A Public Expenditure Review of the basic education sector in Namibia was undertaken in 2016/17. The aim of the review was to:

- provide a better understanding of the linkages between educational inputs, outputs and outcomes in basic education
- assess the efficiency of public spending and resource allocation for basic education.

The full report of the Public Expenditure Review gives details about its findings in key areas of education expenditure. It makes specific recommendations for action to be taken in both the short term and the long term. In response to the main issues and recommendations coming out of the full report, individual briefs have been developed in six key areas. The briefs highlight the findings and make clear, feasible recommendations to ensure that:

- there is efficient education expenditure in a tight fiscal space
- the poorest and most marginalized children benefit equitably from the education system
- more positive educational outcomes are achieved overall
- ultimately all Namibian children have access to quality inclusive education, and realize their full potential to become productive and empowered adults.

A snapshot of the education sector

There have been positive developments in the basic education sector in the nearly three decades since independence in Namibia. Developments and targets in the sector are aligned with global instruments, such as the Sustainable Development Goals (SDGs), the United Nations Convention on the Rights of the Child and the United Nations Convention on the Rights of Persons with Disabilities. In particular, SDG4 highlights inclusive and equitable quality education and lifelong learning for all. Supporting these international commitments are Namibia’s Vision 2030, the Harambee Prosperity Plan and the Fifth National Development Plan, which emphasize the role of education in sustainable development.

Over the past two decades, the country has seen steady learner enrolments. Enrolment increased from 462,350 learners in 1992 to 707,878 learners in 2016, showing an average increase of 1.5 per cent per year. The decrease in the gross enrolment ratio from 132 per cent in 1992 to 109 per cent in 2016 points to an improving education system, in which enrolment is not much larger than the size of the appropriately aged population. In line with the government’s commitment to Education for All, universal primary education was introduced in 2013, and universal secondary education was introduced in 2016.

In terms of financial commitment, the education sector has been steadily receiving the biggest share of the national budget, at an average annual 20 per cent since 2007/08. This continues to be the financial target for the government’s commitment to Education for All.
Key challenges continue to undermine progress

Despite the education sector receiving the largest share of the national budget, key challenges continue to undermine progress and educational outcomes. It is now well known that money alone does not guarantee good education outcomes, and other factors need to be considered. Namibia faces a number of persistent educational challenges:

- poor learning attainments across the different basic education phases
- high repetition and drop-out rates
- unqualified and under-qualified teachers, especially in the lower grades
- limited teaching and learning materials.

Unfavourable economic and revenue outlook

The prevailing economic and fiscal environment is exerting pressure on the sector

Namibia is currently experiencing slow economic growth, which is lowering revenue and causing the government to cut spending across sectors. According to the projections by the International Monetary Fund, gross domestic product is projected to flat-line at ~1.2 per cent, while government revenue is expected to decline from 32.3 per cent in 2017/18 to 31.3 per cent of gross domestic product in 2021/22. The macro-fiscal environment will put pressure on government finances and thus on resources available for education. And as the government’s spending on basic education is high compared to other upper middle income countries in Southern Africa, it will be difficult to make a case for giving additional budget priority to the education sector.

It is therefore imperative that the Ministry of Education, Arts and Culture (MoEAC) achieves efficiencies in education spending and reallocates resources to meet the needs of the most vulnerable school communities.
Linkages between inputs, outputs and outcomes need to be understood for optimal outcomes

Effectively addressing the challenges in financial and personnel resources at the national and regional levels and improving educational outcomes requires a better understanding of the linkages between:

- inputs (the money)
- outputs (what we do with the money)
- outcomes (what we achieve with the money we spend)

The need to ensure a pro-poor budget

In order for the MoEAC to fulfil its mandate, all efforts need to be made to include the poorest and most marginalized sectors of society in the provision of quality education. The collective findings and recommendations of the policy briefs aim to facilitate this.

About the briefs

These briefs have been designed to highlight and distil some of the findings of the PER in key areas and to summarize the most critical recommendations.

Within the current context of fiscal and economic constraints, the recommendations are guides for decision-makers and influencers within the sector to optimize spending while ensuring effective outcomes.

The briefs should assist the MoEAC to identify short-term and long-term actions to improve the way funds are allocated and spent on pre-primary, primary and secondary education so that all Namibian children have access to quality education.

**Key areas covered in the briefs:**

- Challenges related to the payroll and the salary bill
- Efficiencies in education spending
- Fiscal tracking in education
- Reaching marginalized children
- Housing or other financial incentives for teachers
- The case for transport subsidies
1. Challenges related to the payroll

The salary bill is a large part of the education budget and needs to be managed efficiently.

**Key findings relate to:**
- data collection
- the salary bill
- the allocation of posts
- challenges related to unqualified and under-qualified and temporary teachers.

**Data collection:** There are problems and inconsistencies with data collection, including a mismatch between data collection systems and procedures, such as the Education Management Information System (EMIS) and payroll data. This means that there could be a large number of ‘ghost teachers’ on the payroll.

**The salary bill:** Personnel spending is by far the biggest item in the education budget. So inefficient personnel spending crowds out spending on important non-personnel items, such as textbooks and other teaching and learning materials. In the prevailing climate of economic constraint, personnel spending needs to be efficiently managed.

**Allocation of posts:** There are often more teachers at a school than the number allocated in the post-provisioning norms; there are disproportionately more qualified teachers in secondary schools. And at the regional level, there are more qualified teachers in the urbanized areas. This puts the more remote, rural areas at a disadvantage.

**Unqualified and under-qualified temporary teachers:** Many temporary teachers are un- and under-qualified, which can undermine the quality of teaching and learning.

2. Efficiencies in education spending

In the prevailing difficult economic climate with declining revenue, achieving efficiencies in education spending is more important than ever.

**Key findings relate to:**
- imbalances in spending by education level
- issues with the textbook budget
- current versus capital expenditure
- ways of assessing whether outcomes have been achieved.
Spending by education level: Investment in early learning leads to long-term gains. Unfortunately, spending at the pre-primary level in Namibia is disproportionately low compared to spending at the secondary level.

The textbook budget: International studies have found that there is a strong link between improvements in learning outcomes and the availability of textbooks and other learning materials, particularly in low-income countries. Pre-primary and primary education are not receiving adequate budgetary allocations for textbooks and other teaching and learning materials.

Current expenditure: Current expenditure takes up the lion’s share of the education budget. This means there is very little money available for infrastructure maintenance and new school infrastructure.

Assessing the achievement of education outcomes: It was found that the quality of teaching in early grades has an effect on learning outcomes in later grades, and that the quality of teaching can improve the efficiency of public spending.

3. Fiscal tracking

Fiscal tracking is a way of providing accountability for the use of funds in the public sector. It entails mapping out the use of funds from their source to their end-use. An example of fiscal tracking in the Namibian education sector can illustrate this: funds would be tracked as they move from the Ministry of Finance to the MoEAC in Windhoek, to a region, to a school in a region, and for a particular item in the school.

Key findings relate to:
- the importance of fiscal tracking for the education sector
- the different tools for analysing the budget
- the benefits of National Education Accounts and Public Expenditure Tracking Surveys
- lessons Namibia can learn from other countries that have implemented these systems.

The importance of fiscal tracking for the education sector: As a crucial sector for advancing socio-economic growth, education receives a large portion of the national budget. Therefore, there need to be stringent accountability measures at all levels. Households also spend considerable amounts on education, though the exact amounts are not known. It is important to be able to quantify and keep track of this non-government expenditure.

The different kinds of budget analysis tools are the Public Expenditure Review, National Education Accounts and the Public Expenditure Tracking Survey.

The benefits of National Education Accounts and Public Expenditure Tracking Surveys: These include detailed data breakdowns that can help to inform policy; data that show how much of the financial burden households carry in education spending; how much private education is subsidized; and they allow for cross-country comparisons, comparisons over time, and comparisons with other systems.

Lessons from other countries: Côte d’Ivoire, Guinea, Nepal, Uganda, Vietnam and Zimbabwe have implemented NEAs. A key benefit is that they are able to track the details of household expenditure on education. This shows that the costs of many basic education items such as uniforms, textbooks and transport are not covered by the government.

4. Reaching educationally marginalized children

While it is enshrined in the Namibian Constitution that all children have access to quality inclusive education, many children from marginalized and vulnerable communities do not. In particular these are the San; Ovahimba; children from poor and remote rural communities; and children with disabilities.

The issue of home language is a proxy indicator of socio-economic level because of its link to the legacy of apartheid.

The lack of basic education opportunities has serious long-term socio-economic implications for individual children, their communities and Namibian society in general.

Key findings relate to:
- low attendance levels among marginalized children
- current programmes supporting marginalized children.
**Low attendance levels among marginalized children and the implications:** There is a link between low income levels and school attendance. The implications of the alarming number of educationally marginalized children not attending school include high levels of illiteracy, unemployment and income inequality, low productivity levels, unfavourable health outcomes, increased social division, and prolonged cycles of poverty and dependence on government grants.

**Current programmes supporting marginalized children:** While a number of government and non-governmental programmes provide support in the form of food, financial grants and upliftment, they are neither sufficiently coordinated nor sustainable.

5. **The case for transport subsidies**

In Namibia, a key barrier for children to exercise their right to a basic education is getting to and from school safely and easily. Many children are not able to go to school because of the long distances. This is particularly the case with younger learners who have to walk for more than five kilometres to and from school daily. The situation is even worse for children with disabilities.

The consequences of travelling long distances to get to and from school include fatigue, lack of concentration in class, exposure to the elements, an unsafe environment, high drop-out and repetition rates, or total non-attendance. Enrolment in the remotest schools is 3.2 times less than enrolment in urban or not so remote schools.

**Key findings relate to:**
- the strong need to introduce free home-to-school transport.

**The need for home-to-school transport:** It was found that the number of learners in Namibia in need of funded transport is considerable. A serious consequence of learners being in hostels is the loss of family life and connection with the community, especially for children in the lower primary grades and children with disabilities. It was also found that in certain regions, there is an alarming number of primary school children in hostels, some of which do not provide safe and conducive living environments for children. Calculations showed that free home-to-school transport would be both cheaper for the government and preferable for learners than boarding in hostels.

6. **Offering teacher housing to attract teachers to more remote areas**

As a sparsely populated country, distances between towns and cities in Namibia are long. The population density is low, with over half of the population (52 per cent) living in rural areas. The country is faced with a shortage of qualified teachers in the most remote areas. The government has made efforts to attract more qualified teachers to these areas through financial incentives. However, the financial incentives have not been shown to have hugely positive effects on attracting qualified teachers to go to the most remote areas. The government is currently exploring the possibility of offering teacher housing as a viable alternative.

**Key findings relate to:**
- the educational challenges in remote areas
- the conditions in remote areas that deter teachers from going there
- the shortage of teachers at the pre-primary and primary levels
- the costs of providing housing to teachers in remote areas and whether they can feasibly be covered.

**Educational challenges in remote areas:** These include higher failure rates, repetition rates and dropout rates; lower learner enrolments in the higher grades, and fewer qualified primary and pre-primary school teachers.

**Deterrents:** These include limited basic amenities and resources such as electricity, internet connectivity and recreation facilities.

**Teacher shortages:** These are most pronounced at the pre-primary and primary levels.

**The cost and feasibility of providing teacher housing:** It was found that teachers in remote schools place great value on the quality of their housing. Financial calculations showed that it costs less to provide teachers with housing than the current financial incentive, and that there is sufficient budget to provide housing to a sizeable number of teachers.
The individual briefs provide fairly detailed recommendations for each area. What follows is a summary of key suggestions.

**Payroll and the salary bill**
Data discrepancies should be resolved to ensure accurate and verifiable payroll numbers and payment of personnel. There should be no ghost teachers. The salary bill needs to be tightly managed.

**Efficiencies in spending**
The budget allocations across the three levels of basic education (pre-primary, primary and secondary) need to be re-aligned to increase the budget share for pre-primary education. The textbook budget should also be re-aligned so that the lower levels get a bigger share. Where possible, the capital budget should be increased for important infrastructure maintenance and new buildings. And there should be an emphasis on improving the quality of teachers at the lower levels.

**Fiscal tracking**
To have a comprehensive fiscal tracking system that shows all expenditure on education, including household expenditure, the NEA system could be adopted. And a PETS could be undertaken to monitor the impact of recommendations in the Public Expenditure Review and to identify spending inefficiencies.

**Reaching educationally marginalized children**
All eligible children should receive government grants. Basic education costs could be covered through a voucher system. Cooperation with other ministries, non-governmental organizations and support programmes could help to rationalize budgets and ensure more focused initiatives to bring the poorest and most marginalized into the system and ensure that they complete basic education.

**Housing**
Teacher housing should be constructed in the most under-served and remote areas. There should be a strong focus on teacher housing in primary schools because of the pressing need for attracting and keeping qualified teachers at this level.

**Transport**
Free home-to-school transport should be considered, particularly for the very young and most vulnerable school children living in remote areas, including children with disabilities. The safety and quality of routes to schools should be assured.

**Endnotes**