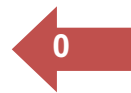


NATIONAL RESEARCH ON EDUCATION GAPS AND DOMESTIC FINANCING IN SIERRA LEONE



EDUCATION FOR ALL SIERRA LEONE COALITION

2020



OXFAM IBIS



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List of Acronyms and Abbreviations Used in this Document

BECE	Basic Education Certificate Examination
CDS	Capacity Development Strategy
CSR	Country Status Report
CWIQ	Core Welfare Indicator Questionnaire
ECOWAS	Economic Community of West African States
EFA	Education for All
EMIS	Education Management Information System
ESR	Education Sector Review
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GoSL	Government of Sierra Leone
MDGs	Millennium Development Goals
MEST	Ministry of Education, Science and Technology
MoFED	Ministry of Finance and Economic Development
NFE	Non-formal Education
PIN	Personal Identification Number
PRSP	Poverty Reduction Strategy Paper
PTR	Pupil-Teacher Ratio
SMC	School Management Committee
SSA	Sub-Saharan Africa
Tech/Voc	Technical and Vocational Education and Training
UNDP	United Nations Development Programme

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This study would not have been completed without the support of Personnel in MEST, Local Government Finance, Ministry of Finance and Economic Development and the National Revenue Authority.

Executive Summary

The study was intended to provide education civil society in Sierra Leone with an analysis of current trends in the size, sources and priorities of domestic education financing with a view to assessing their adequacy towards achieving full enrolment, retention and quality education. Derive the financial gap in the educational sector while highlighting the domestic revenue, sources of the education finance and how to manage the sector in order to yield the goals of increased access in consonance with issues of equity/gender parity, completion rate pupil-Teacher ratio, duty waivers and implications for education finance.

FGDs were conducted in Bo with Teachers and Principals of over 24 schools and Desk research of documents on education sector from 2006-2015 backed up by the recent Education Sector Plan (ESP) 2014-2018.

The findings collaborate expectations and other research findings that massive funds need to be infused in education to accelerate human resource development that would yield sustainable economic growth and development.

2010-2015 have witnessed increases in access and budgetary allocations in education but there is still pressure on the educational system given the young population Sierra Leone has.

The ESP (2014-2018) and the Government's Education Sector Capacity Development Strategy (2012-2016) have documented the paths to trace for education to get the boost in quality, manage finances prudently and judiciously. The issue of discretionary duty waivers is dissipating as CSOs and other pressure groups continue to trumpet the quantum of these waivers and how it will aid in social spending. The study shows how high the waivers were at a time and how low they are getting as from 2013.

There are hopes that about 60% of the education finance required for the success of the Education Sector Plan can be met from domestic sources and the remainder from grants and Donors.

1.0. Introduction

The recognition of the power of education as the key to economic transformation and development, dictates the urgency with which a nation should plan, manage and administer educational activities for it to yield the desired results. The Sierra Leone educational system has undergone drastic transformations in a bid to make education the key to success but results seem farfetched from goals set.

Research has shown that nations that have invested heavily on capacity building of its people have made dramatic improvements in economic performance and standard of living among its citizens. On the other hand countries that have made piecemeal investment in education have faced challenges in acquiring the required level of human resources to promote sustainable development and economic growth.

Since Independence, Sierra Leone had considered education paramount such that in 1963 a White paper¹ was published laying out the new dawn in the educational landscape, with the key goal of Universal free primary education, recruitment of more teachers and the general expansion education required in terms of personnel and infrastructural development to create space for the absorption of the new entrants into secondary schools. With the expansion in learning services came the need for improvement in quality², equipping and staffing schools and reduction in Pupil-Teacher Ratio. This was followed later by the sector wide policy framework, the 1995 Education Policy for Sierra Leone³. This policy aimed at development of a broad based education, increasing access to basic education, improving quality and relevance of education, expanding technical and vocational education. This culminated in the 6-3-3-4 system but was not fully adhered to because of lack of trained personnel and appropriate infrastructure to enforce the tech/voc aspect.

In 2010, a comprehensive review of the education policy led to the development of a National Education Policy (2010) which sought to reinforce the educational system and brought with it an additional year that saw the implementation of the 6-3-4-4 and an emphasis of early childhood education (pre-school education) and an abolition of the two-shift school system. Other strategies incorporated in the 2010 policy included Teacher Education and Development Policy, draft TVET Policy and Early Childhood Development Policy.

The policy and regulatory framework of the education sector in Sierra Leone is principally defined by four key documents: the Education Act (2004), the Local Government Act (2004), the PRSPs -

¹ Proposed Government White Paper on Education, July 1963

² Government White Paper on Education, 1970

³ New Education Policy for Sierra Leone, July 1995

2012), and the Education Sector Plans (2007-2015, and 2014-2018) . A number of more recent documents, particularly the Government White Paper on the Gbamanja Report (2010) as well as specific sub -sector policies, also have important implications for the education sector’s priorities and objectives.

The Government of Sierra Leone puts great premium on education and has implemented various reforms to get it up and running. For the past decade, the MEST had put in place two Education Sector Plans (ESP 2007-2015:A Roadmap to a better future) with the current one rolled out for 2014-2018 in which the modus operandi of the educational sector is fully spelt out , highlighting the finance gap for the successful implementation of the sector plan. “The Sierra Leone Education Strategic Plan (ESP) provides a roadmap by which to make tangible improvement to the nation’s educational system”⁴. The strategic objectives included (i) to improve access, equity, and completion, (ii) to improve the quality and relevance of education, and (iii) to strengthen education service delivery.

The above strategic objectives were derived as a result of the challenges of the previous ESP and other structural bottlenecks impeding the growth and improvement desired in the educational system.

1.1 Study Goal and Objectives

The **overall objectives** of the research are to: provide **Education For All Sierra Leone (EFA SL)**and the government of Sierra Leone and non-state partners with accurate and up-to-date knowledge of the situation around education and the financing of it in each of the study countries; enable **Education For All Sierra Leone (EFA SL)**to make relevant and quality inputs to the policy dialogues and endow them with evidence and arguments to present to policy makers at national, regional and global levels on issues pertaining to domestic financing of education, transparency and accountability and ensuring full enrolment and retention for Girls, the disabled and children from poor households; give the participating CSO representatives practical experience with research and evidence based advocacy; and enhance networking amongst coalition members and civil society in general, enabling them to produce an alternate EFA and MDG report for each participating country and the Africa region and address the questions of transparency and accountability at national level

⁴ The education Sector Plan 2014-2018:Learning to succeed

The Specific Objectives of the research are:

- 1) To provide education civil society in Sierra Leone with an analysis of current trends in the size, sources and priorities of domestic education financing with a view to assessing their adequacy towards achieving full enrolment, retention and quality education for marginalized children and the achievement of EFA and Education MDGs.
- 2) To provide an overview and assessment of the mechanisms for managing education financing focusing on how transparency and accountability are ensured towards the full enrolment, retention and quality of education for marginalized children; and
- 3) To provide operational recommendations for civil society action to engage in structured dialogues with policy makers in support of increased domestic financing of education, improved transparency and accountability for education resources as well as full enrolment, retention and improved quality for effective learning for marginalised groups.

1.2. Study Principles and Methods

The study is guided by the principle that for quality education to take place and be effective, funds and personnel must be maintained at some specified level to derive the maximum benefits of enhanced well being and increased productivity. This study is based on the premise that until funds required for full fledged educational activities are accurately and timely disbursed, the leakages would lead to a decline in the quality of education, a case for enquiry.

1.3. Study Framework

The study involves a comprehensive analysis of the current institutional arrangements for further improving the quality, equity and efficiency of the Education system in Sierra Leone. We have followed a framework for quality education adapted from Dakar Framework for Action, 2000, that is, "To offer education of good quality, educational institutions and programmes should be adequately and equitably resourced, with the core requirements of safe, environmentally friendly and easily accessible facilities; well motivated and professionally competent teachers; and books, other learning materials that are context-specific, cost-effective and available to all learners."

The Team conceives the study as a conduit to setting aright the challenges laid out in the Education Sector Plan (2014-2018). Overcoming these challenges will be a panacea to achieving quality education with its attendant linkages of equity and efficiency. The challenges that engendered this study are:

Increasing capacity: Demographic pressure on the education system is set to increase in the near future. In this context, achieving universal primary education by 2020 will require increasing the system's capacity by 56 percent.

- *Improving primary access and retention:* Although the access rate to the first grade of primary was estimated at 120.5 percent in 2010/11, it is estimated that 14 percent of a generation of children did not have access to primary school in 2010 (against 20 percent in 2003/04). In the same vein, the primary completion rate, while having steadily increased over the period, stood at just 76 percent in 2010 and has declined over the last four years.

- *Ensuring children enter primary school at the right age:* 24 percent of the 6-11 years age group were out of school in 2010, most of which never attended school. Late entry is a pervasive phenomenon in Sierra

Leone, as 40 percent of Grade 1 new entrants are aged seven years and above. This is cause for all the more concern given its detrimental effect on schooling careers.

- *Improving internal efficiency:* Repetition is particularly high for primary at 16 percent, well above the SSA average of 12 percent.

- *Improving pedagogical management to raise pupils' learning outcomes:* Pupils' outcomes are generally very poor at all levels. Deficiencies are apparent from the early grades of primary and learning outcomes are modest by regional standards.

- *Supporting pro-poor schooling:* Household wealth remains a major factor of disparities in children's enrollment, for all age groups, and the distribution is worsening, both over time and with each successive level. The increase in school coverage has benefitted the wealthy more than the poor. Whereas an estimated 35 percent of children from the poorest households never access Grade 1, against just 4 percent from the wealthiest ones, 99 percent never access the last grade of secondary, against 54 percent of the wealthiest. Transition and intra-cycle retention rates are also particularly unfavorable to the poorest children.

- *Further supporting girls' schooling:* Gender disparities in access to education are slight, but tend to deepen gradually as children progress through their school careers. The systematic underperformance of girls in almost every examination is a particular issue.

- *Improving teacher management:* There is clearly scope to rationalize the use of existing staff rather than recruit more teachers, which would involve improving the allocation of teachers to primary and

secondary schools to ensure more consistent and equitable deployment. Providing untrained or unqualified teachers with the necessary training and skills and assessing the opportunity of formalizing the status of non-PIN teachers would also contribute to improving the situation.

Reducing disparities among regions, districts and schools that persist despite decentralization: Improving supervision and accountability mechanisms at the local level may be effective interventions to ensure more efficient use of education inputs and resources at the school level. To move this forward, the

need for an adequate and effective decentralized information and monitoring system is urgent. Decentralized financial and human resource management systems would also improve fiscal management and accountability systems.

1.4 Data collection

After a series of technical meetings by the Team of Consultants to design the survey instruments it was agreed that Focus Group Discussions would yield better fruits given the circumstance.

Teachers and Principals engaged in the Accelerated Learning programme organised by MEST and Partners, including IRC and World Vision in Bo were contacted and discussions held with those who consented to take part in funding gaps ,issues of subsidies, performance of pupils, classroom environment, conditions of service and issues surrounding approval of teachers and qualification of teachers.

The FGD guide rolled out is in the Appendix

1.5. Initial Assumptions

The following critical assumptions are made:

- That there is going to be sustained cooperation by interested parties to see the exercise through to completion:
- That given the time frame and circumstance it was not possible to derive a representative sample of schools.
- There will be willingness of respondents to discuss questions pertaining to education financing (education expenditure, subsidies, transfers to local councils, class sizes and performance of students/pupils)

1.6. Data Analysis

Graphs and tables will be utilised to illustrate the situation hinging on financing of education and commonalities derived from FGDs included in the findings to enrich the narratives.

2.0. ANALYSIS OF FINDINGS

Over the last five years (2011-2015) the Education sector had been gauged by the strides towards achievement of the Millennium Development Goals (MDGs). Over the period (2008-2012) progress was made in attaining MDG 2(Universal Primary Education-UPE), with primary school participation (Gross Enrolment Ratio-GRE) at 120.1% for Girls and 129.4% for Boys. Though survival rate to complete primary level was 92.5%, Net attendance rate was below 75%. The pre-Primary enrolment rate for females was 7% and 6.7% for males; for secondary schools, the net attendance ratio for girls was 33.2% and for boys 39.9%.

The Adult literacy stands at 43.3% but for Youths (15-24) the literacy rate for females is 52.1% and 70.5 % for males. Completion rate of lower secondary is given in the Table below which has never exceeded 61%, implying the massive dropout rate/ repetition rate at lower secondary level.

Table1: Completion Rates (2010-2013)

INDICATORS	2010	2011	2012	2013
Lower Secondary completion rate(female (% of relevant age group)		39.35382	50.30406	49.97176
Lower Secondary completion rate male (% of relevant age group)		53.65884	60.95803	57.57343
Lower Secondary completion rate Total (% of relevant age group)		46.4932	55.62633	53.77208

Source: WDI

2.1. Access

This period has seen the greatest increase in school enrolment more than ever before, though in relative terms numbers lie below average SSA figure. The issue of access should be taken very seriously because it is projected that by 2025 , about 44% of the total population would be student population(See Table below)

Table 2. School-Age Population Projections, 2010-2025

	2010		2015		2020		2025	
	Total	% of pop	Total	% of pop	Total	% of pop	Total	% of pop
Total Population	5,546,899		6,585,894		7,487,754		8,513,112	
3-5 years old	575,027	10%	614,342	9%	656,345	9%	701,220	8%
6-11 years old	979,009	18%	1,135,070	17%	1,316,008	18%	1,525,790	18%
12-14 years old	394,691	7%	512,136	8%	664,529	9%	862,268	10%
15-17 years old	339,688	6%	414,485	6%	505,752	7%	617,116	7%
Total Student Population	2,288,415	41%	2,676,033	41%	3,142,634	42%	3,706,394	44%

Source: ESP 2014-2018, MEST

With this type of young population it implies that government should design a new programme that makes way for those who fall of the school system by lower secondary and at the same time cater for those who are entering upper secondary , and or Tech/Voc educational institutions, all of which has serious budgetary implications.

2.2. Government allocations

The expenditure on student per GDP per capita and total government expenditure for 2011, 2012 and 2013 are given below (Table 3), which shows that government expenditure on education as a percentage of Total government expenditure has been increasing since 2010 and total expenditure on education as a percentage of GDP was slightly above 2.5% in 2010 and clocked 3% in 2012 before declining to 2.8% in 2013.

Table 3: Government Education Expenditure (2010-2013)

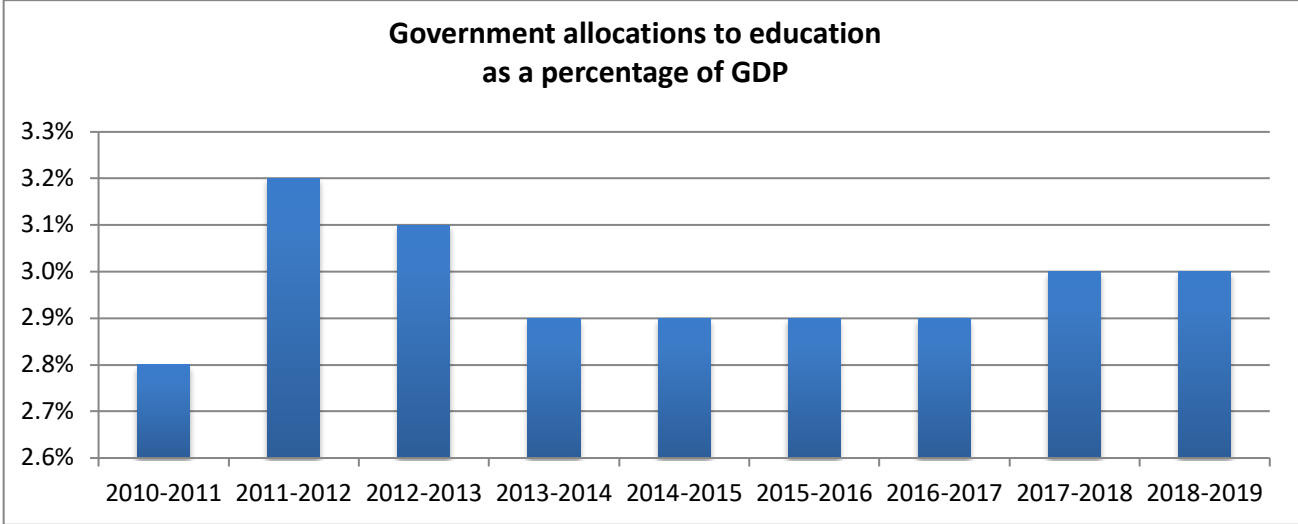
INDICATOR	2010	2011	2012	2013
Government expenditure per student (primary (% of GDP per capita))		6.92815	7.31578	6.4826
Expenditure on primary education (% of government expenditure on education)	50.72296	52.55665	49.53167	48.85806
Government expenditure per student (secondary (% of GDP per capita))		11.73788	11.10933	9.15643
Government expenditure on education, total (% of government expenditure)	12.80191	12.41146	14.12596	15.20231
Government expenditure on education, total (% of GDP)	2.58851	2.68456	3.0938	2.83092

Source: WDI

The government have been making frantic efforts to increase allocation to education over the past five years(2010-2014) both in nominal and real terms. Education funding over this period has been impressive sometimes higher than Sub-Saharan Africa average.

The Graph below indicates the government allocation as a percentage of GDP and total expenditure. Government's allocations to education as a percentage of GDP were 3.2, 3.1 in 2011-2012 and 2012-2013 respectively before settling down at 2.9% and projected to increase to 3% in 2016-17 and beyond respectively. Though recurrent expenditures account for the largest share of expenditures, it is well below the SSA average of 4.7 percent.

Figure 1: Government allocations as Percentage of GDP



SOURCE: ESP 2014-2018

2.3. Domestic Revenue mobilisation and Budget Deficits

The Table 4 below indicates the total revenue mobilised and the level of expenditure required to run the economy. The data reveals the persistent and growing budget deficit Sierra Leone continues to accrue. This is a pointer to the lack of financial capacity of the economy to finance education even though it is a priority pillar in our development blue-print. The picture painted signals reliance on other Partners, International well-wishers and countries with passion for equity and quality education.

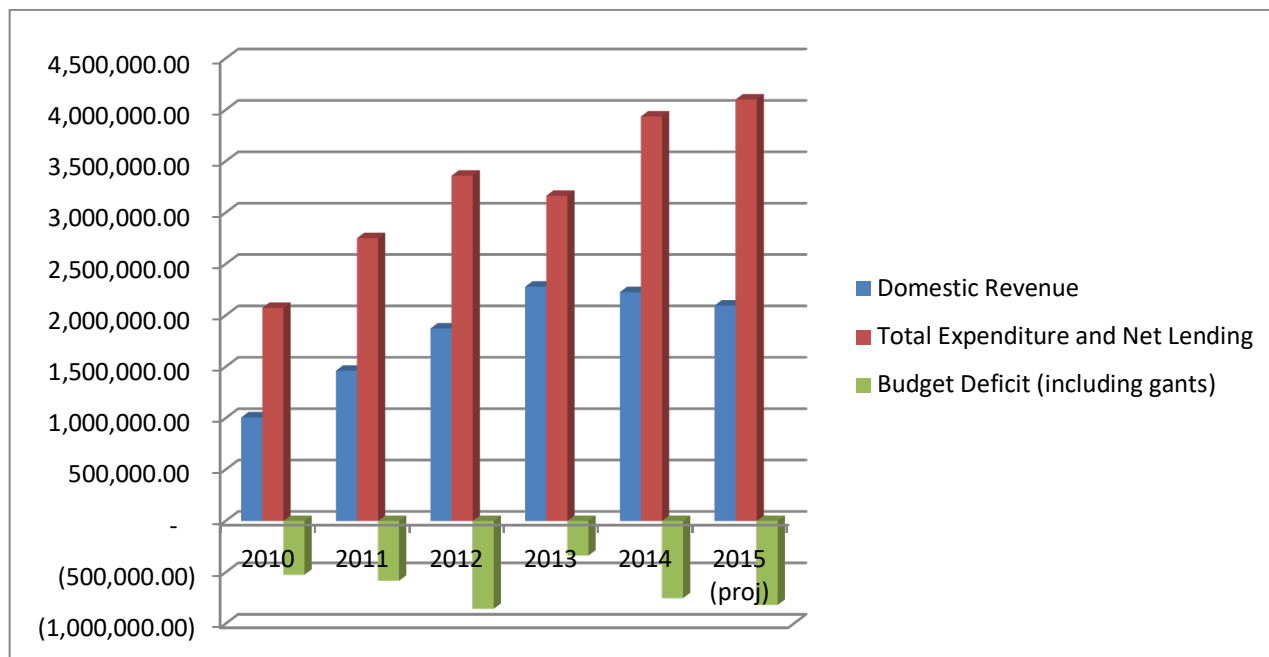
Table 4: Fiscal position 2010-2015(proj.)

	Domestic Revenue	Grants	Total Expenditure and Net Lending	Budget Deficit (including grants)	Budget Deficit (excluding grants)
2010	1,007,633.70	542,614.75	2,073,764.09	(523,515.63)	(1,066,130.38)
2011	1,462,099.86	708,659.48	2,751,941.61	(581,182.27)	(1,289,841.75)
2012	1,873,506.45	632,563.72	3,360,321.87	(854,251.70)	(1,486,815.43)
2013	2,280,014.77	547,599.76	3,163,997.53	(336,382.99)	(883,982.75)

2014	2,226,200.04	959,475.81	3,935,400.68	(749,724.83)	(1,709,200.64)
2015 (proj)	2,096,288.00	1,188,231.00	4,100,842.00	(816,323.00)	(2,004,554.00)

Source: MoFED

Figure 2: Fiscal position 2010-2015(proj.)



The above Graph(Figure 2) replicates what the table reveals, growing budget deficit.

2.4. Budget allocations and planning

The Medium Term Expenditure Framework (MTEF) sets sectoral budget planning for three years (current term 2010 - 2012), but adherence to these figures is very challenging for the Ministry of Finance and Economic Development (MoFED) due to high dependence on unpredictable national revenue collection and donor funding which make annual (or even quarterly) budget forecasting difficult.

The Macro Fiscal Section now established within MoFED is taking steps to improve this situation by enhancing the credibility and reliability of revenue flow forecasts. Budgets are released quarterly, but delays in overall and sectoral government budget approvals often means the first quarter release is delayed with knock- on effects on all planned activities and programmes

MoFED has recently issued a directive to all MDAs stating that underspent quarterly budget allocations will no longer be rolled over into the next quarter, thus putting pressure on the efficient and timely execution of budget plans by MDAs

Financial accountability and transparency

The Integrated Public Financial Management Reform Project has introduced policy and budget hearings, with participation from Budget Oversight Institutions and civil society representatives, where each MDA is required to present and defend their strategic plans and proposed plan of activities and budget for the year. The IFMIS continues to be rolled out across MDAs, including MEST, with ongoing support and capacity building by the Public Financial Management Reform Unit. A Financial Management Information System is also being rolled out across Local Councils to improve accountability, transparency and financial management at this level.

Local capacity and revenues

- There is a widespread lack of adequately trained and experienced people available for financial officers and bursars positions in DEOs and schools.

The role of District Budget Oversight Committees (DBOCs), who report to the Budget Bureau in MoFED is crucial to improving the accountability and financial monitoring of Local Councils, but DBOCs' capacities, activities and effectiveness are highly variable across districts.

- The relationship between Local Councils and chiefdoms in receiving and managing local revenues, and their willingness to allocate revenue funds to education, is inconsistent across districts
- National telecommunications provision, allowing internet connectivity and broadband provision, is currently very weak making central local government communication extremely difficult, and much depends upon national plans

2.5. The matter of discretionary waivers in Sierra Leone

The issues of discretionary tax waivers had bedeviled revenue authorities to such an extent that the Head of State had recently proclaimed that there should be no discretionary duty waivers of any type. The rationale for such pronouncements are clear from the table below, which shows that for example in 2012 the total duty waiver was marginally larger than the budget deficit and for 2010, 2011 and 2013 the total duty waivers were at least 50% of the budget deficit.

It might be conjectured that the amount of discretionary duty exemptions over the period 2010-2013 would have been enough to pay Teachers who had been approved but have not received salaries.

Table 5: Total and discretionary waivers and Budget deficits 2010- 2013

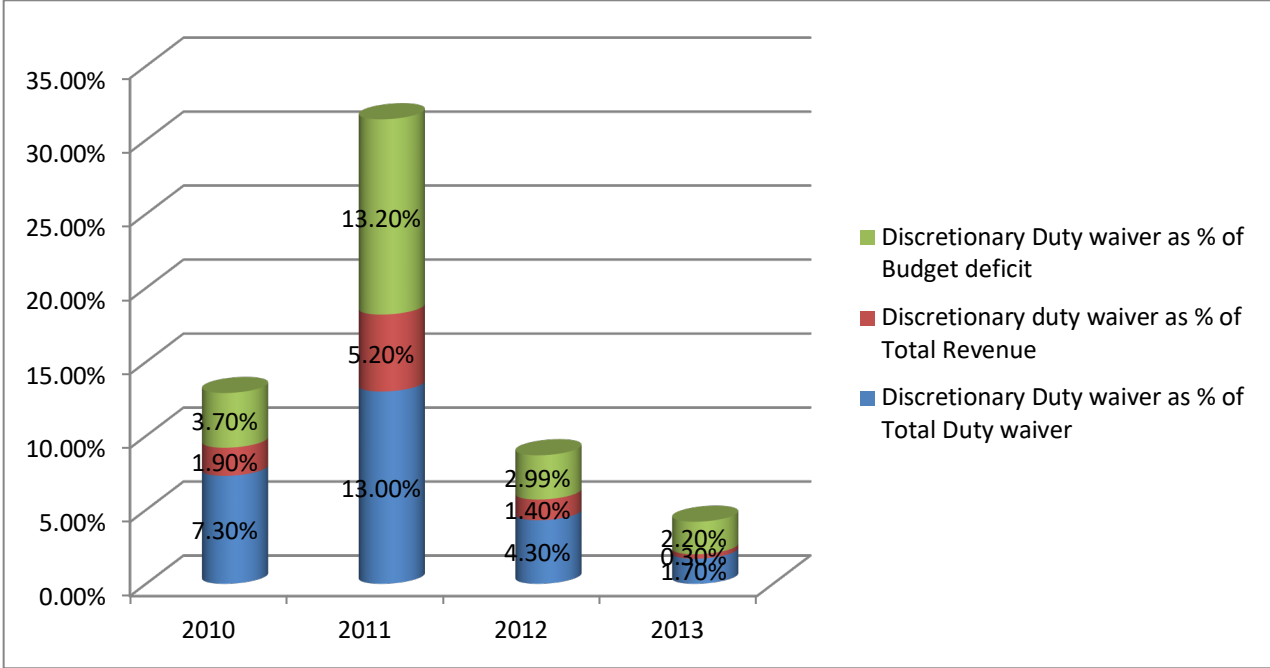
Years	Total Duty waiver (Bn Le')	Discretionary Duty waiver (Bn Le')	Discretionary Duty waiver as % of Total Duty waiver	Total Domestic Revenue	Discretionary duty waiver as % of Total Revenue	Budget deficit including grants	Discretionary Duty waiver as % of Budget deficit
2013	453,437	7,505	1.7%	2,318,243	0.3%	(336,382.99)	2.2%
2012	589.079	25,538	4.3%	1,873,506	1.4%	(854,251.70)	2.99%
2011	585,987	76,427	13.0%	1,462,100	5.2%	(581,182.27)	13.2%
2010	268,578	19,544	7.3%	1,007,627	1.9%	(523,515.63)	3.7%

Source: NRA Annual reports

The data above provided extracts that are illustrated in the Graph(Figure 3) below. In 2010 discretionary duty waiver as a percentage of Budget deficit (3.70%) was slightly over half of the discretionary duty waiver as a percentage of total duty waiver. In 2011 there was a massive increase in total duty waiver, such that discretionary duty waiver as a percentage of budget deficit was higher than discretionary duty waiver as a percentage of total waiver. This would be related to the mining waivers provided for the two iron ore mining companies (AML and LM) at the start of their mining operations, given the tax holidays some of these companies enjoy to our detriment.

The issue of duty waiver has been trumpeted by CSOs as a rent seeking avenue and it is not surprising that in 2012 and 2013 government gave it due consideration and made sure it was reduced to the minimum, especially now, when we are operating on a slimmer shoe-string budget.

Figure 3: Relationship between Discretionary and Total waivers and Budget deficits



2.6. Financial Capacity

Financial Capacity for education is inadequate for all needs; however, within the overall financial constraints of the GoSL, the total amounts available to the education sector from central government are unlikely to be increased dramatically in the near future. Efforts need to be focused on increasing the efficiency of both the financial processes and the use of finances within the education sector to make best use of the available resources.

A core problem is the lack of adequately trained financial personnel at all levels, which hampers the capacity of MEST and local government to deliver on their education financial systems and responsibilities.

Currently budgets are under-utilised due to a combination of unpredictable GoSL revenues, poor financial planning and review of plans as budgets change, ad hoc budget priorities, delays in financial processes due to the lack of qualified and competent personnel, and inadequate information and knowledge at all levels. Awareness, understanding and monitoring of financial disbursement and liquidation processes (fee subsidies, grants, JSS girl fee subsidies) among responsible staff at all levels are weak. The Finance for Education Sector Capacity Building (2014-2018) identified some strategic actions that would improve the financial management in the educational system while building capacity for quality education done within the framework of a holistic approach to education. The priority strategic actions for finance are seven and they are outline within a time frame. However, there is no need to reinvent the wheel because some of the actions have not been undertaken and can

be done now. Below is Table 6 of strategic actions for improving the finance mode of the educational system.

Table 6: Strategic actions for capacity building in Education Finance

Strategic actions	time	Responsible Authority(ies)	Inputs
Appoint financial staff to DEO Financial Officer posts, appraise officers’ competencies and plan and provide appropriate training and support	Late 2013	MoFED, MEST HR Division	Training needs analysis tools Training and support
Establish procedures to ensure that the preparation of the MTEF in MEST is based on evidence from educational data	Late 2013	Mo FED, MEST HR Division	No cost
Commission a detailed review of budget execution and monitoring procedures at all levels in MEST to identify constraints, barriers and opportunities	Mid 2013	MEST Budget Committee	Consultant (medium) : budget execution review
Prepare a single set of guidelines that set out the operational procedures and processes (e.g. which forms to fill in, when, by whom and submitted to whom) that are required by DEOs, Local Councils and schools in order to carry out relevant financial policies and legislature	Mid 2013	MEST, MoFED	Working group meetings Publication of guidelines (paper and online)
Undertake a review of existing guidelines on the use of school subsidies, ensure that these are disseminated to all schools, DEOs and LCs, and put in place robust systems of monitoring the implementation of these guidelines	Early 2013	MEST Inspectorate Directorate, Local Councils	Dissemination Training for financial monitoring Monitoring costs
Revise the supervision and inspection grant allocation formula to take account of differences in terrain and distance involved in visiting schools	Late 2012	LGFD	Dissemination costs Monitoring
Develop a training and monitoring plan for school bursars and SMCs on financial procedures	Mid 2013	Teacher training colleges and MEST	Training materials Training costs

2.7. Domestic Resources for Education

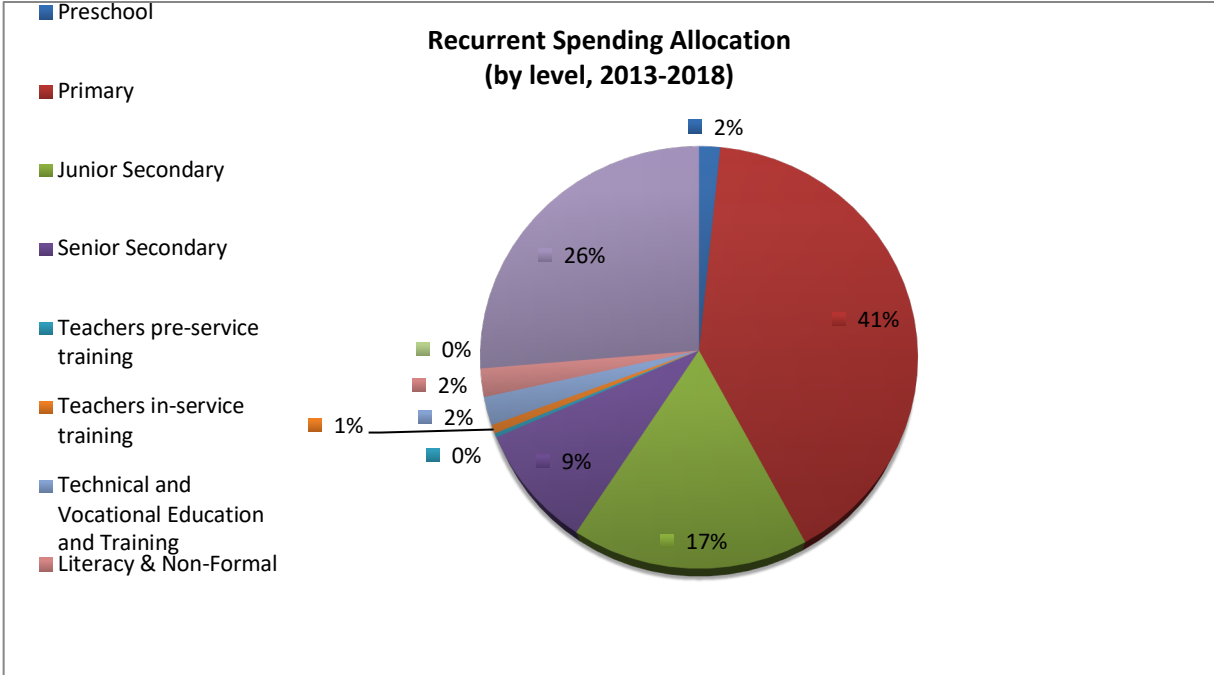
It is envisaged that the Government of Sierra Leone will contribute financial resources totalling Le 2.5 trillion, or USD 570.1 million, to education over the five years the ESP. The government has the capacity to cover about 60 percent of the cost stipulated in the ESP and then seek additional funding. Of the domestic resources going towards education, 94 percent will be used for recurrent expenses, such as teachers’ salaries⁵.

⁵ ESP 2014-2018

Considering government coffers alone, there is a gap of Le 1.64 trillion, or USD 381 million. It is expected to be filled partly through grants to government and donor contributions, which total Le 1.02 trillion or USD 236.4 million⁶.

Government grants to recurrent and development expenditures are expected to total Le 742.2 over the life of the ESP. The bulk of those grants will be used to close the Le 972 billion gap in recurrent spending, while the remaining funds will go closing the Le 665.6 billion gap in development funding.

Figure 4: Recurrent spending allocations, by grade level



Source: ESP, MEST

While MEST superintends the entire landscape of all educational institutions in the country, some functions and funds are being devolved to the local Government. Local Government transfers form a very small chunk of finances that go down to the local councils to enable them undertake development programmes Government cannot easily discern and place priority on. There are all indications that activities hinging on education, health, water and sanitation , agriculture, livestock development and small and medium scale enterprises in the rural areas should be devolved to the local councils amidst fears of capacity constraints.

⁶ ESP

The Local Government Finance Department (LGFD) had been working in tandem with the MEST to ensure subsidies, Teaching and Learning Materials (TLM) get to schools. Below is a table showing the volume of resources flowing to the educational sector in the local councils jurisdiction.

Table 7: Local Government Transfers (Direct and Indirect) 2010-2015

	Education-2010	Education-2011	Education-2012	Education-2013	Education-2014	Education-2015
	Actual	Actual	Actual	Actual	Actual	Jan-Jun (Actual)
DIRECT TRANSFERS						
Sub-Total	5,384,700,000	5,281,900,000	17,905,080,000	19,396,375,614	17,965,140,000	5,411,800,000
INDIRECT TRANSFERS	23,050,964,981	21,761,135,414	14,279,584,792	15,100,506,433	10,728,279,922	16,226,400,000
School Fees Subsidy	12,394,809,943	8,251,929,000				
Textbooks - Primary	2,280,255,528	4,205,797,214	1,629,325,552	4,119,303,980	2,887,473,586	2,779,600,000
Teaching and Learning Materials	1,196,604,800	1,872,511,200	1,662,002,358	2,850,524,453	1,645,825,750	1,914,200,000
Fees to WAEC-NPSE	2,584,192,000	2,523,378,000	2,897,640,000	2,819,220,000	3,002,910,586	3,787,300,000

Fees to WAEC-BECE	197,102,710	-	5,803,490,000			6,045,300,000
Textbooks - Secondary	4,398,000,000	4,907,520,000	2,287,126,882	5,311,458,000	3,192,070,000	1,700,000,000
GRAND TOTAL	28,435,664,981	27,043,035,414	32,184,664,792	34,496,882,047	28,693,419,922	21,638,200,000

2.9. Donor Contributions

Since the end of the civil war in 2002, for the past decade Sierra Leone had been a donor dependent nation. The World Bank, UNICEF, AfDB, WFP, European Commission, DFID, the German government, JICA and others have been providing support to education. Available data shows that donor assistance to the education sector was USD 34.4 million in 2009, but declined to USD 12.2 million in 2011. As a proportion of total expenditure to education, the share of Donor Fund has been trending downward, as the GoSL has been able to use its growing tax revenue base to fund education and other parts of the public sector. For example, donor funding comprised about 58 percent of total education expenditures in 2007, whereas that figure fell drastically to 15.5 percent in 2011.

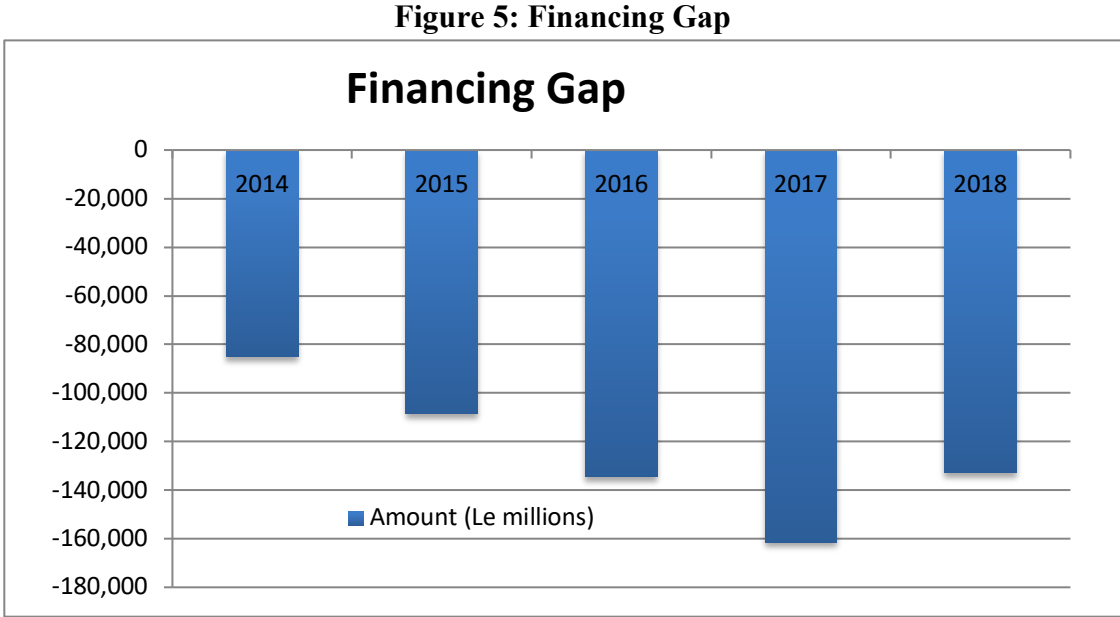
2.9.1. Donor Support for the ESP

Donors' expected contributions to development costs of the ESP total Le 274.4 billion, or USD 63.8 million. The funds expected to close about 41 percent of the development gap are expected from DFID, GPE, UNICEF, GIZ and perhaps UNESCO.

2.10. The Funding Gap

Le 622 billion (USD 144.7 million), a funding gap of about 15 percent remains. About 51 percent of that gap is related to uncovered development expenses. Interventions such as handicapped accessible schools and WASH facilities fall under development spending, so to source this additional funding the MEST will use innovative and more strategic modes, perhaps collaborating with other MDAs whose activities interlock with that of the ministry.

If Government improves tax administration and collection to boost domestic revenue mobilisation this funding gap could be reduced further. The funding gap as shown in the graph continued to widen from 2014 to 2017 before declining marginally



Source: ESP,MEST

3.0 Recommendations for increasing Education Expenditure and reducing Financing Gap

Domestic revenue collection efforts now and the medium term should focus on (i) broadening the tax base; (ii) reducing customs and GST duty waivers; (iii) combating tax evasion; (iv) enhancing transparency and accountability in revenue collection, (v) strengthening enforcement and compliance and (vi) strengthening revenue administration through administrative reforms including use of advanced information technology. A specialised Unit for the administration of revenues from the Extractive Industries should be established at the National Revenue Authority (NRA) to minimise the leakages in the extractive industries.

In order to achieve sustainable and inclusive growth and create employment opportunities, focus should be on the sectors that have the potential to generate long term sustainable and inclusive green growth. Our strategies will focus on agriculture (both small and large scale, subsistence and Cash crops), fisheries, manufacturing and tourism. In all these sectors, Government will work to remove constraints including improving access to finance and seeking foreign investments, marketing and export support, research

In support of economic diversification, Government should support activities in the agricultural value chain, including food production and processing; livestock development; and extension services while promoting the activities of the Sierra Leone Agricultural Research Institute (SLARI) to enhance its research activities- an area to help the educational sector by training researchers.

Development partners, including the African Development Bank (AfDB), Islamic Development Bank, International Fund for Agricultural Development (IFAD) and the World Bank should support various projects in the agricultural sector some of which have educational programmes such as training in processing and preservation of agricultural products.

Undertake the development and implementation of a Tourism Marketing Strategy which incorporates training of guides and the inclusion of an eco-tourism component in the new programme to attract

Youths. This will reduce the pressure on the formal educational system and in fact create avenue for synergy between MEST and Ministry of Tourism and Cultural affairs

Introduce legislation on local government finance and property taxation that clearly establish procedures for revenue collection and sharing, between local and chiefdom councils and the administration of property rates, respectively.

Further strengthen the basics for an equitable and transparent intergovernmental fiscal transfer system which is in place to enable the councils to complement efforts by the MEST to deliver quality primary education in the municipalities and rural areas.

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Q1).How do you consider the number of pupils in your school—too many; just enough for the space; too few for the infrastructure- Discuss how many(if appropriate) , Boys , Girls

Q2). Please provide the trend of subsidies disbursed over the last five years? Have subsidies being increasing/ decreasing

How regular- is it timely- who and who normally have information onthe disbursement of the subsidies-

Do girls get more allocation as subsidies than boys?

Q3. How are they performing? Boys; girls

Q4).Do you receive the actual amount allocated for your school

Q5).On the reception of the subsidy, please indicate the proportion spent on

Stationery-----

Furniture-----

Maintenance of other facilities-----

Payment of auxiliary staff-----

Q6).Do you have a free hand in the utilisation of these funds YES NO

**If NO, explain -----
-----**

Q7).If no free hand, how does this negatively impact on the school?

Q8). What proportion of teachers are Qualified and Unqualified Teachers in the school and in the country as a whole?

Q 9.) Do you know about Tax waivers in the country ?

Q 10). How do you perceive the accounting and financial management of the local Councils? Do they have the capacity, that is, do they have the personnel ?

Q11). How do you consider the budget allocations to education and even the percentage of education expenditure as a percentage of GDP

Q 12). What is the role of the DBOC?

Q13.) Do they have the capacity and required personnel to effectively monitor budgets allocated/transfers made to Local Councils?

Q 14). Is the inspectorate division still active as we used to know them prior to the war?

Q15.) what is amiss or what can we possibly do to bring them to pre-war levels?