REPORT OF THE INDEPENDENT TECHNICAL ADVISORY PANEL (ITAP)

ASSESSMENT OF ENABLING FACTORS[1]

PAKISTAN SINDH | JULY 25, 2023

Background

In line with the GPE 2025 operating model, the government and partners have analyzed progress in the four enabling factor areas for system transformation. The *Contextualized Enabling Factors Analysis* completed by the local education group and supporting documentation were shared with the ITAP, tasked by the Board with providing an assessment of status against the enabling factors.

The ITAP assessment seeks to contribute to policy dialogue on the partnership compact. The ITAP considers the extent to which challenges in enabling factor areas act as bottlenecks to education system transformation goals. Based on this assessment, it classifies each area as a low, medium, or high priority for action. A designation of high indicates that identified challenges may act as significant bottlenecks to transformation goals.

The ITAP report is shared with the government and partners to collectively review for any major factual errors that may have affected the ITAP assessment.

The ITAP report is ultimately shared with the Board and feeds into Board decision-making on the system transformation grant allocation, with special attention given to how challenges in the high priority enabling factors are resolved in the partnership compact.

[1] The ITAP operates as an independent advisory body to the GPE Board. The views expressed in this report are solely those of the ITAP country panel. Where ITAP reports lists any suggestions on how to address gaps identified, these should be regarded as illustrative only and there is no expectation from ITAP or GPE that countries follow these specific actions. ITAP country panel members for this report: Desmond Bermingham (Chair), Ruth Naylor, Tulashi Thapaliya, Hafedh Zaafrane.

Part A: Main Panel Conclusions

Data and Evidence

The Government of Sindh Province School Education and Literacy Department's (SELD) administrative data collection and management systems for government schools provide it with detailed, timely information for monitoring and planning of education inputs. Learning outcome data are available through a range of sources and are conducted alongside surveys that generate a broad range of data and evidence on factors influencing education access and quality.

Lack of administrative data on enrolment in non-government schools is a major gap. This limits SELD's capacity to monitor this part of the sector. It also limits capacity to monitor overall levels of access to education and equity. Lack of data on the age of students is a further limitation. Various household surveys generate data on enrolment rates, but these can be several years out of date. The ITAP concurs with the country's self-analysis of this enabling factor as a **MEDIUM priority.**

Gender-Responsive Planning, Policy and Monitoring

Sindh has a relatively established policy and planning system and the School Education Sector Plan and Roadmap (SESP & R, 2019-2024) is founded on evidence from the Education Sector Analysis and formulated through a participatory process.

The Sindh Right of Children to Free and Compulsory Education Act, 2013 has been enacted by the Provincial Assembly of Sindh to realize Article 25-A of the Constitution of Pakistan. The Plan has acknowledged the human rights frameworks and recognized gender disparities and other disparities associated with the education of children with disabilities, and the education of rural and poor children and is sensitive to these equity concerns. However, considering the huge out-of-school population, big disparities in participation and achievement based on gender and location (rural), and the lack of disaggregated data, there is a big challenge to realize the rights as enshrined in the human rights instruments. Further, the monitoring system has not adequately targeted gender equality objectives.

There is a functional policy and planning system. But the insufficiency of the provisions and capacity gap in planning and implementation at the province and district levels may inhibit the realization of the right to education for a huge group of children and youths in the stipulated time. Hence, the ITAP differs with the Local Education Group rating and rates the enabling factor as **MEDIUM Priority**.

Sector Coordination

Inclusive Sector Dialogue and Coordinated Action:

Sindh has well-established and extensive sector coordination mechanisms at the provincial and the district level. The Local Education Group (LEG) is chaired by the SELD Secretary and is broadly inclusive with representatives from SELD, the regions and other government departments including Finance, Planning and Development, and the Department for the Empowerment of Persons with Disabilities. Teacher unions and private providers of education do not appear to be represented, although the SELD Director of General Private Schools is listed as a member. An independent evaluation found that the LEG contributed to a more participatory and inclusive dialogue on education priorities. However, the Joint Sector Review noted challenges with capacity, in particular relating to financial management and planning at the provincial and district level and the LEG self-analysis notes a lack of effectiveness and problem-solving in the technical working groups. Considering these challenges, the ITAP agrees with the LEG and assesses this enabling factor as a **MEDIUM priority.**

Coordinated Financing and Funding:

Total external financing commitments for the education sector in Sindh was estimated at around US$336M over the period 2020 – 2026 with the main external funders being the World Bank, GPE, the Asia Development Bank and the EU. The majority of external funding programmes is aligned with the SESP&R. None of the development partners are currently providing budget support, although the World Bank has previously provided performance-based funding with payments to the provincial treasury on achievement of key policy indicators. The LEG makes a number of strong commitments to ensuring more effective use of aid to the education sector, including improving aid coordination; building capacity at the provincial and district level; and improving the availability of data on financing. However, the self-analysis notes the challenges with capacity, particularly at the local level. Given the capacity and data gaps identified by the LEG and the under-utilization of existing systems to coordinate financing and funding for the education sector, the ITAP agrees with the LEG assessment of this enabling factor as a **MEDIUM priority.**

Volume, Efficiency and Equity of Domestic Financing

The ITAP notes that Sindh devotes a significant part of its resources to the financing of education, a share that exceeds the average of the other provinces of the country (23.4 percent against 20.2 percent). Given this positioning in relation to other provinces in the country, the commitment of the authorities to maintain the share of education at more than 20 percent and the level reached of the education budget in the current expenditure

of the 2023 budget (nearly 30 percent), ITAP considers that the volume of education expenditure criteria is verified in the case of Sindh.

Education spending in Sindh is inequitable, particularly with regard to gender equity, regional distribution of resources and social equity. Gender, regional and social disparities are considerable. Girls are in the minority at the different levels of education, the Karachi Division is favored over the other regions of the province and children from the poorest families are almost excluded from the system. The performance of the education system in the province of Sindh is among the weakest in the country and has seen a decline between 2015 and 2020.

The ITAP also notes that although the public resources allocated to education may be considered adequate in terms of volume, they remain inequitable and inefficient. That being said, the ITAP's view was public spending does not reinforce existing inequalities, but rather tries to reduce them. There is also stability over the medium term of a very appreciable public effort reaching 30% of current government expenditure devoted to the education sector. For this reason, the ITAP concurs with the LEG's assessment of this requirement area as **MEDIUM priority**.

Part B: Assessment of Enabling Factors

1. Data and Evidence

Education Management and Information Systems (EMIS)

The School Education & Literacy Department (SELD) has several education management data collection systems for government schools that include consistent school and teacher identification numbers. Data are routinely sex disaggregated. Data on the age of students are not collected, limiting the capacity to monitor age-appropriate enrolment and to understand how gender inequalities intersect with age. Data on children with disabilities are not routinely collected. In the 2021 Annual Status of Education Report (ASER) for Sindh 0% of surveyed government primary school head teachers reported having children with disabilities at their school, indicating limited school-level capacity to identify children with disabilities.

SELD does not collect data on private and NGO/ trust managed schools. This means that SELD remains reliant on household survey data for tracking enrolment ratios. The Pakistan Social and Living Measurements Survey (PSLM) 2018-19 report indicates that government schools accounted for only 55% of primary enrolment at the national level, and that this share was decreasing, with around 40% private provision and a small but increasing share of provision by NGO/ trust run schools. The lack of basic administrative data (e.g., enrolment, number of teachers etc.) for the non-state sector is a significant and concerning gap, given that it accommodates such a large proportion of learners.

SELD is reliant on data from a range of household surveys to track overall access to education. Household surveys such as ASER and Multiple Indicator Cluster Surveys (MICS) produce attendance ratios. The latest round of ASER covers rural districts only. The irregularity of these surveys limits their utility for monitoring trends. There is often a long time-lag between data collection and publication. The PSLM provides the most regular and comprehensive data on enrolment rates. It includes sex disaggregated net enrolment rate data at the district level, so can be used to track enrolment and equity. But the latest available data are from 2019-20.

The ASC reports include statistics on Gross Enrolment Ratios (GER) for government schools, but these are very low (30% at primary level in the 2020/21 data) when compared to PSLM 2019-20 GER data for Sindh. PSLM published GER figures for all schools (67% at primary) and for government schools (42%). The lack of comparable data on access to education, and the large difference in the data that should, in theory, be comparable, raises concerns regarding SELD's capacity to measure and monitor access to education and equity. Reliance on household surveys to track enrolment rates presents an ongoing risk in terms of the availability of timely and comparable data on enrolment rates.

Learning Assessment System (LAS)

Learning outcome data are collected through ASER: a household survey, Provincial Achievement Test (PAT): a sample-based assessment of students in specific grades; and Standardized Achievement Tests (SAT) which are taken by all students in grade 5 and 8. ASER and PAT publish sex disaggregated data. SAT data made available to the ITAP were not sex disaggregated.

ASER provides data on foundational numeracy and literacy of in and out-of-school children, and compares learning levels by gender, districts, school grade and school types (government/ private). Limited analysis of change over time is provided, but a recent report presents data on learning losses due to COVID-19. The PAT generates data on learning outcomes for a wider range of knowledge domains aligned to the curriculum. It also collects data on teacher performance on the same test. Different grades are assessed in different years, making it difficult to monitor change over time. It only covers government schools.

As well as producing data on learning outcomes, these surveys collect data on a range of factors that can influence learning. ASER routinely collects data on teacher and student attendance. ASER 2021 also included data on access to alternative energy and information and communication technology in homes and schools, disability status and learning support during COVID-19. PAT 2021-22 included student, parent, teacher and head teacher surveys which collected data on student background, teaching and learning practices. When combined with the management data collected by SELD, these surveys generate a broad range of data and evidence on factors influencing education access and quality.

Evidence production and use

Education management data can be accessed through a range of formats to serve a variety of planning and monitoring purposes from the micro to the macro level. These include, for example, online databases that provide school-level information on staffing, and individual-level data on teacher training. SELD produces Monitoring and Evaluation Annual reports which provide some very short-term trend data (current and previous year compared). They provide data for district-level monitoring of the functioning of schools, facilities and attendance. Some data are presented in inappropriate graph formats indicating limitations in capacity to present data in formats useful for policy makers.

The complexity of Sindh's education data production ecosystem, and limited coordination between the multiple data sources, mean that assessing needs and monitoring progress is more difficult than in systems where the bulk of data collection is conducted through a single comprehensive Education Management Information System.

This presents a potential barrier to effective use of data, especially at the district level where technical capacity tends to be more limited.

The 2022 Joint Education Sector Review (JESR) included some analysis of the Sindh MICS 2018-19 data on access and learning. However, there appears to have been limited use of other data sources that could have provided more insight into the state of the sector and changes over time. The 2019 Situational Analysis of the Education Sector in Sindh demonstrates a more thorough analysis of data and evidence, including changes over time. It used household survey data to analyze the impact of intersecting inequalities based on gender, wealth and location. It drew on qualitative data to understand root causes of gender gaps in access. The 2019 Situational Analysis cites an analysis of gender disparity in education in Sindh conducted by Indus Resource Centre in collaboration with Oxfam and the Government of Sindh, but no gender analysis of the sector has been conducted in the past 3 years. The 2019 Situational Analysis of the Education Sector relied heavily on PSLM data which was already outdated at the time of the review, with the latest data reported being from 2014-15. A comprehensive analysis of the sector, drawing together multiple recent data sources is long overdue.

Conclusion:

SELD's administrative data collection and management systems for government schools provide it with detailed timely information for monitoring and planning of education inputs. Learning outcome data are available through a range of sources. Lack of administrative data from non-government schools, including enrolment data, is a major gap. This limits the SELD's capacity to monitor this part of the sector. It also limits Sindh's capacity to monitor overall levels of access to education and equity. Lack of data on the age of students is a further limitation. The ITAP concurs with the country's self-analysis of this enabling factor as a **MEDIUM priority.**

Gender-Responsive Sector Planning, Policy and Monitoring

Strategic planning frameworks and practices

The Government of Sindh (GOS), Pakistan has a relatively established policy and planning system and has gathered experience of implementing SESP (2014-18) and the current Plan, the School Education Sector Plan & Roadmap for Sindh (SESP &R, 2019-2024), is under implementation.

The SESP &R preparation followed a government-led process, backed up by evidence, with some limitations of availability of updated data from the Situational Analysis of the Education Sector in Sindh and prepared through participatory processes. The SESP &R identified major issues to make it relevant to the need and context. GPE's support contributed significantly to strengthening sector planning.

However, there are capacity concerns, both in planning and effective implementation of plans, mainly from a structure and human resource point. There exists a clear gap in capacity to provide timely and reliable data and evidence, carry out policy reviews and analysis, and feed into the planning and policy system.

The Sindh Budget Strategy Paper, a three-year rolling plan, provides revenue and expenditure projections, for securing required resources for the education sector.

The Sindh Right of Children to Free and Compulsory Education Act, 2013, has been enacted by the Provincial Assembly of Sindh to realize Article 25-A of the Constitution of Pakistan. In line with the UN Declaration of Human Rights, 1948, the Article 25-A has put responsibility to the state to provide free and compulsory education to all children of age 5-16. Accordingly, the Act has guaranteed the right to education to all within the specified age group. Further, as per the Act it is the duty of the government to make necessary arrangements for providing free pre-school education.

The Plan has acknowledged the human rights frameworks and considered it while setting goals, objectives, and program priorities. Further, the Plan has recognized gender disparities and disparities associated with the education of children with disabilities, and the education of rural and poor children and is sensitive to these equity concerns. However, considering the huge out-of-school population, big disparities in participation and achievement based on gender and location (rural), and limited information available about these disadvantaged groups including children with disabilities, there is a big challenge to realize the rights as enshrined in the human rights instruments. This has implications for harnessing better collaboration among different agencies and ministries.

Operational planning instruments and practices

The Plan provides a sound basis for translating the policies into actions through operational planning tools like an annual plan as it includes a results framework with eight

programs and twelve objectives that are grouped under three goals, relating to equitable access, quality and learning, and governance and management. There are 15 key performance indicators (KPIs) which are also linked to the SDG indicators. However, the targets set on the KPIs are not that gender sensitive.

The Plan has included annual targets and costing for each of the activities / sub-activities under each of the objectives, thus providing a basis for annual planning. Accordingly, there is a costed implementation plan with annual breakdown for each of the priority activities and sub-activities.

There are a few gaps in the operationalization of the planning practices. The absence of a designated planning unit at SELD is one issue, though that is included as one of the main activities, planned for the first year by establishing a central planning and monitoring unit under the SELD. Considering the need for micro-level planning for rationalization of schools, bringing out-of-school children into the school and retaining them, and achieving efficient allocation of resources, like teachers, the planning and management capacity and practices at the district and/or Taluka level, may seriously jeopardize the effective implementation of the Plan.

Budget programming and monitoring

The sector planning process has used a simple simulation model to project required financial resources. Further, the Budget Strategy Paper (BSP) provides sector finance projections and medium-term expenditure frameworks and thus guide annual sector planning and budgeting in education.

As identified in the JESR process, 2022, there is a gap in mobilizing effective collaboration across SELD departments in areas of planning and budgeting. This may have implications for ownership in Plan implementation, for understanding the intents or the expected outcomes of it, and clarity in Plan implementation.

Despite the top priority given to the education sector in the budget (25% of the total in 2022-23), the share of the development budget is relatively small with more than eighty-nine percent of the budget under the recurrent category. The recruitment of 47,000 teachers in the same year to fill the critical shortage of human resources establishes the case. The under-utilization of the development budget calls for exploring whether it is associated with realistic planning, stronger capacity and facilitation, or tighter control and monitoring.

Sector monitoring mechanisms and practices

A monitoring framework is provided for in the Plan with specification of responsible agencies and KPIs. The framework has made the directorate or concerned wings responsible for the monitoring at the operational level and proposed to establish a strategic planning and monitoring unit at the SELD level. The low capacity and

effectiveness of the district-level structures for monitoring school operation resulted in the creation of the Directorate General, M&E (DG M&E) at the Centre. The effectiveness of the organization is appreciated mainly for improving compliance, like teacher regularity and school functioning. This still leaves a gap in regular monitoring of Plan implementation and assessing achievements, both outputs and outcomes and thus providing timely information for corrective measures. Further, there is a clear gap in terms of reporting progress towards realization of education-related rights, specifically disaggregated reporting targeting rural girls and children with disabilities.

The Joint Education Sector Review (JESR) process is highly participatory. However, as reported in the Aide Memoire, it is not utilized to review the progress at the strategic level.

Gender Mainstreaming across the policy continuum

The Plan acknowledges that addressing the gender issue is critical for its success and has proposed some activities to respond to the challenge. However, considering the huge gap and deeply rooted structural problems, the proposed activities and arrangements do not appear significant enough to have an impact in the overall educational achievements of girls, particularly that of rural girls. Also, the sector monitoring and reporting system has not been aligned fully to the gender equality objectives.

There are a few programs aimed at preventing a high number of dropouts at the primary level or preventing loss during transition to the lower secondary level, like the 'early warning' targeting of groups that are highly vulnerable of dropping out of school. The effectiveness in the implementation of such programs requires greater ownership and engagement at the local level.

Conclusion

The Government of Sindh has relatively developed strategic planning frameworks and it has a functioning planning system. Considering the huge gaps in the commitments made through the Sindh Right of Children to Free and Compulsory Education Act, 2013, and the provisions in and actual achievements made through Plan implementation, the current level of efforts appears insufficient, for timely realization of objectives.

In this regard, the ITAP differs with the Local Education Group rating of this enabling factor and rates it as a **MEDIUM Priority**.

3. Sector Coordination: Inclusive Sector Dialogue and Coordinated Action and Coordinated Financing and Funding

3.1 Inclusive Dialogue and Coordinated Action

Coordination functions and practices

Sindh has well-established and extensive sector coordination mechanisms at the provincial and the district level. The Local Education Group (LEG) was reconstituted in 2021 under the Chairmanship of the SELD Secretary. The terms of reference state that the LEG has responsibility for support and supervision of the SESP&R: 2019 - 2024. The membership of the LEG includes all of the SELD Directors and the regional Directors of School Education. There are also representatives from other Sindh government departments including Finance, Planning and Development, and the Department for the Empowerment of Persons with Disabilities. Development partners and local civil society organisations are also represented on the LEG. Teacher unions and private providers of education do not appear to be represented, although the SELD Director of General Private Schools is listed as a member. The LEG is supported by technical bodies in priority policy areas including Non-Formal Education, Early Childhood Education, Disaster Risk Reduction and Out of School Children. The 2018 *Summative Evaluation of GPE's Country-level Support to Education in Baluchistan and Sindh* found that the LEGs contributed to a more participatory and inclusive dialogue on education priorities in both provinces and this has continued during the current planning period.

Capacities for coordination

The completion of the SESP&R and Joint Sector Review in the context of an economic downtown and post-COVID recovery are commendable achievements that demonstrate SELD's capacity to lead and the commitment of development partners to provide support. However, the JSR noted challenges with capacity, in particular relating to financial management and planning at the provincial as well the district level. The LEG self-analysis also notes a lack of effectiveness and problem solving in the technical working groups. The ITAP supports the LEG proposal that the coordination mechanisms would benefit from conducting a self-assessment review to identify areas for improvement.

Conclusion on 3.1:

Considering the continuing challenges of effective coordination and ensuring adequate capacity at the provincial and district level, the ITAP agrees with the LEG and assesses this enabling factor as a **MEDIUM priority.** Failure to improve the functioning of the coordination mechanisms could have a significant impact on the use of resources in the education sector and could delay or prevent the achievement of the agreed policy priority.

3.2 Coordinated Financing and Funding

Availability of aid alignment and joint financing mechanisms

Total external financing commitments (loans and grants) for the education sector in Sindh was estimated at around US$336M over the period 2020 – 2026. The largest external funders are the World Bank and GPE who have jointly committed USD154M (loan and grant blended financing) to support the Sindh Early Learning Enhancement Through Classroom Transformation (SELECT) project; ADB loan of USD82.5M to support secondary school improvement; and the EU Development Through Enhanced Education Program (DEEP) with a grant of USD50M. The majority of external funding programmes appeared to be aligned with the priority objectives and outcome targets of the SESP&R. The SELECT project is using a joint World Bank/GPE financing mechanism through an investment project managed by a project implementation unit within SELD. None of the development partners are currently providing budget support to the education sector in Sindh, although the World Bank has previously provided performance-based funding with payments made to the provincial treasury on achievement of key policy indicators.

Accountability and dialogue around aid effectiveness

The ITAP felt that the JSR report was evidence of a willingness of the government of Sindh to have an open dialogue about progress and challenges in the education sector and to promote mutual accountability by presenting reports on domestic as well as external financing. There was also evidence of discussion about aid effectiveness and agreeing priorities. However, the lack of reliable data in key areas mentioned elsewhere in this report and the underutilization of the Module-SESP dashboard to monitor progress in the education sector are indicators that there are still substantial challenges in this area.

Commitment towards greater aid effectiveness practices

The LEG makes a number of strong commitments to ensuring more effective use of aid to the education sector in Sindh. These includes commitments to improve aid coordination; build capacity at the provincial and district level; and improve the availability of data, in particular on financing. Development partners have also made strong commitments to align their support with government plans, although there seems to be some reluctance to channel funds through budget systems. This risks increasing the burden on government, particularly given the scale of current investment projects.

Conclusion on 3.2:

Given the capacity and data gaps identified by the LEG and the under-utilization of existing systems to coordinate financing and funding for the education sector, the ITAP agrees with the LEG assessment of this enabling factor as a **MEDIUM priority** as failure to address these issues could significantly delay the achievement of key policy priorities.

4. Volume, Equity, and Efficiency of Domestic Public Expenditure on Education

Volume of domestic financing

Sindh is the second most populated province in Pakistan. More than 60 percent of Sindh's inhabitants (47 million inhabitants) are under the age of 15. Populations in Sindh are affected by multiple forms of poverty, and considerable disparities exist between districts. More than 43 percent of Sindh's population suffers from multiple forms of poverty and considerable disparities exist between districts.

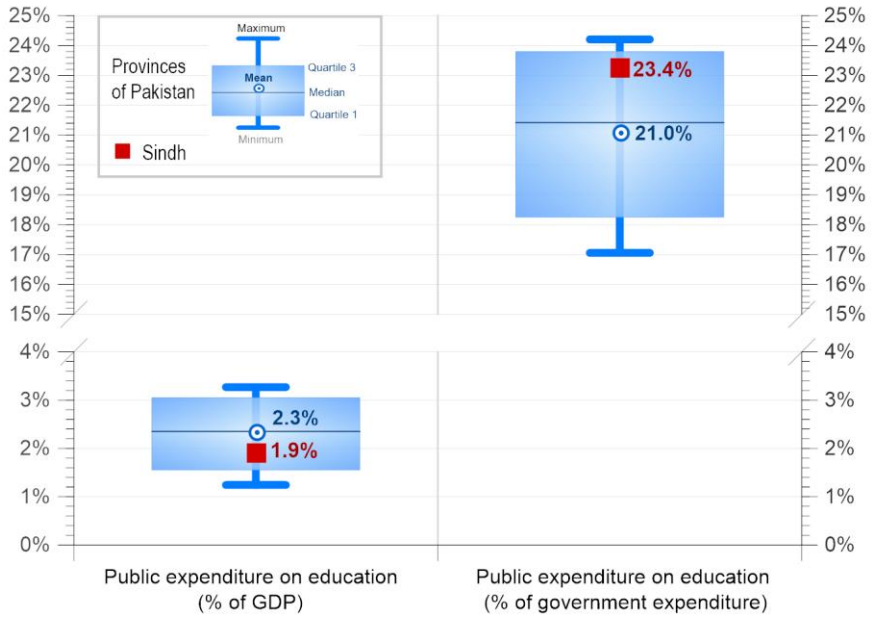
The assessment of the public effort to finance education for the case of a federal country like Pakistan must be contextualized and the usual benchmarks of 20 percent of government expenditure or 4 percent of GDP do not apply in this case. It should be mentioned that the province's budget comes up to 75 percent from the federal transfer and 25 percent from the province's own resources.[2] Education expenditure expressed as a percentage of GDP may be biased by the estimate of the province's GDP (the province's GDP is estimated at 28 percent of the GDP of the country according to the last public expenditure review (PER) carried out in 2017) and the share of education in the budget may not include categories of expenditures carried out only at the federal level, such as military expenditures. Indeed, the province's budget does not include national defense expenditures, while these expenditures represent 18 percent of total expenditures (32.9 percent excluding Debt Servicing) at the federal level, according to data from the 2023 federal budget[3] which, moreover, devotes only 1 percent to expenditures on education.

[2] *Source: Budget strategy paper 2023-24 to 2025-26, Finance Department, Government of Sindh, average 2020-2023*

[3] *Federal budget 2022-23, Annual budget statement, Government of Pakistan, Finance Division, Islamabad*

Thus, it is more meaningful to compare public education funding ratios in Sindh with other provinces in the country. The graph opposite shows that in 2022, public expenditure on education in Sindh represented 23.4 percent of government expenditure (excluding debt services) representing 1.9 percent of the estimated GDP of the province. The ratio of the share of education in public expenditure in Sindh exceeds the average of all the provinces of the country, which stands at 21.0 percent representing 2.3 percent of the estimated GDP.

Figure 1: Share of education expenditure in GDP and in total government expenditure: Sindh and Provinces of Pakistan



Source: GPE, financing matrix of Pakistan

Table 1: Share of education expenditure in GDP and in total government expenditure

	Actual			Budget revised 2022*	Budget 2023*	Projections	
	2019	*2020*	*2021*			*2024*	*2025*
Education as % of GDP	1.8%	2.0%	1.9%	1.9%	1.9%	1.9%	1.8%
Education as % of government expenditure (excluding debt service)	26.9%	25.4%	23.4%	21.0%	20.9%	22.5%	22.8%
Recurrent education expenditure as % of public recurrent expenditure (excluding debt service)	32.4%	30.8%	30.2%	26.1%	29.9%	32.2%	32.8%

Source: Computed from "Domestic financing matrix" completed by the country and for 2022 and 2023, the data are actualized from the Budget 2023-2024 document published by the Ministry of Finance on June 10, 2023

The ITAP notes that the evolution recorded in recent years shows that the share of education expenditure in GDP is stabilizing at approximately 1.9 percent of estimated GDP and that this share expressed as a percentage of public expenditure has experienced a

certain drop, going from 26.9 percent in 2019 to 20.9 percent in 2023. However, it should be noted that the share of education in current expenditure remains high, reaching 29.9 percent 2023.

The government is committed to "Enhance budgetary allocation from existing 20 percent of the Provincial Budget for the Education Sector" in his letter sent in July 2021 on the occasion of the global summit on the transformation of education.

The internal distribution of the education budget shows that the secondary education sector monopolizes the largest share of the budget which reaches on average (2021 to 2023) nearly 40 percent of the education budget against 35.8 percent for primary education and 24.2 percent for higher education.

Equity of public spending

The ITAP notes that education spending in Sindh is inequitable, particularly with regard to gender equity, regional distribution of resources, and social equity. The proportion of girls is limited to 39 percent for all primary and secondary cycles and decreases from 39.3 percent in primary to 38.1 percent in secondary and 32.7 in higher secondary. This gender discrimination is accentuated by regional discrimination: in primary school in 7 districts the proportion of girls does not exceed one third while it reaches 53 percent on average in the 6 districts of Karachi. Areas and gender disparities are also illustrated by the net enrollment rate which reaches 30 percent in primary school for girls living in rural areas (7 percent for 14–15-year-old) against 63 percent for boys in rural areas (31 percent for 14–15-year-old)[4].

Several indicators can illustrate the inequity of the education system. According to 2019 MICS survey, nearly 43 percent of children aged 5 to 10 are out of school (2.3 million), this proportion reaches 56.5 percent in rural areas (26.8 percent in urban areas), 47.3 percent for girls, 72.2 percent for the poorest quintile (9.1 percent for the richest) and 55.8 percent in Hyderabad against 7.2 percent in Karachi.

The allocation of human and material resources also shows significant disparities between regions and areas. Urban regions and in particular Karachi are the most favored. Thus, at the primary level, the ratio of the number of students per teacher in the Karachi Division is 27 (it reaches 19 in the Central Karachi District) against a provincial average of 38 and it reaches 48 in the Shaheed Benazirabad District. Similarly, 44 percent of primary schools are not equipped with washrooms, this proportion can vary from 15 percent in East Karachi to 74 percent in Thatta.

The ITAP did not note the presence of specific financing formulas for resource allocation that explicitly incorporate equity considerations. However, it is interesting to note the

[4] *Source: Pakistan Social and Living Standards Measurements (PSLM), 2019-20*

presence of a budget line devoted to "Girls Stipend". This is a Stipend of Rs. 3,500 each is given to girl students of classes 6th, 9th & 10th for promotion of primary education by SELD since 2001. It relieves parents from financial burden of educating their children and provides an incentive for girls to remain in school. In 2023-2024 budget, Rs. 800 million have been allocated for Girls' stipend.

The ITAP considers that it is advisable to integrate the objective of greater equity of expenditure into the methods and tools of programming and budget execution by aiming for a more efficient and equitable distribution of budgetary allocations and the distribution of human and material resources between regions and areas.

Efficiency of public spending

The educational system of the province of Sindh is with that of Balochistan the least efficient in the country. Thus, in 2020, Sindh has the lowest net primary school enrolment rate in the country (55 percent against a national average of 64 percent). This is all the more worrying given that this rate has fallen compared to 2015 (61 percent)[5].

ITAP notes that there is little data available on the internal efficiency of Sindh's education system. The available data show that repetition is not significant in primary (average repetition rate of 0.3 percent) while dropout is high (average rate of 5.3 percent), especially in the first year of primary (11.9 percent)[6].

Completion rates are low: 45.2 percent in primary and 34.7 percent in secondary. They are particularly low in rural areas (29 percent in primary and 24 percent in secondary) and for children from the poorest households (13.5 percent in primary and 9.4 percent in secondary)[7].

It is important to note that the public education expenditure review conducted in 2017 showed a decline in the effectiveness of public expenditure. In fact, the results of the analysis indicate that average enrolment in public schools in different districts over time has failed to improve, despite a four to fivefold increase in per capita expenditures. This provides the clearest evidence that the effective utilization of resources is failing to have an impact on educational outcomes and that the education sector is facing huge challenges in improving quality despite higher levels of funding.

---

5 *Source: PSLM 2019-2020 and PSLM 2014-2015*

6 *Annual School Census 2020-2021, School Education & Literacy Department, Government of Sindh, page 67*

7 *Sindh Multiple Indicator Cluster Survey 2018-19, Bureau of Statistics, Planning & Development Board, Government of the Sindh, page 183.*

Conclusion

The ITAP notes the significant challenges the country faces in terms of efficiency and equity in public spending. Indeed, although the volume of provincial resources allocated to the education sector can be considered as aligned with the GPE benchmark, the allocation and distribution of these resources do not make it possible to face the challenges of equity, inclusion, efficiency and improvement of the quality of learning. Considerable efforts are needed to expand access to basic education and reduce gender and background disparities that penalize the education system. This transformation of the system requires more resources, but above all an increased priority to be given to primary education in the budgetary arbitration and an improvement in the methods and mechanisms of programming, allocation and budgetary monitoring to take into account the considerations of fairness and efficiency. Particular attention must be paid to reduce the disparities between areas in the allocation of public resources by targeting the most disadvantaged regions and providing more equitable access for girls.

That being said, the ITAP's view was that public spending does not reinforce existing inequalities, but rather tries to reduce them. There is also stability over the medium term of a very appreciable public effort reaching 30% of current government expenditure devoted to the education sector. For this reason, the ITAP concurs with the LEG's assessment of this enabling factor area as **MEDIUM priority**.