



EDUCATION SECTOR: IS THE GOVERNMENT ALLOCATING ENOUGH MONEY TO FUND ITS STRATEGIC OBJECTIVES?

Introduction

The Education Sector Budget is meant to provide funding for interventions aimed at achieving the overall vision of ensuring that Tanzanians are educated and have the knowledge, skills, competence, ability and positive attitude to contribute to the development of the nation. The budget is meant to fund implementation of the Third Education Sector Development Plan 2021/22 to 2025/26 (ESDP III), as well as education specific strategic goals from the Five-Year Development Plan 2021/22-2025/26.

Overall Education Sector Budget

The total allocation of funds for the Education Sector Budget for 2022/23 is TZS 5.637 trillion, which is a slight 0.97% increase compared to the 2021/22 figure of TZS 5.583 trillion. The Education Sector budget takes up 13.59% of the total government budget of TZS 41.481 trillion, which is a slight increase from the 2021/22 share of 13.46%.

General Distribution of the Education Sector

The table below shows the distribution of education sector allocation by supply votes:

Table 1: Education Sector Allocation by relevant votes (TZS Billions)

Vote	2020/21	% Share of Sector Budget	2021/22	% Share of Sector Budget	2022/23	% Share of Sector Budget
RAS	3,286	70.15%	4,040	72.38%	4,043	71.73%
MOEST	1,348	28.77%	1,448	25.94%	1,493	26.49%
PO-RALG	34	0.73%	72	1.29%	82	1.46%
TEACHERS SERVICE COMMISSION	14	0.30%	15	0.27%	16	0.28%
UNESCO	2	0.05%	2	0.04%	3	0.05%
MINISTRY OF WORKS	-	0.0%	5	0.09%	-	0.00%
Total	4,684		5,583		5,637	

As shown in table 1, the Ministry of Education, Science & Technology (MOEST) vote, as well as the Regional Administrative Secretariat votes have accounted for 98.48% of the total education Sector Budget over the past 3 years.

MOEST allocation increased by 7.46% from 2020/21 to 2021/22 by TZS 1.348 trillion to TZS 1.448 trillion, and then increased by 3.10% to TZS 1.493 trillion. From 2020/21 to 2020/22 RAS votes increased by 22.96% from TZS 3.296 trillion to TZS 4.040 trillion. The large percentage share of the RAS votes reflects that the majority of spending is implementation at local Government level relating to infrastructure improvement, salaries, availability of school supplies/equipment, etc. to government schools in the various districts around the country.

Education Sector Recurrent vs Development Budget

In terms of distribution within the education sector, the recurrent budget for 2022/23 is TZS 3.566 trillion, which is an increase of 9.72% compared to the previous year's allocation of TZS 3.250 trillion, and a 7.91% increase compared to the 2020/21 allocation of TZS 3.304 trillion. On average, over the past 3 years the recurrent budget has taken up a 64% share of the total education sector budget.

The development budget allocation for 2022/23 is TZS 2.071 trillion, which is a decrease of 11.21% from the previous budget but is a 50.1% increase compared to the 2020/21 development budget. Over the past 3 years the development budget has taken up an average share of 36% of the total education sector budget. This implies that most of the allocation in the education sector is towards ensuring the day to day running of the sector.

Recurrent Budget

Within the recurrent budget, the Ministry of Education, Science and Technology (MOEST), as well as the Regional Administrative Secretariat votes have accounted for an average of 99.14% of allocation to the Education Sector over the past 3 years. The RAS votes allocation for 2022/23 is TZS 3.002 trillion, up by 9.50% from the previous year's allocation of TZS 2.741 trillion, and up by 7.79% compared to the 2020/21 allocation of TZS 2.784 trillion. The RAS votes have accounted for an average of 84.27% of the Education Sector's Recurrent budget allocation over the past 3 years.

The MOEST Budget for 2022/23 is TZS 533.457 billion, up by 11.03% compared to the 2021/22 allocation of TZS 480.475 billion, and up by 8.64% compared to the 2020/21 allocation of TZS 491.049 billion. The MOEST vote has accounted for an average of 14.87% of the Education Sector Recurrent Budget over the past 3 years.

Within the education sector recurrent budget, a big chunk of the allocation is TRANSFERS TO LGA'S – PRE – PRIMARY AND PRIMARY EDUCATION, and the TRANSFERS TO LGAS - SECONDARY EDUCATION sub votes, located within the RAS votes. These 2 sub votes together account for 84.03% of the recurrent budget. Within the MOEST budget, most of the spending is under the HIGHER EDUCATION sub vote, which accounts for 8.39% of the recurrent budget. The Higher Education increase is mainly under Basic Salaries- Pensionable Posts and Travel – In – Country, likely reflecting increase in teachers' salaries, as well as travel to monitor construction of infrastructure at higher education institutions across the country.

Development Budget

The Education Sector Development Budget has been financed by an average of 65.85% from local sources and 34.15% from development sources in the past 3 Years.

From 2020/21 to 2022/23 the development allocation percentage share from foreign sources increased from 28.11% to 45.05%, as its allocation increased by 171.01% from TZS 387.8 billion to TZS 1.051 trillion.

This was due to increase in allocation from various development partners, most likely linked to support to COVID 19 response. The allocation percentage share from foreign sources decreased down to 29.99% in 2022/23, as allocation decreased by 42.29% down to TZS 606.588 billion, due to donors reducing allocation from the previous year, although not to the levels of 2020/21.

From 2020/21 to 2022/23 the development allocation percentage share from local sources decreased from 71.89% to 54.95%, although its allocation increased by 29.20% from TZS 992.042 billion to TZS 1.281 trillion. This was not as much as the foreign sources increase but still impressive. The allocation percentage share from local sources increased up to 70.71% in 2022/23, as allocation increased by 14.27% up to TZS 1.464 trillion, an increase that was not as large as the previous year but still helped to counteract the decrease in development foreign funding in the education sector to some extent. There is evidence of government intent to increase domestic resource mobilization to counteract historical donor dependency, as allocation from local sources has increased from year to year.

Within the development budget, the Ministry of Education, Science and Technology (MOEST), as well as the Regional Administrative Secretariat votes have accounted for an average of 97.39% of allocation to the Education Sector over the past 3 years. The RAS votes allocation for 2022/23 is TZS 1.041 trillion, down by 19.83% from the previous year's allocation of TZS 1.299 trillion, but up by 107.80% compared to the 2020/21 allocation of TZS 501.179 billion. The RAS votes have accounted for an average of 47.43% of the Education Sector's Recurrent budget allocation over the past 3 years.

The MOEST Budget for 2022/23 of TZS 959.547 billion was almost level with the previous year, decreasing by just 0.83% compared to the 2021/22 allocation of TZS 967.624 billion, and up by 12.03% compared to the 2020/21 allocation of TZS 856.514 billion. The MOEST vote has accounted for an average of 49.96% of the Education Sector Recurrent Budget over the past 3 years.

Education Sector: Is the Government allocating enough money to fund its Strategic Objectives?

Within the Education sector development budget, the majority of the allocation goes to the TRANSFERS TO LGA'S – PRE – PRIMARY AND PRIMARY EDUCATION, TRANSFERS TO LGAS - SECONDARY EDUCATION, and the HIGHER EDUCATION sub votes, which account for an average share of 20.84%, 26.20% and 33.19% respectively over the past 3 years, which cumulatively adds up to 80% of the education sector development budget.

Within TRANSFERS TO LGA'S – PRE – PRIMARY AND PRIMARY EDUCATION, the majority of the money goes to allocation to Free Primary Education, Primary Education Development, Education Program for Results – EP4R, as well as for the management and implementation of national exams within the country. Within TRANSFERS TO LGAS - SECONDARY EDUCATION, the majority of allocation goes to Free Secondary Education, Tanzania Secondary Education Quality Improvement, and the management and implementation of national exams. Most likely the focus here is to ensure the availability of fee free education to students at primary and secondary education level. Within HIGHER EDUCATION, the majority of the allocation was for Higher education student loans.

Education Sector Allocation vs Education Sector Development Plan Costing

The graph below shows a comparison of the Education Sector Development Plan III costing in comparison to Education Sector allocation from the start of the ESDP III (2021/22) to date.

When comparing allocation in the Education sector vs Costing Estimates recorded in the Education Sector Development Plan 2021/22-2025/26, there already seems to be a funding gap forming as shown in the table below:

Education Sector: Is the Government allocating enough money to fund its Strategic Objectives?

ESDP 2022-26 Costing vs Budget Allocation to date (TZS Billions)				
		ESDP Costing	Education Sector Allocation	Gap
2021/22	Recurrent	4,098.21	3,249.79	848.42 (20.7%)
	Development	3,017.86	2,332.75	685.11 (22.7%)
	Total	7,116.07	5,582.54	1,533.53 (21.55%)
2022/23		ESDP Costing	Education Sector Allocation	Gap
	Recurrent	4,569.22	3,565.72	1,003.50 (21.96%)
	Development	3,017.86	2,071.23	946.63 (31.36%)
	Total	7,587.08	5,636.95	1,950.13 (25.7%)
Cumulative 2021/22 & 2022/23		ESDP Costing	Education Sector Allocation	Cumulative Gap
	Recurrent	8,667.43	6,815.51	1,851.92 (21.37%)
	Development	6,035.72	4,403.98	1,631.74 (27.03%)
	Total	14,703.15	11,219.49	3,483.66 (23.69%)

Allocation to the Education Sector has failed to meet ESDP Projections for 2021/22 and 2022/23 both in terms of recurrent and development allocation, which has led to a gap of TZS 3.484 trillion within the first 2 years of the 5-year plan. This cumulative gap over 2 years is already 23.69% of the ESDP projection of the past 2 years. This means that in terms of allocation, in order to get back in line with ESDP projections, the government has to find a way to cover this outstanding gap as well as meet the ESDP projections for future years.

Furthermore, the Incheon Declaration of 2015, a signed agreement which guides implementation of the Sustainable Development Goal 4 (SDG 4) on access to quality and inclusive education, states that all sub-Saharan countries are required to set aside at least 20% of their budget, or 6% of their gross domestic product (GDP) in education. The Tanzania Education Sector Budget for this year is at 13.59% of the total budget, so it has not met this standard.

Conclusion

In general, we see that the Education Sector Budget has increased over time, with the recurrent budget of the sector generally following this trend. However, we have seen that there has been a slight decrease in the development budget from 2021/22 to 2022/23, which is of concern because it serves to improve the education sector. Development funding from local sources has increased from year to year along with recurrent allocation, which indicates that government domestic resource mobilization efforts are reflecting in increased allocation within the Education sector.

The government has put in place a solid plan to improve the education sector through the Education Sector Development Plan 2021/22 to 2025/26 (ESDP III) and is implementing many strong interventions to ensure inclusive education for Tanzanians, such as fee free education at primary and secondary level, availability of loans for students going to University, as well as infrastructure improvements at various schools and institutions across the country. The issue seems to be in funding, where for the past 2 years, the government has failed to allocate funding as per costing laid out in the ESDP III. The gap that has occurred in just the past 2 years is already 23.69%, and in terms of percentage share is already proving to be having more of an effect on the development budget, although both are suffering. The development funding is affected by decreased foreign funding in the development sector, but it should be noted that even when foreign funding allocation increased dramatically in 2021/22, it was still not enough to reach the costing estimates for 2021/22 as per ESDP III.

Education Sector: Is the Government allocating enough money to fund its Strategic Objectives?

Recommendation

The government needs to focus its efforts on resource mobilization to fill the deficit that has already started to occur. It needs to ensure that the gap does not increase, and to mobilize adequate future funding to meet ESDP III cost estimates and to ensure that this plan has at least a fighting chance at successful implementation.