COUNTRY COMMITMENTS TO EDUCATION DOMESTIC FINANCING

Education Financing Campaign

"Education Multiplies Possibilities: Investing in our future"

Country Partner Identification

Country name:	PAKISTAN (PROVINCE OF SINDH)
Ministry/Institution:	SCHOOL EDUCATION AND LITERACY DEPARTMENT, GOVERNMENT OF SINDH
Date:	28th Jan 2026.

1.Volume commitment

1.1. Please select your areas of commitment by checking relevant boxes below (select all that apply):

☒ *Increase or maintain education expenditure level as a share of national budget (excluding. debt services)*

☐ Increase or maintain education expenditure as a share of GDP

☐ Other (please specify)

1.2. Description of education budget perimeter

Please list all line ministries responsible *for elements included in the calculation of education expenditures. Ideally this description should identify where in the national budget relevant elements are recorded*:

S.no	*Department*	*Amount in PKR "Rs"*	*% of Budget*
1	*School Education Department*	501,487,382,500	14.4%
2	*College Education Department*	46,227,815,000	1.3%
3	*University and Board Department*	23,390,456,500	0.7%

4	*Sindh Higher Education Department*	42,297,250,000	1.2%
5	*Empowerment of Persons with disability (Special Education)*	21,688,056,000	0.6%
6	*Health Department (Medical Education)*	18,239,131,000	0.5%
7	*Culture and Tourism department (Library and Museum)*	1,599,776,000	0.05%
8	Gross-Total Provincial Expenditure	**3,721,450,000,000**	
	Total interest Expenditure	84,765,060,000	
	Total Debt expenditure	145,800,891,000	
	Net Total Provincial Expenditure	**3,490,884,049,000**	
	Total Education expenditure as % of Net Provincial Expenditure	***18.761%***	

The Province of Sindh follows a financial year that begins on 1st July and ends on 30th June of the succeeding year. The budget is approved by the Provincial Assembly and is publicly available on the Government of Sindh's official website.
https://finance.gos.pk/Budget/BudgetBooks

The budget approved by the Provincial Assembly is classified into four categories: function-wise, department-wise, fund/demand-wise, and economic element-wise.
The total education-related budget, prepared on a functional basis, is approximately PKR 654 billion. This amount is distributed across various departments, including College Education, Higher Education, School Education, and others.
Debt servicing is classified under the economic element category and is excluded from the calculation of total education-related expenditure as a percentage of overall government expenditure.

Gross domestic Product of Pakistan and Province of Sindh

Year	***2025***	***2026***	***2027***	***2028***	***2029***	***2030***
GDP Pakistan*	114,691,813,000,000	127,442,653,000,000	141,650,500,000,000	157,551,564,000,000	175,337,405,000,000	195,013,896,000,000
Provincial Share	*28%*	*28%*	*28%*	*28%*	*28%*	*28%*

MULTIPLY POSSIBILITY FUND EDUCATION

Provincial GPD	32,113,707,640,000	35,683,942,840,000	39,662,140,000,000	44,114,437,920,000	49,094,473,400,000	54,603,890,880,000
Projected Expenditure	3,490,884,049,000	3,878,982,404,088	4,311,427,799,845	4,795,409,779,272	5,336,758,869,681	5,935,653,828,053
Projected Education Expenditure	654,929,867,000	737,006,656,777	840,728,420,970	959,081,955,854	1,094,035,568,285	1,216,809,034,751

**GDP Pakistan, Source World Economic Outlook and Economic Survey of Pakistan*

1.3. Historical and projected expenditure

2025	2026	2027	2028	2029	2030
		Currency PKR "Rs"			
18.8%	19%	19.5%	20%	21%	21.5%
2.04%	2.07%	2.12%	2.17%	2.23%	2.23%
654,929,867,000	737,006,656,777	840,728,420,970	959,081,955,854	1,094,035,568,285	1,216,809,034,751

Do you have plans to increase ***education expenditure per child*****:** ☐*Yes* ☒ *No*
If Yes, please provide
Currency:
-Baseline:
- Year:
- Amount per child:

- Target:
-Year:
- Amount per child:

-Indicate the policy framework or any other official documents where information on the baseline and targets can be found:

1.4. Basis for commitment to increase funding for education

I. ***Developing strategies for long-term, sustainable education financing (e.g., earmarked taxes, public-private partnerships, etc.),***

The Government of Sindh, with the support of USAID, developed 106 schools across seven districts of the province. These schools were subsequently handed over to Education Management Organizations (EMOs) under clearly defined Terms of Reference (TORs), which outline performance standards, key performance indicators (KPIs), and service delivery expectations.

Payments to the EMOs are linked to performance and are released only after verification and review by an independent international auditor, ensuring transparency, accountability, and adherence to agreed standards.

While this model represents a relatively higher-cost intervention compared to conventional public schools, the Government is systematically comparing its outcomes—such as student enrollment, retention, learning achievement, and school management effectiveness—with those of traditional schools. This comparative analysis is intended to assess cost-effectiveness, value for money, and the potential for scaling or adapting elements of the EMO model within the broader public education system.
In addition, the Government is allocating a substantial level of funding to the Sindh Education Foundation, which implements a range of public–private partnership models in the education sector. These initiatives aim to expand access and increase student enrollment, particularly in areas where government schools were non-functional or closed due to issues such as the non-availability of teachers and other operational constraints.
Schools developed under the Asian Development Bank–supported Secondary School Project will also be handed over to Education Management Organizations. This transition is intended to strengthen school management, improve service delivery, and achieve better learning outcomes through performance-based oversight and accountability mechanisms.

II. ***Improving budget execution,***

Historically, budget execution at the school level, particularly for non-salary expenditures, has been relatively low. One key reason for this was the centralized management of funds, which limited schools' ability to utilize resources effectively. In the current and upcoming financial years, the government and the School Education Department plan to address this by allocating funds directly at the service delivery level. School teachers will be empowered to manage and utilize these funds based on their specific needs.
The allocation will be determined based on factors such as student enrollment, school level, and historical requirements for rehabilitation and improvement. Teachers will receive training on financial management and expenditure procedures to ensure proper use of funds.

This decentralized approach is expected to significantly enhance budget execution at the school level, ultimately leading to improved education outcomes for students.

2.Efficiency commitment

I. Improving public financial management systems for better governance, accountability and delivery.

The Government's IFMIS (SAP) was originally established under the World Bank–supported PIFRA project. At that stage, the system did not allow expenditure tracking at the service delivery level, such as individual schools; expenditures were captured only at aggregated administrative levels.

Subsequently, the Government has enhanced IFMIS by introducing cost centers at the service delivery level. This reform has enabled the School Education Department to allocate and monitor non-salary resources directly at the school level, rather than through higher administrative tiers.

Building on this improvement, the School Education Department, in collaboration with the Department of Finance, is planning to realign school-level staff postings from the Tehsil level to the service delivery (school) level within IFMIS. Currently, these staff are mapped at the Tehsil level.

This proposed shift will strengthen decentralization by empowering schools with greater financial and administrative autonomy. It is expected to improve access to resources, enhance learning outcomes, and enable more effective monitoring and evaluation of performance and results at the school level.

II. Streamlining teacher management and remuneration mechanisms. –

There are certain classification differences between the Government's IFMIS and the Education EMIS. Historically, sanctioned posts for primary schools (approximately 65%) were maintained at the administrative level, whereas the actual working strength of teachers was recorded at the service delivery (school) level.

With recent improvements in the governance framework, teacher planning and management can now be carried out more effectively. This alignment enables need-based deployment and transfer of teachers within the same union councils, ensuring better utilization of human resources, improved service delivery, and reduced disparities across schools.

III. Reduce fragmented financing and implementation mechanisms. –

Since 2014, the Government of Sindh, with the support of development partners, has been formulating and implementing an Education Sector Plan aimed at reducing fragmented financing and strengthening implementation mechanisms within the education sector. The sector planning process systematically identified and reviewed gaps in staffing and non-salary resources at the service delivery level, while also addressing the rationalization and redeployment of surplus staff from locations where they were not required.

The plan also brought previously underfunded or externally supported interventions into the government's mainstream budgetary framework. In particular, areas where public investment had historically been limited—such as public–private partnership initiatives, including Education Management Organizations (EMOs)—were gradually integrated into the regular government budget to ensure sustainability and institutional ownership.

During the current financial year, the Government has further strengthened service delivery by allocating non-salary budgets directly at the service delivery level. These allocations include funding for the purchase and repair of school furniture, minor building repairs, and provision of stationery, enabling schools to address operational needs in a timely manner.

For development schemes, EMIS data is systematically reconciled and reviewed to avoid duplication and overlap. This process ensures that similar or identical school interventions are not simultaneously planned or financed through multiple funding sources, such as the World Bank, Asian Development Bank, JICA, or the Government's Annual Development Programme (ADP).

To further enhance coordination, transparency, and oversight, the Government is in the process of developing a centralized dashboard that will compile, monitor, and review education sector financing and implementation activities across all funding sources, thereby supporting evidence-based decision-making and improved accountability.

IV. Enhancing education and financial data tracking systems and availability. –

Under the existing School Management System (SEMIS), several critical elements of the Government's IFMIS—such as cost centers, sanctioned strength, correct mapping of cost centers, budget allocations, and budget execution—are not currently available or integrated. Conversely, within IFMIS, information on the actual working strength of teachers and staff at the service delivery (school) level is not adequately captured. This misalignment between systems has been identified as a key structural gap affecting planning, budgeting, and human resource management.

These limitations were further compounded by the fact that relevant information was historically maintained in fragmented and centralized repositories, restricting its effective use for operational decision-making. The issue has now been formally highlighted, and the Government of Sindh, under the guidance of its leadership, has taken cognizance of the problem and initiated corrective measures.

As part of the reform process, the Government is planning to integrate the School Management System and IFMIS through application programming interfaces (APIs) or, where real-time integration is not immediately feasible, through periodic data import and export mechanisms. This integration will ensure consistency and accuracy of data across systems and enable end-to-end visibility from planning to execution.

The proposed system integration is expected to significantly strengthen teacher deployment and transfer mechanisms by aligning sanctioned posts with actual working strength at the school level. Additionally, it will support needs-based allocation and execution of budgets at the service delivery level, using objective criteria such as student enrollment and teacher availability, thereby improving efficiency, transparency, and overall education service delivery.
The Government of Sindh has established the position of Chief Financial Officer in each department to strengthen financial management capacity. These officers are responsible for supporting departments in understanding, implementing, and advancing initiatives planned under the Public Financial Management reforms.

V. Adopting innovative budgeting approaches oriented towards education outcomes

The Government has currently adopted a Medium-Term Budgetary Framework (MTBF) for selected pilot departments, with the School Education Department being one of them. The introduction of MTBF reflects the Government's commitment to ensuring predictability and sustainability of resources over the medium term, thereby strengthening strategic planning and fiscal discipline within the education sector.

Over the next three years, the Government plans to transition from medium-term budgeting to a Results-Based Budgeting (RBB) approach. This shift aims to strengthen the linkage between resource allocation, outputs, and outcomes, and to improve accountability for results in education service delivery.

However, two critical constraints have historically limited the ability of the School Education Department to prepare results-based budgets. First, the absence of integrated and reliable financial information—particularly at the service delivery level—has restricted meaningful analysis of expenditure patterns and performance. This gap is now being addressed through ongoing system integration initiatives.

Second, the lack of clearly defined unit costs and other key performance indicators has constrained evidence-based budgeting and performance measurement. The determination of unit costs per student, teacher, and school, along with relevant efficiency and effectiveness indicators, is essential for the successful implementation of results-based budgeting. As these data systems mature and key indicators are developed, the School Education Department will be better positioned to adopt and operationalize a robust results-based budgeting framework.

3.Equity commitment

Please list, and briefly describe any planned or ongoing actions to promote equitable resource allocation

I. ***Strengthening redistributive policies and mechanisms (including needs-based funding formulas for schools or teachers' allocation).***

II. ***Tracking of equitable resource distribution***

The implementation of digital dashboards, integration with the Integrated Financial Management Information System (IFMIS), and the adoption of results-based budgeting combined with need-based allocation of teachers and resources will significantly enhance transparency and accountability in the education sector. These measures will enable real-time monitoring of resource allocation and utilization, making it possible to track whether funds, personnel, and other critical resources are being distributed fairly across schools.

By linking budget allocations to actual needs and performance outcomes, the system will ensure that resources reach the areas where they are most required, reducing disparities between schools and improving overall efficiency. This approach not only supports equitable resource distribution but also strengthens evidence-based decision-making, helping the government to plan, monitor, and adjust interventions to achieve better education outcomes for all students.

III. ***Adopting pro-poor budgeting mechanisms, gender-based or disability-based budgeting approaches.***

The government, with support from UNDP, is implementing a project focused on the Sustainable Development Goals (SDGs). The project involves mapping both the financing gaps and existing budget allocations, as well as identifying resources available through the Annual Development Program (ADP) and foreign-assisted projects. This comprehensive mapping aims to optimize resource utilization and ensure effective progress toward achieving the SDG objectives.

Poverty , zero hunger , gender and other aspects of budgeting are mapped against these SDGs.

IV. ***Directing resources to reduce gaps in school access***

The Government of Sindh has conducted an analysis to identify gaps in access to education from primary to elementary and secondary school levels. To address these gaps, the government is implementing a World Bank–financed project aimed at improving access to education. This initiative is also being scaled and replicated through additional funding sources, including domestic resources and support from other development partners.

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4.Endorsement of the commitments

Please indicate all the institutions that endorsed the commitment as relevant

☐Head of State Office ☐ Prime Minister Office ☐ Ministry of Finance ☒ Ministry of Education ☐Other Ministries or agencies (please specify)