated using National Budget Laws



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), EU, GIZ, French Development Cooperation 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 tested with private sector partners to expand internet connectivity in school under the GIGA initiative.

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

United Nations Children's Fund
Ebenezer House
KG 7 Ave # 51
Kacyiru
Kigali, Rwanda

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