Ministries of Basic and Secondary Education and Higher Education Research, Science and Technology

Education Finance Brief (2012-2020)

with technical and financial support from the World Bank

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List of Abbreviations

CBG	Central Bank of the Gambia
CEE	Current Education Expenditure
CSR	Country Status Report
ECD	Early Childhood Development
ECOWAS	Economic Community of West African States
EFA	Education For All
EFB	Education Finance Brief
FTI	Fast Track Initiative
GDP	Gross Domestic Product
IFMIS	Integrated Financial Management Information System
ISCED	International Standard Classification of Education
LYA	Latest Year Available
LBE	Lower Basic Education
MoBSE	Ministry of Basic and Secondary Education
MoHERST	Ministry of Higher Education Research, Science and Technology
ODA	Official Development Assistance
PEEG	Public Education Expenditure in the Gambia
PPP	Purchasing Power Parity
PSIA	Poverty and Social Impact Analysis
REE	Recurrent Education Expenditure
SSE	Senior Secondary Education
TGE	Total Government Expenditure
TVET	Technical and Vocational Education and Training
UBE	Upper Basic Education
UIS	UNESCO Institute of Statistics
UIS-EFCBSA	UNESCO Institute for Statistics-Education Finance Capacity Building Project in Sub-Saharan Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization
WDI	World Development Indicators

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Executive Summary

The Ministries of Basic and Secondary Education (MoBSE) and Higher Education Research, Science and Technology use resources from both the domestic budget and development partners to enhance quality education delivery across all levels. In the sectors' effort to ensuring efficient and effective utilization of these resources, a thorough analysis of education expenditure is necessary as advocated in the education policy to enhance evidence-based decision making.

It is along these lines that the need to produce an updated Education Finance Brief became eminent. This brief presents an overview of education financing in the Gambia by source of funding and nature of expenditure. It describes patterns, features, and evolution from 2012 to 2020. The brief thoroughly explains expenditure patterns at all levels of education. It also gives details for the variations between budgeted and actual expenditures across various segments of the education indicators.

The brief dwells on the different aspects of education financing. Its ranges from trend of total government expenditure on education; breakdown of expenditure by levels of education, government and administration, breakdown of recurrent and capital expenditure, contribution of development partners in educational development, budget execution and credibility, equity of education spending, household expenditure in educational development and unit cost of education expenditure. It offers comparison among other Sub-Saharan African countries with emphasis on ECOWAS countries.

During the period 2016 to 2020, gross enrolment ratio for Early Childhood Education and Lower Basic Education increased by 9.7 and 17 percentage points respectively while that of, Upper Basic and Senior Secondary Education similarly increased by 7 percentage points respectively. This is accompanied by a decrease in the pupil teacher ratio over the same period.

Education expenditure registered a growth rate of 11% over the period 2012 to 2018. Notwithstanding, the education sector expenditure both as a percentage of GDP and total government spending do not show significant change during the same period. The Gambia has achieved the Global Partnership for Education (GPE) agreement of allocating 20% of total government expenditure to education in 2010. The Gambia allocated 2.7% of GDP on education in 2020 which is below the best practice benchmark of allocating 4–6 percent of GDP.

Recurrent education expenditure saw an increasing trend at all levels of education between 2012 and 2020 of which salary accounts for more than 80% at all levels of education. This is mainly due to high salary and staff compensation costs which accounts for a substantial part of recurrent education spending.

Public spending at the primary level is pro-poor as the greater share of education spending goes to primary education. However, total public spending on education altogether is pro-rich. It has been revealed that, overall, the poorest quintile receives only 16 percent of the total education, and while the richest quintile receives 24 percent of the total benefits.

Households are the main sources of education spending in The Gambia accounting for about 58% of the total education spending in 2015. The breakdown of education spending by level of education[1] reveals that the public sector contributes close to 39.6 % of total spending at the basic education level, while households contribute 47.4%. At the SSS level, households account for 53 % of total spending, while the public sector contributes 37.4 %. Development partners contributed the most within the basic education level accounting for 13% of total spending at that level compared to other levels of education.

Compared to other countries within the sub region, The Gambia is one of the lowest spending countries at primary and lower secondary levels, in terms of public spending per student as a share of GDP per capita. The Gambia spends equivalent of 8% and 9% of GDP per capita on each student at primary and secondary levels, respectively. This is one of the lowest allocations in the region with only three countries: Ghana (6%), Guinea (7%) and Sierra Leone (5%) spending less than the Gambia on primary education.

[1] The education level classification used in this brief depend on two sources: The UNESCO and the national standard classifications. The UNESCO classifies education as pre-primary, primary, lower secondary, upper secondary, post-secondary and tertiary educations while the standard national education system follows Early Childhood Development (ECD), Lower Basic Education (LBE), Upper Basic Education (UBE), Senior Secondary Education (SSE) and Higher Education (HE).These sources have been clearly cited in the brief.

Summary

1. Gross Enrolment Rate (GER) has increased at all levels of education between 2016 and 2020. This is accompanied by a decrease in a Pupil-Teacher Ratio (PTR) over the same period. The improvement in PTR shows an increase in a number of teachers with respect to students especially in UBE schools.

2. Education expenditure has increased from about US$ 39.4 million in 2012 to about US$ 43.7 million in 2018. This amounts to 11% growth rate over the period considered, though the share of the education sector expenditure both as percentage of GDP and total government spending shows insignificant change between 2012 and 2018.

3. The Gambia has achieved the Fast-Track Initiative (FTI) target in 2010 despite some fluctuations in the subsequent years. The Gambia allocates 2.42% of GDP on education in 2018. This is less than the ECOWAS average which is 4.05% during the same period and it is below the best practice benchmark of allocating 4 to 6 % of GDP.

4. Recurrent expenditure dominates the Gambia's annual education spending. More than 85% of the government spending was recurrent expenditure between 2012 and 2018. This means the share of development/capital spending was less than 15%. This is mainly due to high salary and staff compensation costs which account for a substantial part of recurrent education spending, translating to 82% for primary and 81% and 82% for lower secondary and upper secondary, respectively.

5. More than 80% of the education sector expenditure between 2012 and 2019 was allocated to MoBSE. In 2019, from a total of 2,555 million GMD that was spent on the education sector, 2,261 million GMD was allocated to MoBSE, accounting for 89% of the share in the total education sector expenditure.

6. Primary education benefitted the most from the public budget between 2012 and 2015. The government of The Gambia spent approximately US$ 21 million in 2012 at this level. Lower secondary, upper secondary and tertiary education received approximately 5 million, 6 million, and US$ 3 million respectively in the same year. In terms of share from GDP, primary education also benefited the most in the same period compared to other levels of education.

7. Recurrent education expenditure experienced an increasing trend at all levels of education between 2012 and 2020. During this period, salary accounts for more than 80% at all levels of education. According to the estimates based on UIS data, about US$ 17 million was spent on primary education in 2015. Of this, approximately US$ 14 million was spent on staff compensation (both teaching and non-teaching) while the remaining US$ 3.10 million was spent on non-salary expenses such as provision of teaching and learning materials including textbooks. Comparing across levels of education, primary education is the main driving factor behind high recurrent expenditure both in terms of salary and non-salary spending.

8. Public spending at the primary level is pro-poor as the greater bulk of the education spending goes to primary education. However, total public spending on education altogether is pro-rich. The analysis of total public spending on education reveals that, overall, the poorest quintile receives only 16 % of the total education funds (4 % less than its share of the population), while the richest quintile receives 24 % of the total benefits (4 % above its share of the population). To address this, pro-poor education policy intervention programs focusing on marginalized communities should be instrumented. Provision of financial support or vouchers for children from poor families would make school more affordable and can help them overcome other socio-economic related barriers.

9. MoBSE has an average budget credibility and execution rate of 100% and 92% between 2012 and 2020 respectively. Though, there is high variability in execution and credibility rates of capital spending mainly after 2018; the execution and credibility rates of recurrent expenditure is more than 100% throughout the period considered except in 2020 where the execution rate stood at 95% indicating that the actual spending is higher than the planned and budgeted amounts. This confirms that the ministry has no budget execution issues under the period considered except in 2012 where both budget execution and creditability rates stood at 54%.

10. Households are the main sources of education spending in The Gambia. The latest available data showed that households contribute US$ 50.2 million to the education spending in the country in 2015. This accounted for about 58% of the total education spending during the year. The breakdown of education spending by level of education reveals that the public sector contributes close to 39.6 % of total spending at the basic education level, while households contribute 47.4 %. At the SSS level, households account for 53 % of total spending, while the public sector contributes 37.4 %. Development partners contributed the most within the basic education level: 13 % of total spending at that level compared to other levels of education.

11. The household spending per student increases with level of education except at lower basic education which is less than that of ECD. The per student household education spending at ECD is about US$ 192 in 2020 which represents about 24% household per capita (which was US$ 815 during the same year according the WDI). At higher education level, the household education spending per student is about US$ 562 which represents about 70% of household per capita income. This high unit cost, especially in postsecondary education, is prohibitive to poor households despite their strong commitment to educating their children.

12. An international comparison of the public spending per student as a share of GDP per capita indicates that The Gambia spends as one of the lowest rates at primary and lower secondary levels. The latest UIS available data shows that, The Gambia spends the equivalent of 8% and 9% of GDP per capita on each student at primary and secondary levels, respectively. This is one of the lowest allocations in the ECOWAS sub-region with only three countries: Ghana (6%), Guinea (7%) and Sierra Leone (5%) spending less than the Gambia on primary education.

1. Introduction

1.1.About the Brief

This brief is prepared by the Ministries of Basic and Secondary Education (MoBSE) and Higher Education, Research, Science and Technology (MoHERST) with technical support from the World Bank's Education HAWE2 unit. The main objective of the assignment is to reinforce the capacity of the national team to develop and implement a sustainable mechanism to regularly produce and use education finance indicators for strategic planning and informed decision making at national level as well as for benchmarking, monitoring, and evaluating results at the regional and international levels.

In this framework, the MoBSE team requested the Word Bank team to help update and produce an Education Finance Brief (EFB). The majority of data compilation and organization was conducted by the local technical team while, the World Bank team provided technical assistance in organizing the required data for the brief and producing this finance brief. Furthermore, the World Bank team provided capacity building training for the local technical team on how to prepare an education finance brief that aims at providing a synthetic update of chapters in this brief by diagnosing the most recent national education finance situation.

The brief is expected to be updated every year using new education expenditure data. The current brief presents an overview of the education financing in The Gambia by source of funding and nature of expenditure from 2012 to 2020. It describes data patterns, features, and evolution overtime. Different perspectives of analysis are examined including an international perspective using different data sources.

The brief is divided into twelve sections and each section depicts a particular component of education financing in The Gambia. Section One dwells on the introduction and overview of the education sector. Sections Two and Three capture public education expenditure in the Gambia and breakdown of education expenditure by levels of government respectively. Section Four highlights breakdown of education expenditure by type. Sections Five, Six and Seven elaborate on education spending by level of education, public expenditure by nature and level of education, and equity of education spending respectively. Section Eight summarises budget execution and credibility while sections Ten and Eleven deal with household expenditure in educational development in the Gambia and unit cost of educational expenditure. The brief culminates with key policy recommendations presented in Section Twelve.

1.2. The Gambia's Education Sector Background

Education System

Prior to 2007, education was the responsibility of the Department of State for Education (DOSE) which was responsible for managing the public education system and overseeing other education service providers such as the Grant-Aided and Private schools, as well as Madrassas. In 2007, the DOSE was split into two separate entities, namely the Ministry of Basic and Secondary Education (MoBSE) and Ministry of Higher Education, Research, Science and Technology (MoHERST). MoBSE's operations are managed centrally especially with respect to financial management, but partially decentralized to its six Regional Educational Directorates (RED) which facilitate more effective regional level operations and management.

Structure of the Education System

The Gambia's current formal education system follows a 6-3-3-4 structure with six years of Lower Basic (LBE), which officially begins at age 7, followed by three years of Upper Basic education (UBE). Together, LBE and UBE cover grades 1-9 and constitute the basic education level. This is followed by three years of senior secondary education and four years of tertiary or higher education. The government encourages participation in the Early Childhood Development (ECD) programs and has been proactive in expanding access as highlighted in its sector policy 2016-2030 and reiterated in the joint Education Sector Strategic Plan (ESSP 2016-2030), although this level of education remains facultative.

1.3.Overview of The Gambia's Education Sector Performance

The Gross Enrolment Ratio (GER) at ECD increased by 10 % points between 2016 and 2020, shifting from 45.8% to 55.5%. This shows an increased demand for ECD services and a recognized need for the government to provide a successful early start to education through its commitment to the inter-sectoral ECD policy. Over the same period, there was 17 % point and 7 % increase in enrolment at lower basic and upper basic schools, respectively. The GER at LBE increased from 104% in 2016 to 121% in 2020, while the GER at UBE increased from 66% to 73% over the same period. This amounts to 15% and 11% growth in gross enrolment rate at lower and upper basic education, respectively. The completion rate at lower basic education has increased by 17 percentage points between 2016 and 2020. The recognition and registration of Madrassahs (following the synchronized curriculum and subsidizing teachers) has been a successful strategy to attract resistant populations to school, particularly in the provincial regions. However, the completion rate at upper basic education slightly declined from 61% in 2016 to 60.6% in 2020. In terms of gender, the UBE completion rate of female students has increased from 61% to 64% over the period while that of male student has declined from 61% to 57% over the same period. (Figure 1.1-1.3).

Figure 1.1: Gross enrolment rate, LBE (2016-2020).

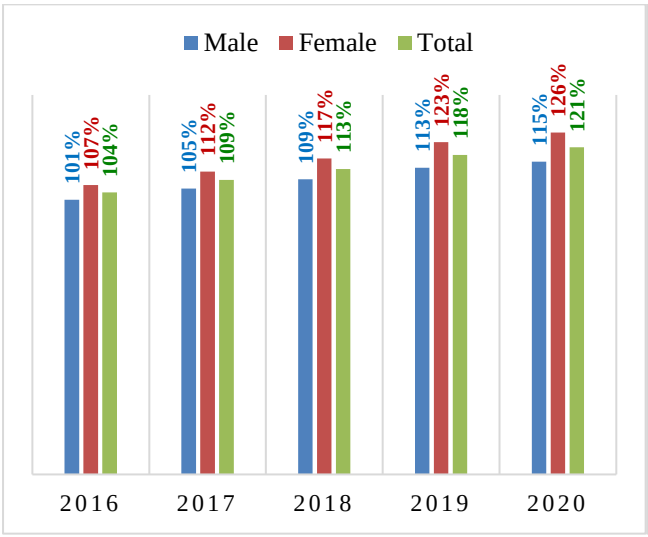
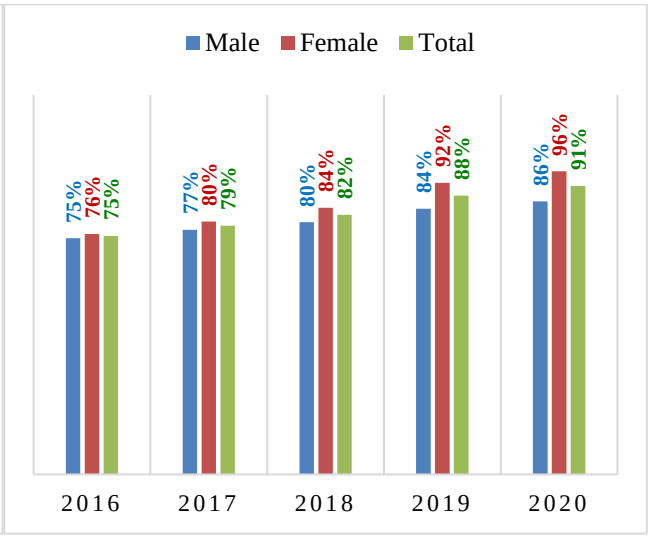


Figure 1.2: Primary education completion rates (2016-2020)



Source: EMIS, 2021

The GER for senior secondary education has increased from 44% in 2016 to 50.8% in 2020. For this level of education, female GER has increased more than that of their male counterparts thereby moving the gender parity index to increase from 0.99 in 2016 to 1.11 in 2020.

Figure 1.3: Completion rate, UBE (2016-2020).

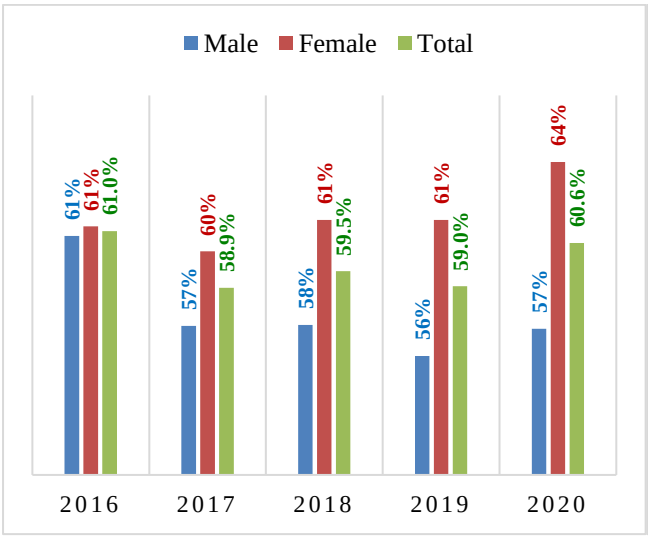
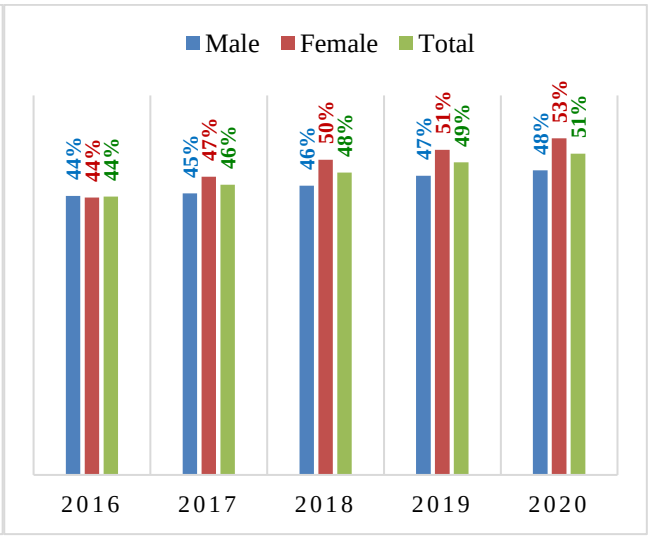


Figure 1.4: Gross enrolment rate, SSE (2016-2020)



Source: EMIS, 2021

The Pupil-Teacher Ratio (PTR) has shown an improvement for both basic and secondary education. The decrease in PTR shows an increase in the number of teachers with respect to students especially in UBE schools.

Table 1.1:Pupil to teacher ratio in public schools, (2012-2020)

Pupil to Teacher Ratios (PTR) in government schools			
Year	LBE	UBE	SSE
2012	43	45	37
2013	38	31	32
2014	38	30	29
2015	38	27	29
2016	36	25	28
2017	37	23	28
2018	37	22	28
2019	38	21	28
2020	36	21	28

Source: MoBSE, 2021

The PTR has been declining from 43:1 in 2012 to 36:1 in 2020 at LBE, from 45:1 in 2012 to 21:1 at UBE in 2020 and 37:1 in 2012 to 28:1 in 2020 at SSE. These ratios are below the national target of the Education Sector Policy (2016-2030) and the GPE recommended level which are 45:1 and 40:1 respectively. The key driver of the growth in the teacher's supply is the government's arrangement of teacher trainees, which is not based on the demand for teachers and is done with limited strategic planning. Given the limited fiscal space and the education sector needs, this approach is unlikely to be affordable and sustainable in the long term.

In terms of public expenditure in the sector, education expenditure has increased from about US$ 39.4 million in 2012 to about US$ 43.7 million in 2018. This amounts to 11% growth over the period considered, although the share of the sector's expenditure both as percentage of GDP and total government spending do not show significant changes between 2012 and 2018. For example, public expenditure as percentage of GDP was 2.64% in 2012 while the figure slightly declined to 2.42% in 2018. The share of public education expenditure as share of total government spending slightly declined from 13.8% in 2012 to 11.19% in 2018 (WDI, 2021). This has been discussed in detail in the subsequent sections.

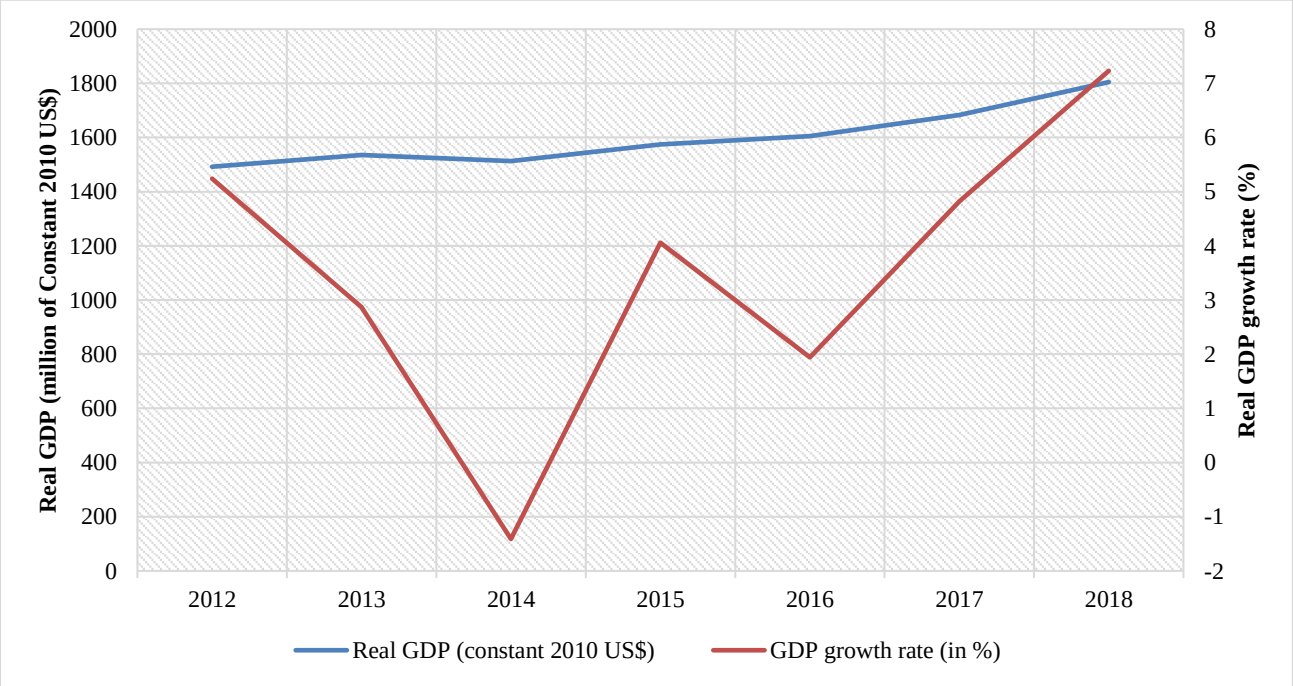
2. Public Education Expenditure in The Gambia

This Section presents overall public education spending irrespective of source. This helps to understand the share of education spending as percentage of national GDP and total public spending. It also compares The Gambia's education spending (as percentage of GDP and total public spending) with other ECOWAS countries and international best practice benchmarks.

2.1.Trend of GDP and Government Spending

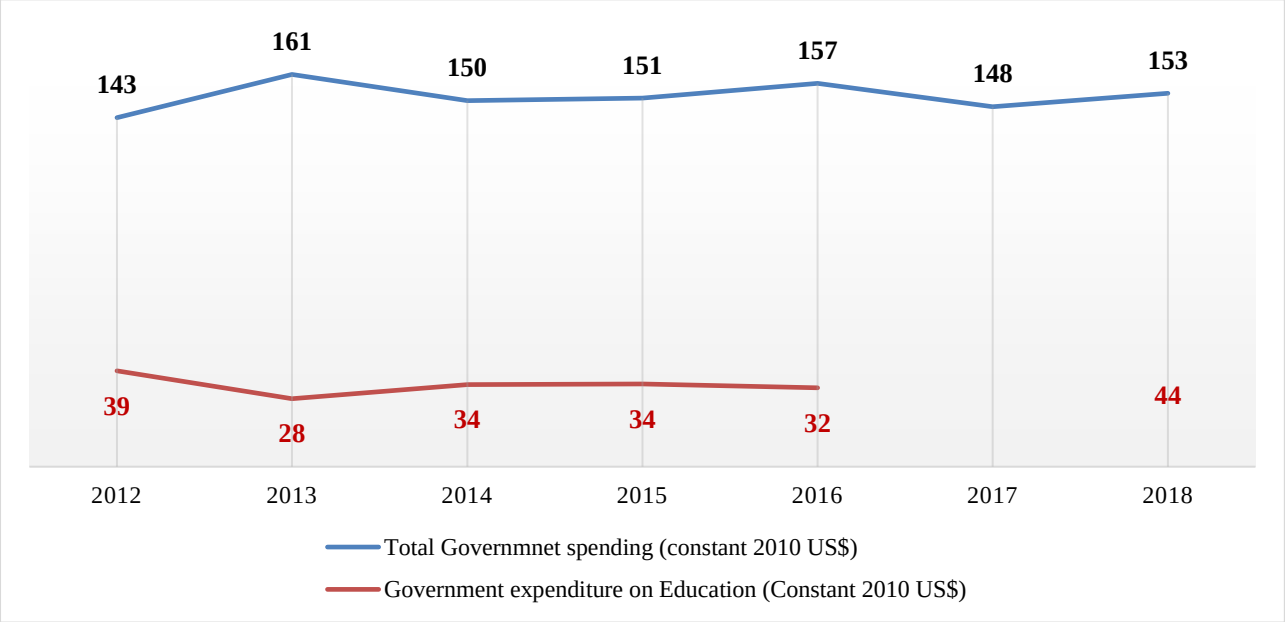
The Gambia's GDP has increased from about US$ 1.5 billion in 2012 to about US$ 1.8 billion in 2018. This is equivalent to about 21% growth in 2018 compared to 2012. The year-to-year GDP growth of the country is reported in Table 2.1. Significant GDP growth rate was observed in 2018 while the growth in GDP was negative in 2014 (Figure 2.1).

Figure 2.1: Trends of The Gambia's real GDP and real GDP growth rate, 2012-2018



Source: WDI, 2021

Figure 2.2:Trends of The Gambia's total government spending and public education spending, 2012-2018

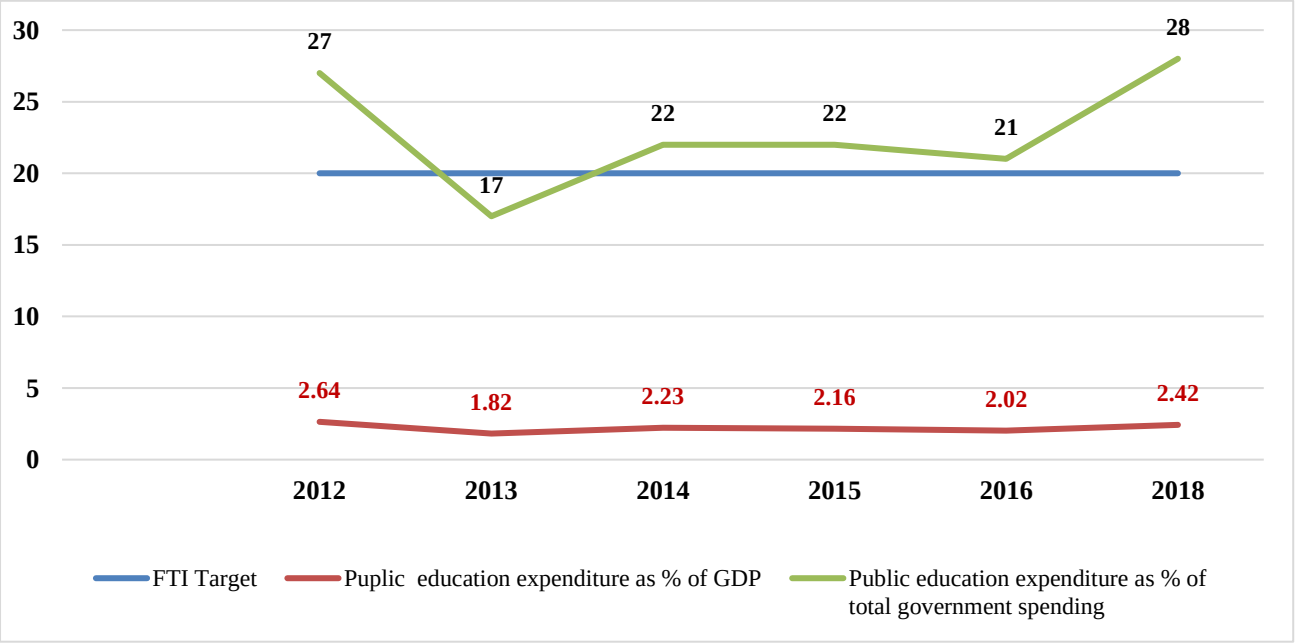


Source: WDI, 2021

Note: For 2017, the government expenditure on education was not reported in the WDI. However, national data from MoBSE and MoHERST shows that the government spent 6,837 million GMD on education.

As reported in Figure 2.2, the total government spending in 2012 was about US$ 143 million while the amount of education expenditure was about US$ 39 million. This represents 27% of public spending on education as a percentage of total government expenditure. Though the share of public education spending as a share of total government expenditure had declined in 2013 (standing at 17 %) it grew to above 20% from 2014 to 2016 (Figure 2.3).

Figure 2.3: Public education expenditure as % of GDP and total public spending, (2012-2018)



Source: WDI, 2021

This rise in education spending as a percentage of total government expenditure indicates the emphasis that the government places on the education sector. Public education expenditure as a percentage of total government expenditure dropped from 27% in 2012 to 17% in 2013. It increased significantly from 2013 to 2014 and almost stagnated from 2014 to 2016. From 2016 to 2018, it registered a significant increase from 21% to 28%. This increase could be attributed to the increase in teachers provincial and transport allowances and the 50% increase of salary by government.

Comparison against International Benchmarks.

The Gambia was one of the first ten countries 'invited' to participate in the Fast-Track Initiative (FTI) launched in 2002. The initiative was a partnership between development partners and developing countries to accelerate progress towards the Millennium Development Goal (MDG) of universal access to primary education. The FTI required countries to give priority to primary education and to allocate 20% of their annual expenditure on education and develop sound national education plans.

The Gambia achieved the FTI target in 2010 although there have been fluctuations in subsequent years. For instance, the share of education spending as a percentage of total government spending in 2011 and 2013 was 19.7% and 17%, respectively, which was marginally less than the FTI target by 0.03 and 3 percentage points, respectively. From 2014 to 2018, it bounced back to above 20% (Figure 2.3).

Even though The Gambia met the FTI benchmark for education spending as a percentage of total public spending, the country's education spending as a percentage of GDP is below the FTI benchmark of allocating 4 to 6% of GDP to education. The sector will therefore continue to advocate for budget increment to improve government funding for school infrastructure, teacher training and incentives and provision of teaching and learning materials.

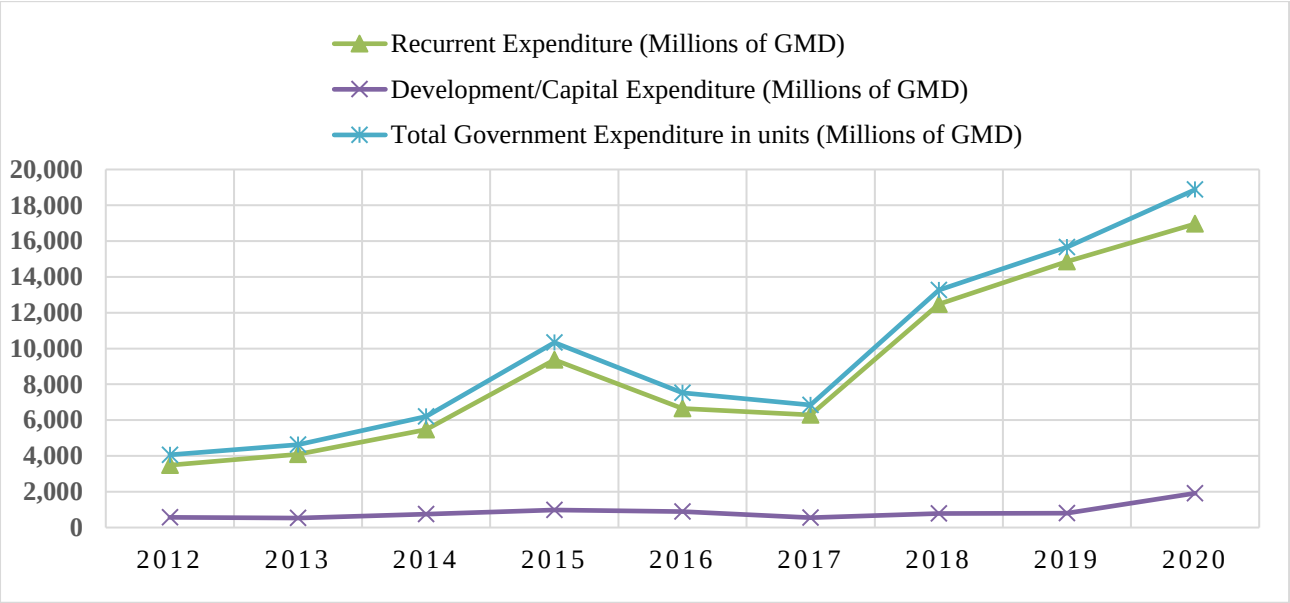
By GDP growth rate, The Gambia registered an increase between 2012 and 2018 except in 2014 where the country's economy experienced a negative growth rate of 1.41 %. Consistent with the negative GDP growth, the country's total expenditure also experienced negative growth rate of 7% each in 2014 and 2016. Similarly, public education spending growth rate in 2013 and 2016 registered a negative growth of 29% and 5%, respectively.

Table 2.1: GDP and public spending growth rates (%), (2012-2018

Year	2013	2014	2015	2016	2017	2018
GDP growth rate	2.87	(1.41)	4.06	1.94	4.82	7.23
Total government expenditure growth rate	12	(7)	1	4	(6)	4
Public education spending growth rate	(29)	21	1	(5)	-	-

Source: Computed based on WDI, 2021

Figure 2.4:Trends of recurrent and capital expenditure, (2012-2020)



Source: MoBSE and MoFEA, 2021

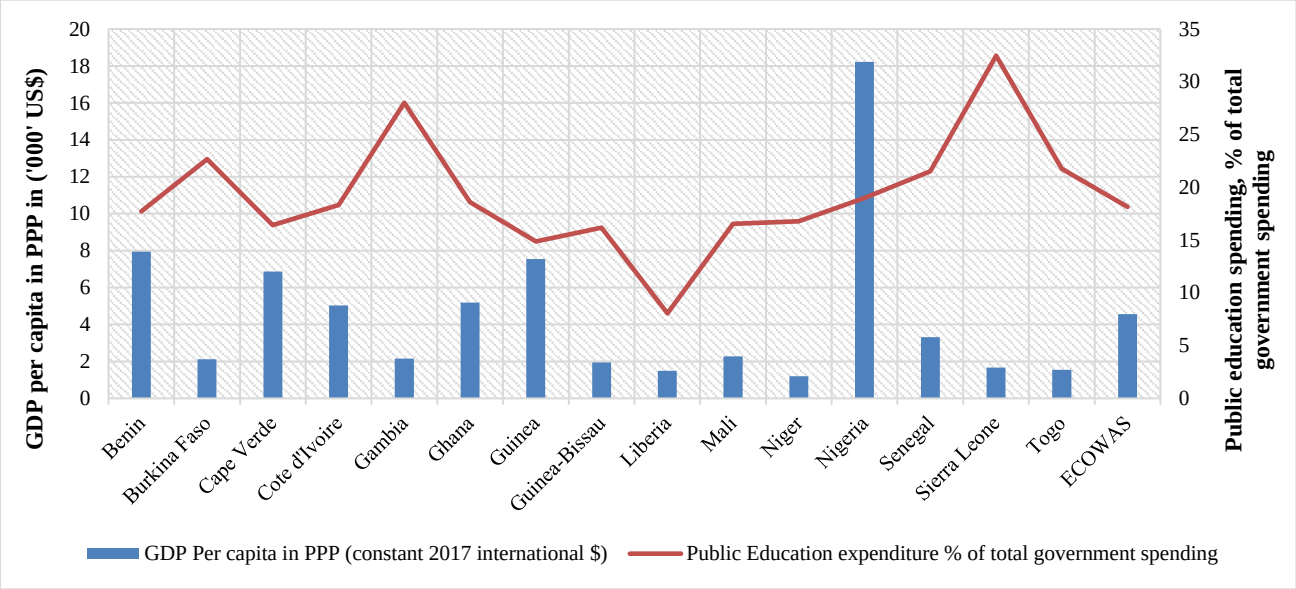
Recurrent expenditure dominates The Gambia's total annual spending. More than 85% of the total government spending was recurrent expenditure between 2012 and 2018. This means the share of development/capital spending was less than 15%. This has a huge economic implication as literature shows that recurrent expenditure of government does not have significant influence or cause economic growth and development of a country. This finding was obtained for some Sub-Saharan African countries such as Nigeria, Tanzania, South Africa, and South Sudan (see Sheilla Nyasha, 2019; Aluthge et al, 2021)[2].

In 2018, The Gambia allocated 28% of total government expenditure on education. This figure is higher than the ECOWAS average which is 18.1%. This places the country second in the region after Sierra Leone which allocates 32.5% of the nation's resource on education. This is a significant improvement compared to the figure in 2011 in which the government of Gambia allocated 19.7% of its spending on education (Figure 2.5).

[2] Aluthge, C., Jibir, A. and Abdu, M., 2021. The impact of government expenditure on economic growth of Nigeria, 1970-2019, CBN Journal of Applied Statistic 12(1)

Sheilla Nyasha, 2019. The impact of public expenditure on economic growth: a review of international literature, Folia Oceconomica Stetinensia, 19(2)

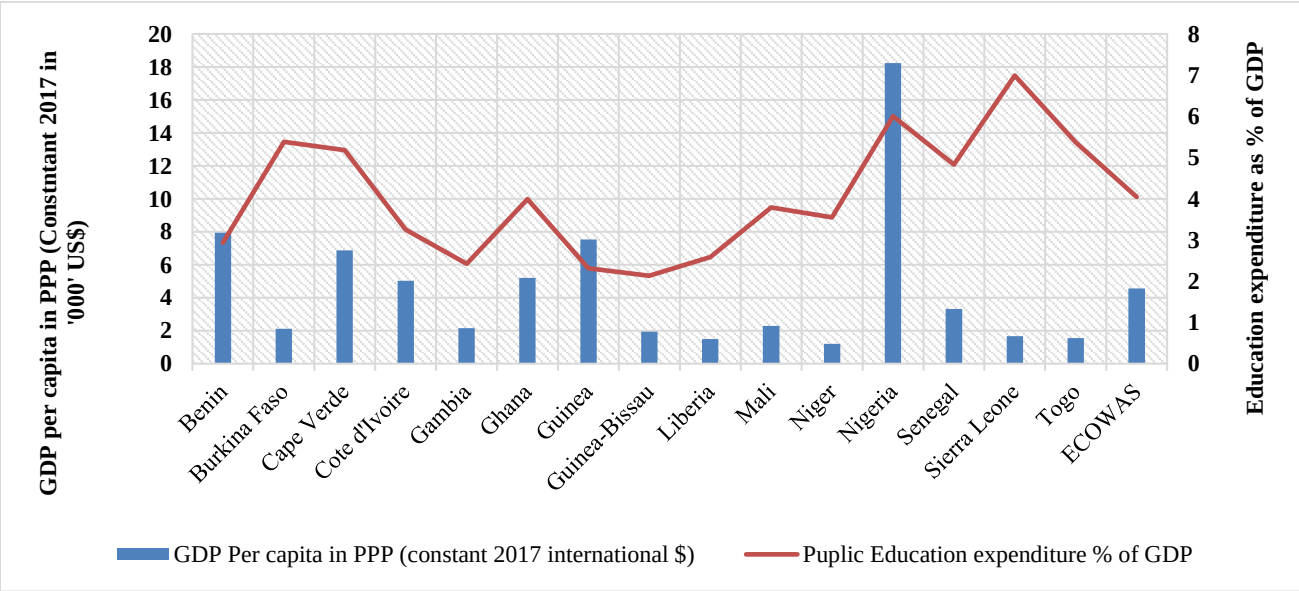
Figure 2.5: GDP per capita and public education expenditure as % of total government spending, 2018



Source: Computed based on WDI, 2021

Figures 2.5 and 2.6 compare per capita income with the countries' education spending both as a percentage of GDP and total public spending for ECOWAS countries. Compared to countries with similar per capita income in the region, the education expenditure of The Gambia as a percentage of GDP is 2.42% in 2018 which is the lowest in the region. For example, Togo with per capita income of US$ 1,553 spends 5.37%, Sierra Leone with per capita GDP of US$ 1,663 spends about 7% and Niger with per capita GDP of US$ 1,200 spends 3.55% of their GDP on education.

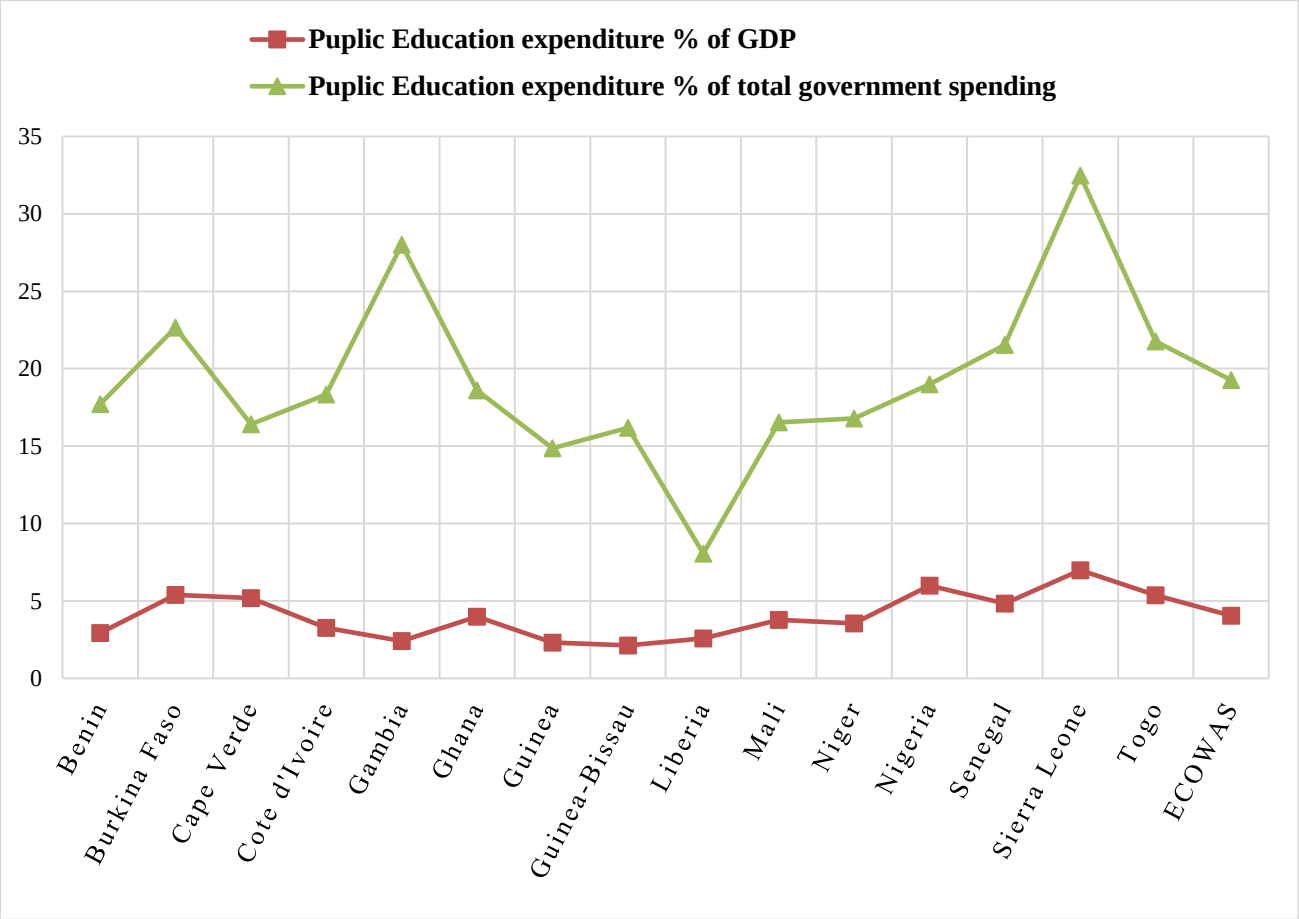
Figure 2.6: GDP per capita and public education expenditure as % of GDP, 2018



Source: Computed based on WDI, 2021

In terms of the share of education spending as share of total public expenditure, The Gambia spends more than all other countries in the region except Sierra Leone. It is also interesting to note that the co-movement of education spending as a percentage of GDP and total public spending (Figure 2.7).

Figure 2.7: Public education expenditure as % of GDP and total government spending, 2018



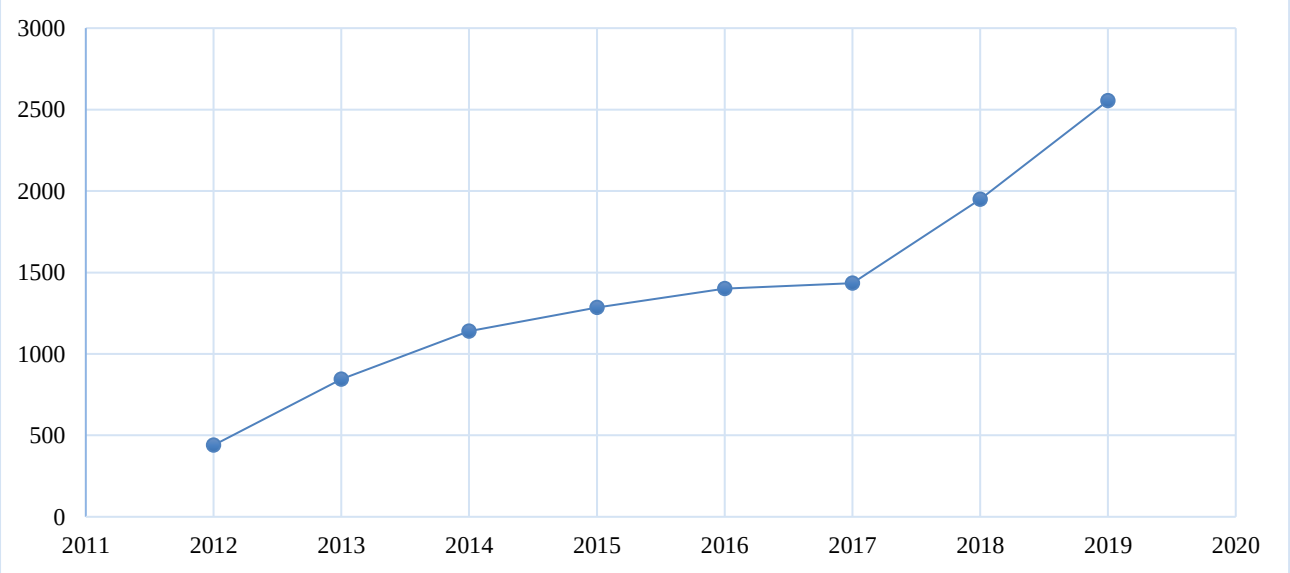
Source: WDI, 2021

3. Breakdown of Education Expenditure by Levels of Government

Education delivery in The Gambia is centralized at policy level while the execution of services is decentralized. Two main ministries provide educational services in the country: MoBSE and MoHERST. Other ministries such as Ministry of Health, Ministry of Gender, children and Social Welfare and Ministry of Tourism also provide educational services in collaboration with the education sector. The Ministry of Health under its health promotion and education directorate provides school health and nutrition education, hygiene, and sanitation Education services while the Ministry of Tourism works with both private and public TVET institutions to reinforce youth skills through vocational training and youth entrepreneurship in the tourism sector.

Before looking at the education expenditure by ministry, it is imperative to give an overview of the total education spending over the past couple of years. As reported in Figure 3.1, the total education expenditure was increasing continuously since 2012. Between 2012 and 2016, the education expenditure grew at a similar rate and saw stagnation between 2016 and 2017. After 2017, the sector saw significant increases in expenditure and reached its highest rate in 2019. This may reflect the government commitment to improve access and quality of education at all levels.

Figure 3.1: Total education expenditure (Millions of GMD), (20212-2020)

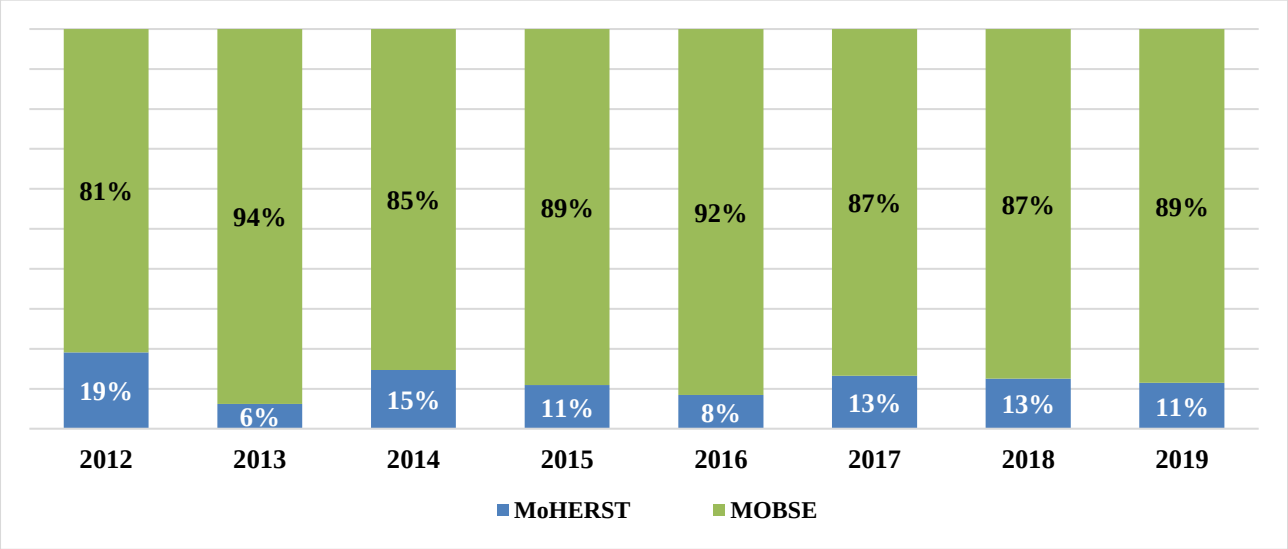


Source: MoBSE, 2021

Education spending by line ministries shows that more than 80% of the sector's expenditure went to the Ministry of Basic and Secondary Education between 2012 and 2019. For instance, in 2019, from a total of 2,555 million GMD (about US$ 48 million) spent on education sector, 2,261 million (about US$ 43 million) went to MoBSE making the ministry's share of total education expenditure about 89%. This is consistent with national budget brief reports that show MoBSE being among the top 10 spending budget entities. The high share of education expenditure by MoBSE is partly explained by government's policy to improve access and equity at basic and secondary education. For instance, because of a new policy dimension of inclusive education, the attention was given to purchase of teaching and learning materials and monitoring tools for special needs education

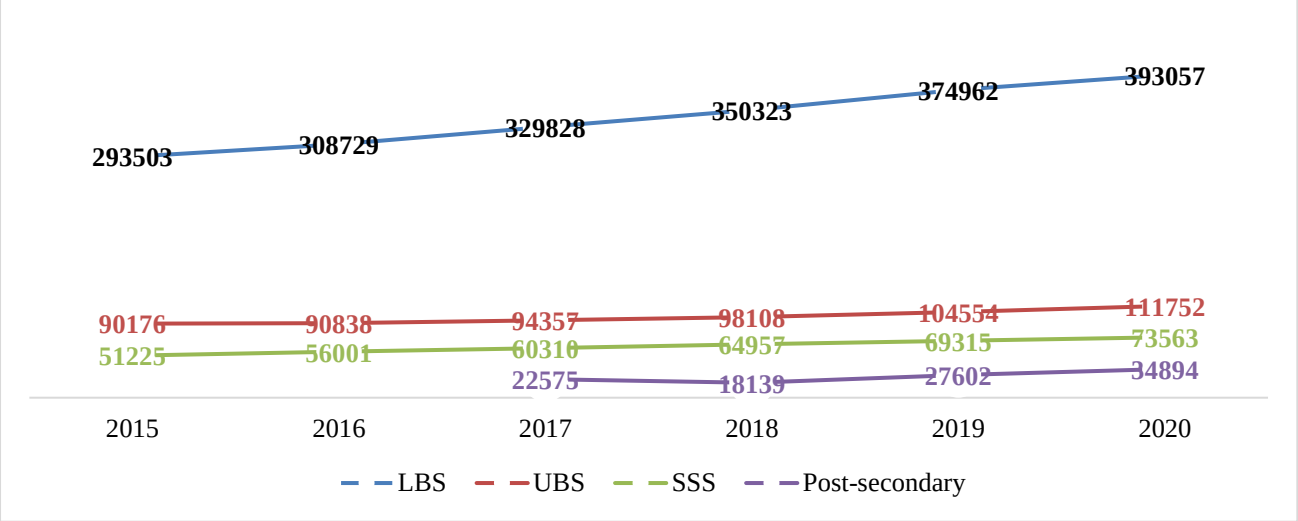
there by increasing the cost of special needs education after 2016. This indicates that the achievements of major policy objectives such as access, quality, and relevance at Basic and Secondary Education require funding on operational activities like building of schools, payment of teachers' salaries and training and provision of teaching materials among others. The other possible explanation for high share of MoBSE's education expenditure is the fact that the institutions under MoHERST are mostly private or semi-autonomous.

Figure 3.2: Evolution of the proportion (%) of education expenditure by league ministries, (2012-2020)



Source: MoBSE, 2021

Figure 3.3: Gross enrolment by education level, 2015-2020



Source: MoBSE and MoHERST, 2021
Note: GER data for post-secondary education for 2015 and 2016 is not available

As indicated in Figure 3.3, the number of students significantly decrease with the level of education indicating high dropout rates as students move from primary, secondary to higher education. On the other hand, indicates MoBSE manages large number of students compared to MoHERST which has budget implications.

As shown in Figure 3.4, the share of education expenditure allocated to MoBSE has increased from 2.3% of GDP in 2010 to 2.8% in 2015 while the share of MoHERST as a percentage of GDP was stable at 0.3% throughout the period considered. Likewise, the share of MoBSE as a share of total public spending has increased from 16.7% in 2010 to 18.2% in 2015 and the same for MoHERST has marginally increased from 1.9% in 2010 to 2.2% in 2015 (Figure 3.5).

Figure 3.4: Education expenditure by ministry (% of GDP)

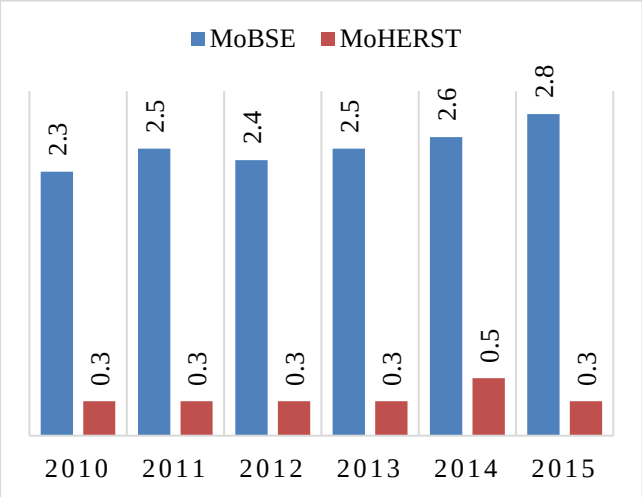
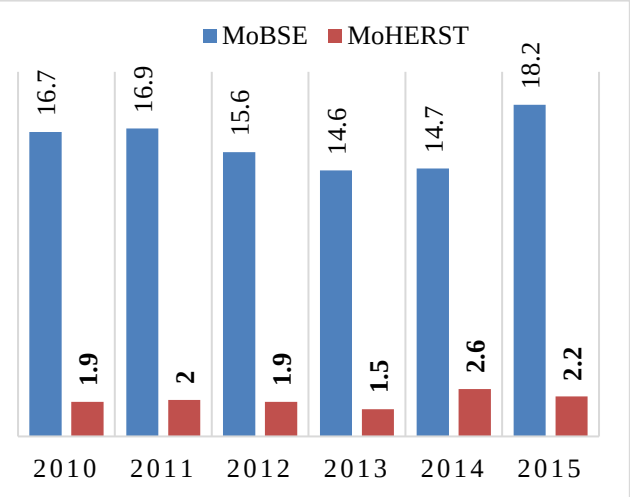


Figure 3.5: Educ. expenditure by ministry (% of public spending)



Source: PER, 2017

Decomposing the education expenditure of both MoBSE and MoHERST by type (capital and recurrent) shows that majority of expenditure for each ministry is dominated by recurrent expenditure. Salaries and staff compensation account for a substantial part of recurrent education spending, which is approximately 82% for primary, 81% for Lower Secondary and 82% Upper Secondary. Comparing the share of recurrent and capital expenditure across the two ministries in 2018, the share of capital expenditure is relatively higher for the ministry of higher education. For instance, the share of capital expenditure from total MoHERST expenditure was about 30% while the same figure for MoBSE in the same year (2012-2019) was only 7% (Figures 3.6 and 3.7).

Figure 3.6: Recurrent and capital expenditure, MOBSE

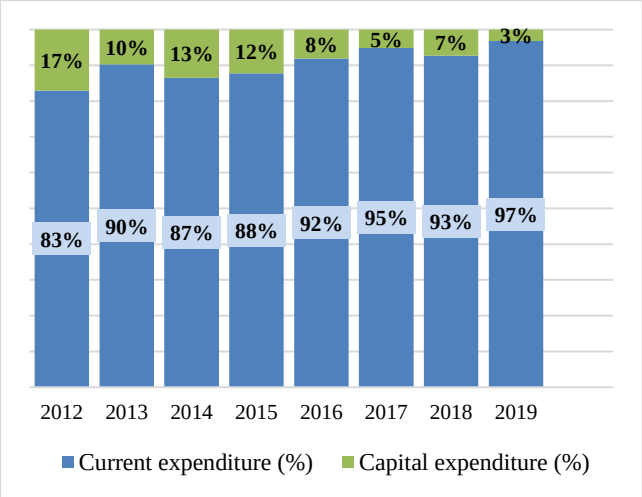
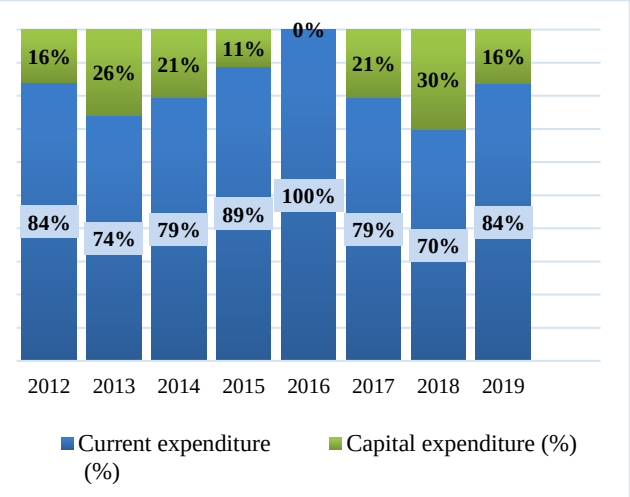


Figure 3.7: Recurrent and capital expenditure, MoHERST



Source: MoBSE, 2021

4. Breakdown of Education Expenditure by Type: Recurrent and Capital Expenditure

The share of recurrent education expenditure from total public recurrent spending has increased from 10% in 2012 to 18% in 2014. In 2015, the share of recurrent education spending fell to 12% while that of capital spending increased to 28% from 17% in 2014. The percentage of recurrent education expenditure in total recurrent government expenditure decreased to 14% in 2018 from 22% in 2017 and start growing after 2018, reaching 16% in 2019 as shown in Figure 4.1.

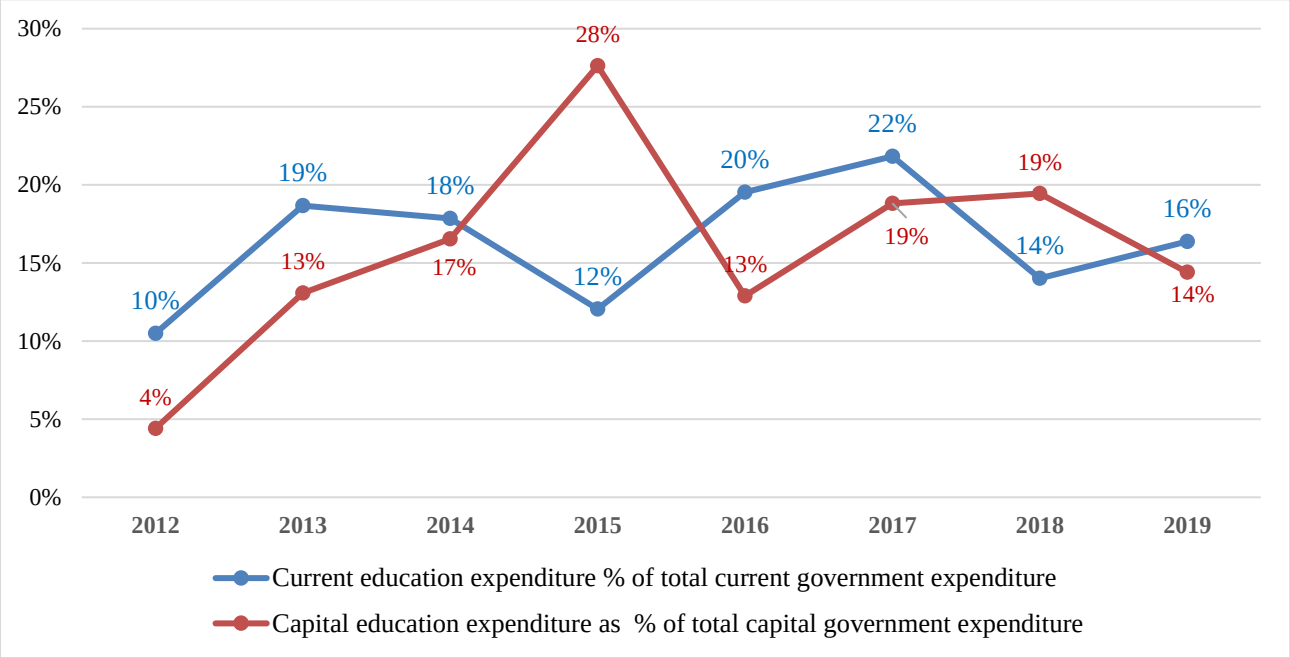
In 2019, education accounted for about 16% of total recurrent national spending and accounted 14% of total capital national spending. To improve both recurrent and capital education spending and meet the SDGs targets, domestic resource mobilization should be given due attention to ensure the availability of resources to implement the needed education reforms.

Table 4.1: Evolution of recurrent education expenditure and government recurrent expenditure, (2012-2018)

Year	2012	2013	2014	2015	2016	2017	2018
Total recurrent government expenditure (TCGE) (GMD)	3,485,496	4,095,086	5,461,862	9,367,733	6,640,041	6,294,779	12,483,375
Capital education expenditure (KEE) (GMD)	25,412,000	69,333,000	122,202,000	268,434,420	114,721,291	102,103,171	153,167,737
Total capital government expenditure (TKGE) (GMD)	575,605,000	530,165,000	739,109,000	971,765,000	889,505,082	542,447,000	787,592,000
Recurrent education expenditure (CEE) (GMD)	365,825	764,961	974,666	1,128,386	1,296,523	1,373,959	1,749,974
Recurrent education spending as % of total recurrent government expenditure	10%	19%	18%	12%	20%	22%	14%
Capital education expenditure as % of total capital government expenditure	4%	13%	17%	28%	13%	19%	19%

Source: MoBSE, 2021

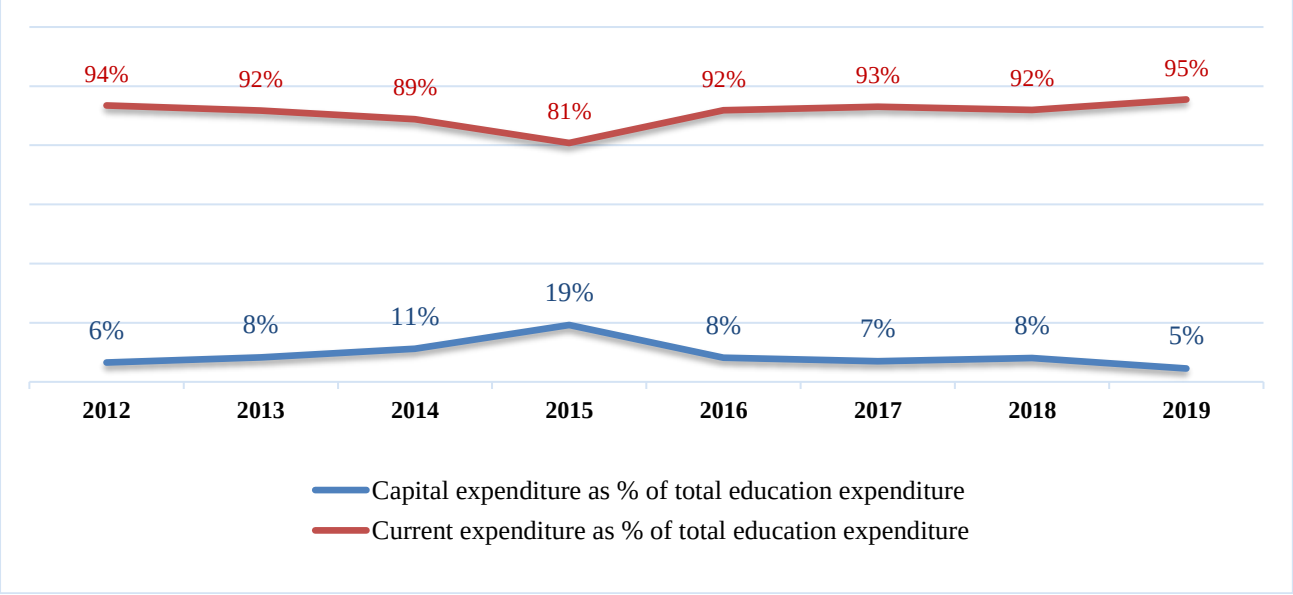
Figure 4.1: Recurrent and capital education expenditure, (2012-2019)



Source: Computed based data from MoBSE, 2021

The education budget is dominated by recurrent spending. The share of recurrent expenditure has declined from 94% in 2012 to 81% in 2015. However, the share increased again from 81% in 2015 to 95% in 2019, which was the maximum share for the period under consideration. The higher share of recurrent education spending is reflective of the increasing salary and non-salary recurrent spending such as textbooks and teacher training costs to match the expanding access to education. In 2015, the remaining 19% allocated to capital expenditure, was mainly for construction and expansion of higher education institutions.

Figure 4.2: Evolution of recurrent and capital expenditure, % of total education expenditure



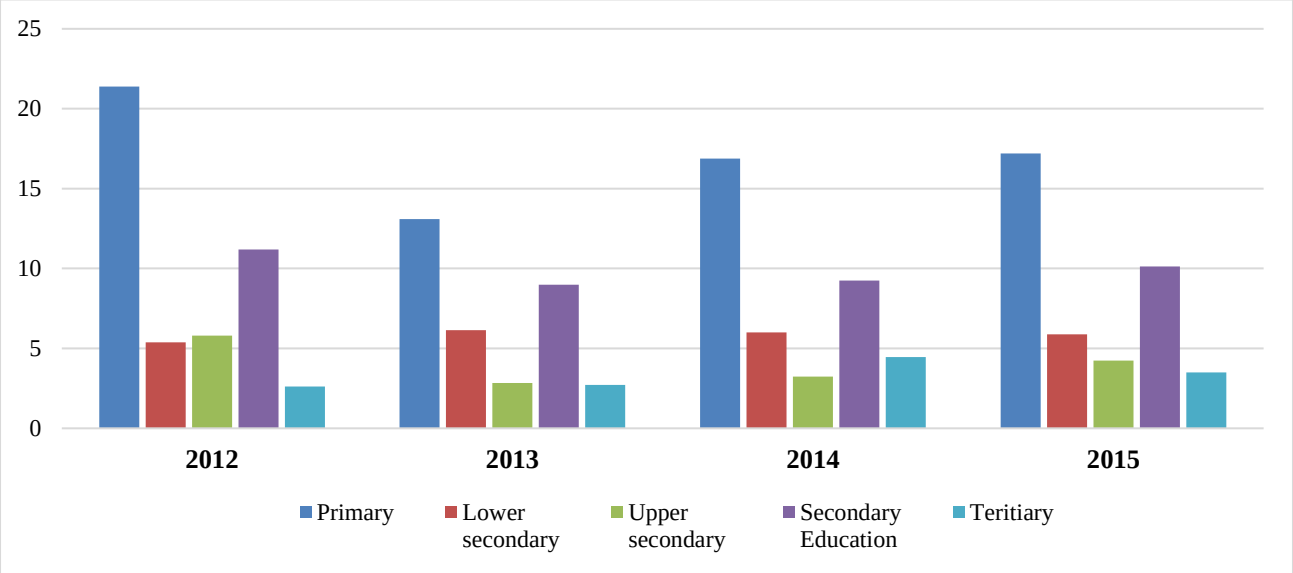
Source: Computed based on data from MoBSE, 2021

5. Education Spending by Level of Education

This section presents education spending by levels of education for The Gambia and other ECOWAS countries. The analysis in this section entirely depends on UIS latest available data.

Primary education is the highest recipient of public budget between 2012 and 2015. The government spent about US$ 21 million in 2012 while lower secondary, upper secondary, secondary and tertiary education received about US$ 5 million, 6 million, 11million and 3 million respectively in the same year. In 2015, the public spending on primary education declined to US$ 17 million while that of tertiary education has marginally increased to US$ 3.5 million.

Figure 5.1: Government expenditure on education (Millions of US$) by education level, (2012-2015)

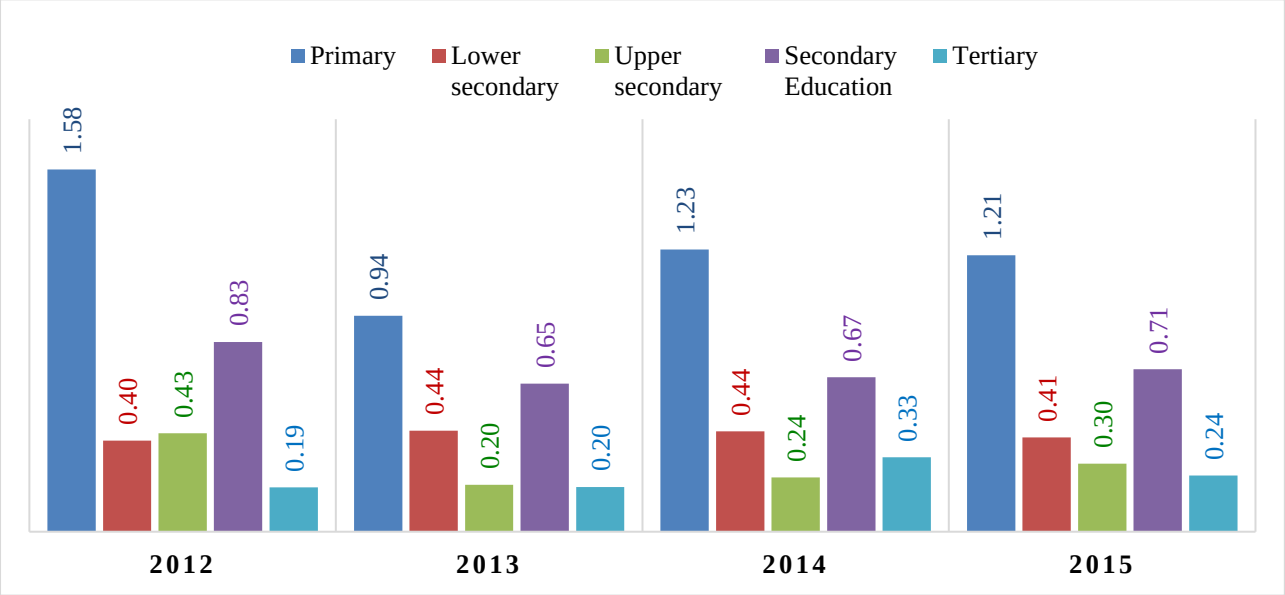


Source: UIS, 2021

Primary education also received the greatest share of government budget measured as a percentage of GDP between 2012 and 2015. The amount of government budget devoted to primary education was 1.58% of GDP in 2012, which is the highest, compared to other levels of education. However, the figure shows fluctuations in the subsequent years. In the most recent year for which data is available (2015), the share of primary education from the total nation's resources is 1.21% of GDP, followed by secondary education with 0.71% of GDP. The combined share of primary and lower secondary education from the total GDP in 2015 was 1.62%[3] of GDP.

[3] The share of pre-primary education is not included in the computation due to data unavailability.

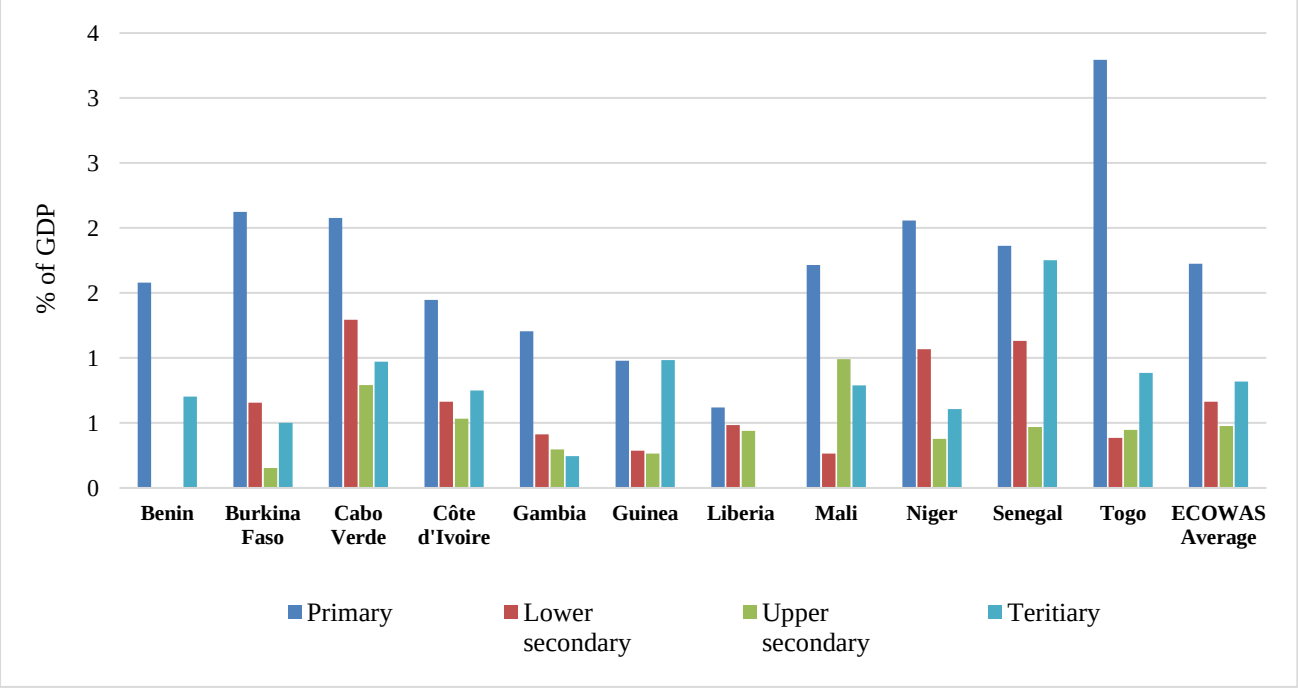
Figure 5.2: Government expenditure on education (% of GDP), (2012-2015)



Source: UIS, 2021

In terms of government commitment, the share of education from the nation's total resources is less than the ECOWAS average for all levels of education (see Figure 5.3). More specifically, ECOWAS average for the share of primary education from GDP in 2018 was 1.72% while the figure for The Gambia was 1.21%, even though The Gambia data is 2015. Countries such as Togo have spent as much as 3% of their GDP on primary education which is the highest in the region.

Figure 5.3: Government expenditure on education (% of GDP), ECOWAS countries

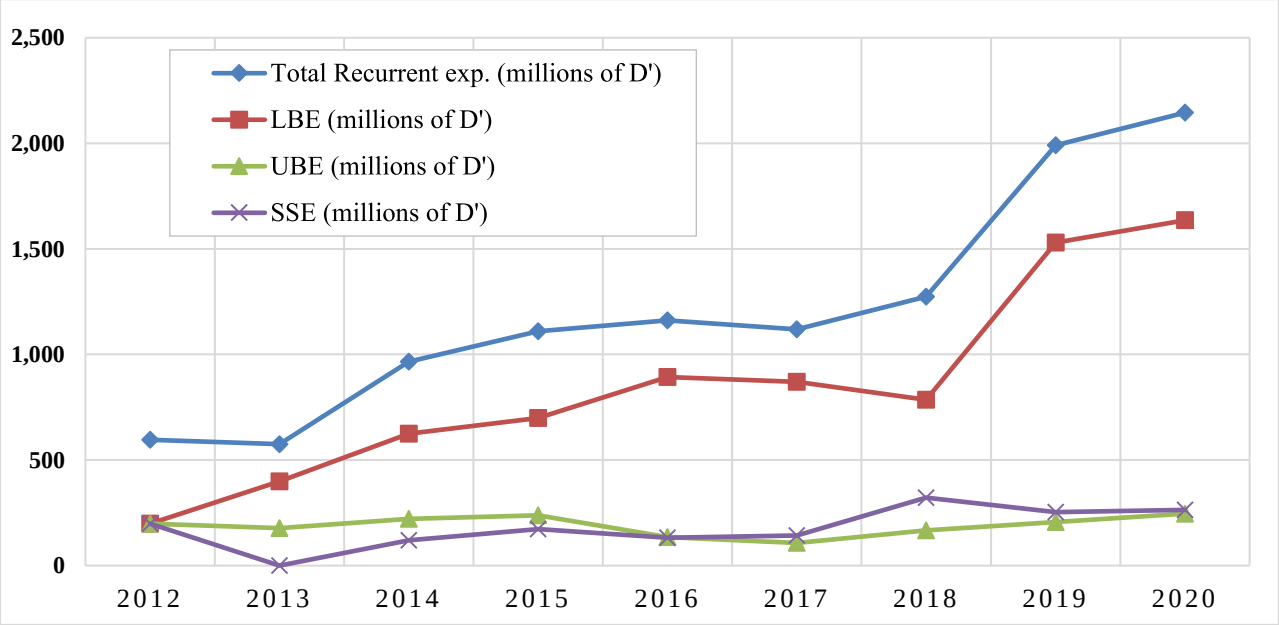


Source: UIS, 2021
Note: Latest year available data between 2012-2018 is used for comparison purpose

6. Public Expenditure by Nature and by Level of Education

Recurrent education expenditure saw an increasing trend at all levels of education between 2012 and 2020. The total amount of recurrent education expenditure was 596 million GMD in 2012 and this has increased to 2,145 million GMD in 2020. This is a growth of about 260% (more than triple) compared to the amount in 2012. From a total of 596 million GMD, recurrent education expenditure of 33.32% was spent on lower basic education in 2012, 33.24% on UBE and 33.44% on SSE. This is almost an equal resource allocation among the three levels of education under MoBSE. However, in 2020, the share of LBE from total recurrent education increased to 76% while that of UBE and SSE were 11.4% and 12.28% respectively (Figure 6.1). This might be explained by greater emphasis the government of The Gambia placed on improving access and quality of education at LBE, which includes hiring of teachers and providing teaching and learning materials.

Figure 6.1: Distribution of education recurrent expenditure by education level, (2012-2020)



Source: MoBSE, 2021

Like the recurrent education expenditure, LBE takes the lion share of capital expenditure between 2012 and 2020. Though data is not available for some of the years considered, LBE accounts for about 73% of capital spending in 2012, 83% in 2013 and 73% in 2020. This justifies the emphasis the government of The Gambia placed on LBE.

Table 6.1: Distribution of recurrent and capital expenditure by educational level (%)

Year	Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
Recurrent Expenditure	LBE	33.3	69.2	64.7	62.9	77.0	77.7	61.6	76.9	76.2
	UBE	33.2	30.8	23.0	21.5	11.6	9.6	13.1	10.4	11.3
	SSE	33.4	0.0	12.3	15.6	11.4	12.7	25.3	12.8	12.3
Capital Expenditure	LBE	73.0	83.0	70.0	67.0	NA	100	NA	100	73
	UBE	2.0	17.0	25.0	23.0	NA	0.0	NA	0.0	2
	SSE	25.0	0.0	5.0	10.0	NA	0.0	NA	0.0	25

Source: MoBSE, 2021; NA-Not Available

Salary accounts for more than 80% of recurrent expenditure for all levels of education. According to the estimates based UIS data, about US$ 17 million was spent on primary education in 2015. Of this, about US$ 14 million is spent on staff compensation (both teaching and non-teaching) while the remaining US$ 3.10 million was spent on non-salary expenses such as provision of teaching and learning materials including textbooks. Comparing across levels of education, primary education is the main driving factor behind high recurrent expenditure both in terms of salary and non-salary spendings.

Table 6.2: Salary and non-salary education expenditure by education level (millions of US$), 2015

	Primary	**Lower secondary**	**Upper Secondary**	**Secondary**
Total expenditure	17.24	5.89	4.25	11.39
Salary expenditure (All staff)	14.13	4.77	3.49	9.58
Teaching staff (millions of US$)	13.87	4.70	3.44	8.13
Non-teaching staff (millions of US$)	0.27	0.07	0.05	1.45
Non salary expenditure	3.10	1.12	0.77	1.81
% Salary	82	81	82	84
% Non-salary	18	19	18	16

Source: Computed based on UIS data

Salary of teaching staff accounts for the largest share of salary expenditure at all levels of education. For example, at primary education, from a total of US$ 14.13 million was spent on salary, about 98% went to the teaching staff salary. In the same year, the share of teaching staff salary from total public spending for secondary education was 85% while the remaining 15% was spent on salary for non-teaching staff.

Even though, the personnel cost is the largest portion of the education sector budget, estimates based on the 2015 IHS indicate that the education sector staff are paid at a lower rate than other public sector staff. The education sector staffs account for close to a third (28 %) of the wage bill in the public sector, but the salary of the education sector staff (GMD 3,837 per month) is below the public sector average wage in the country (GMD 3,913 per month) and is less than the health sector staff salary (GMD 5,637). Overall, the high spending on personnel cost in the sector is associated with high growth in the number of staff but not in the improvement of salaries. This might discourage talented and motivated teachers from joining and staying in the teaching field.

Figure 6.2: Average monthly earnings by level of education for education sector and other sectors (in GMD)

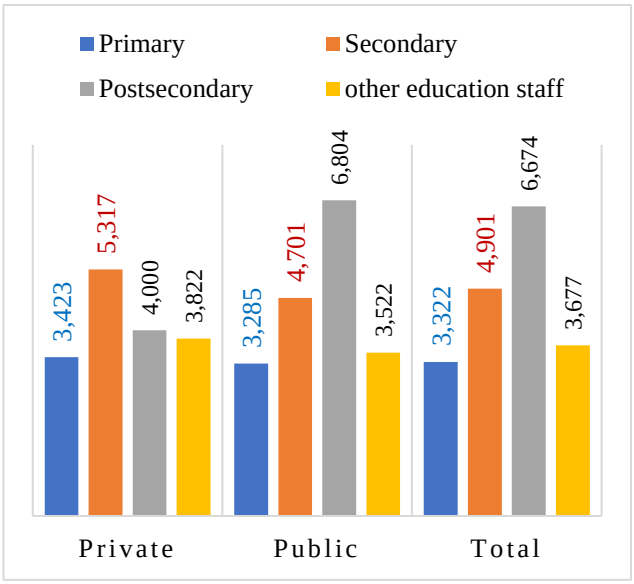
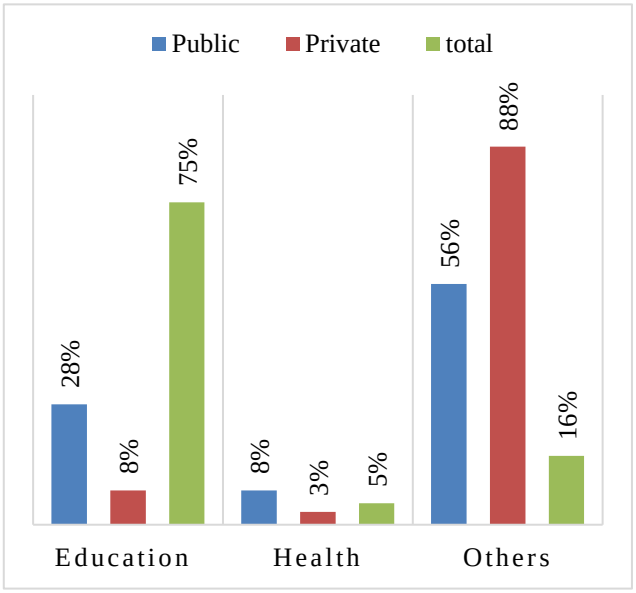


Figure 6.3: Share of education from total wage bill



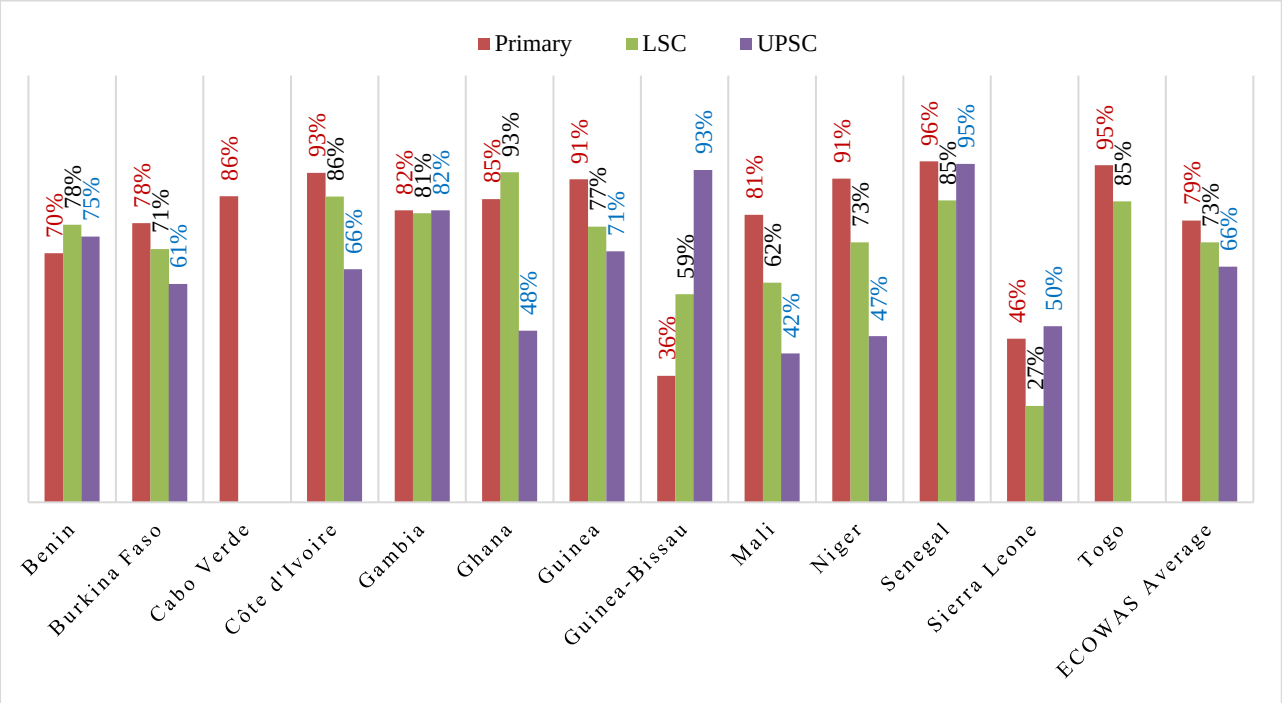
Source: IHS, 2015

The monthly teachers' salary also varies with the local school management (private vs public) and education level. For example, the 2015 IHS shows that secondary school teachers in private schools earn better salary (GMD 5,317 per month) even compared to teachers in postsecondary schools (GMD 4,000 per month). On the other hand, teachers in postsecondary schools teaching in public institutions are getting better salary (GMD 6,804 per month) than others (Figure 6.2).

International Comparison

Staff compensation as a percentage of total expenditure in public institutions is almost the same at all levels of education in The Gambia at primary, lower and upper secondary levels. For instance, staff salary accounts for 82% of total public expenditure in primary education, 81% for Lower Secondary, 82% for Upper Secondary. This is close to the ECOWAS average, which is 79% for primary, 73% for lower secondary, 66% for upper secondary.

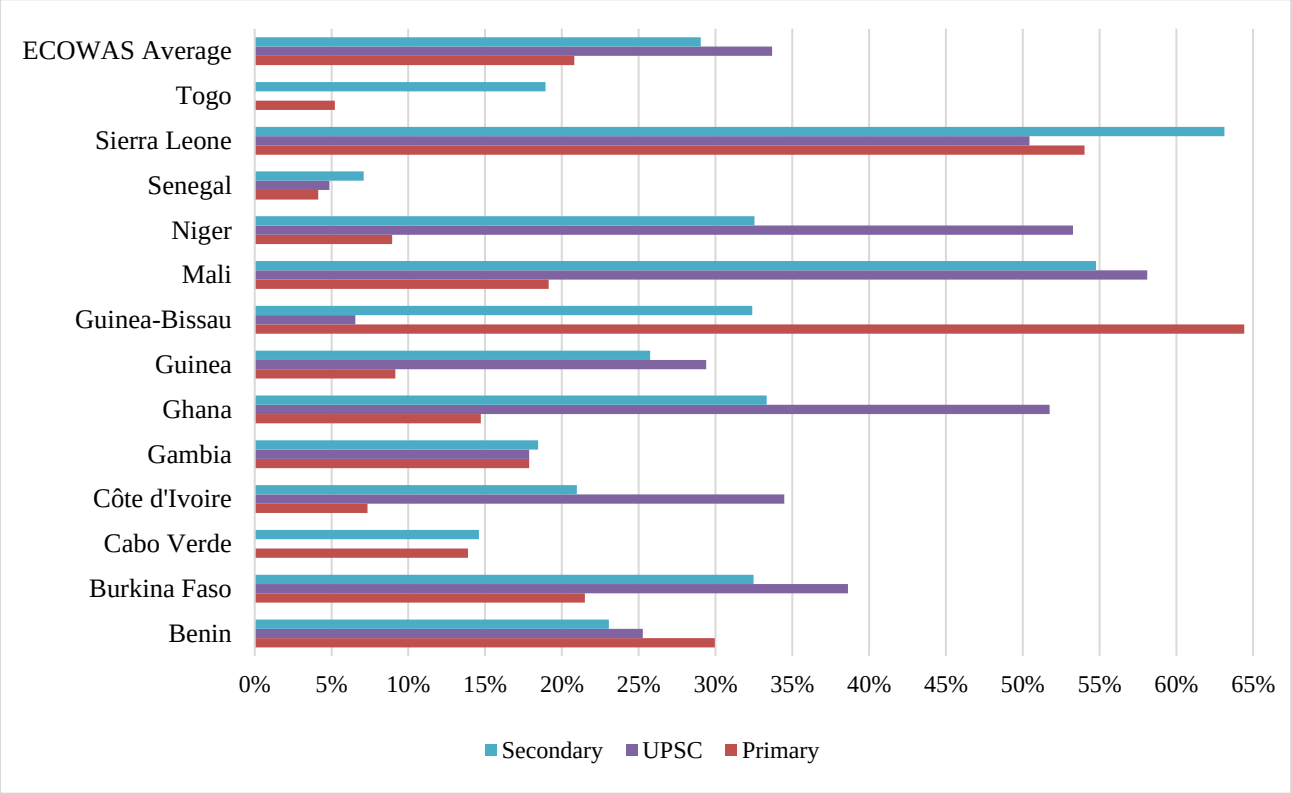
Figure 6.4: Salary expenditure by education level and country (as % of total expenditure in primary public institutions)



Source: UIS, 2021

However, the share of non-salary expenditure at all levels of education in The Gambia is less than most countries in the ECOWAS region and less than the ECOWAS average. The share of non-salary expenditure from total expenditure at a given level of education is less than 20% for all levels of education in the country. However, countries such as Sierra Leone and Burkina Faso spend 54% and 22% of public budget for primary education on non-salary respectively. This indicates that The Gambia allocates more on salary expenses at all levels of education compared to countries in the region.

Figure 6.5: non-salary expenditure by education level and country (as % of total expenditure in primary public institutions)



Source: UIS, 2021

Situation Against Benchmarks

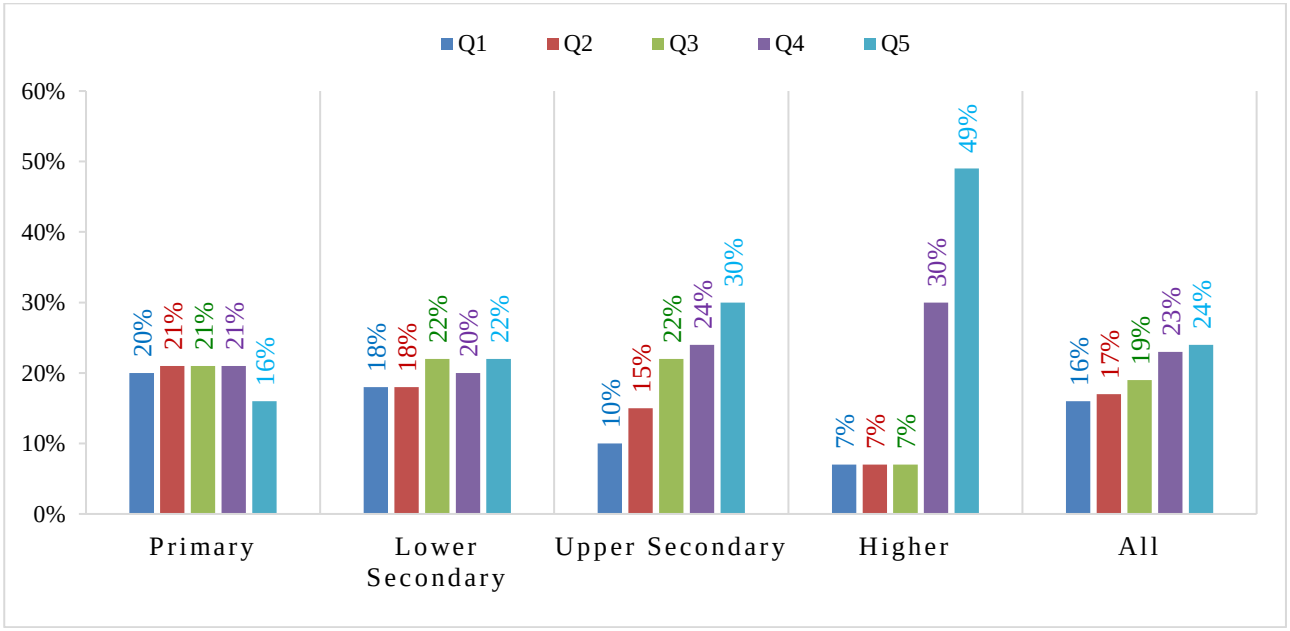
In 2015, The Gambia spent less than 20% of recurrent spending on non-salary items (teaching and learning materials) for all levels of education. This is below the GPE benchmark for primary education, which recommends 33% of recurrent education spending for non-salary items. This requires an examination of recurrent education expenditure between salary and non-salary expenditure for effective utilization of public resources.

7. Equity of Education Spending

Understanding the equity of education spending helps in identifying the most disadvantaged groups and highlights areas of focus by policy makers and development partners. The allocation of budgets to the education sector is considered inequitable if an advantaged (better off) group consumes a greater share of the resources. In contrast, equitable budget allocation is when the distribution of public resources compensates the initial disadvantage groups considered to be disfavored, through an allocation of resources that is proportionally greater than the group's weight in the total population.

Public spending at the primary level is pro-poor, however, total public spending on education altogether is pro-rich. The analysis of total public spending on education reveals that, overall, the poorest quintile receives only 16% of the total education funds (4% less than its share of the population), while the richest quintile receives 24% of the total benefits (4% above its share of the population) (see Figure 7.1). Importantly, the distribution of public spending is largely equitable at the primary level where almost all quintiles receive a share of public benefits (20%) equivalent to their share of the population, apart from the richest quintile which receive 4% less than their population share (16%). However, this trend is reversed at the senior secondary and higher education levels where enrolment from poor families starts declining. For example, at the senior secondary level, while the richest quintile receives 30% of total spending, the poorest quintile receives only 10%. Similarly, 49% of the total spending in higher education went to the richest quintile compared to 7% for the poorest quintile. Thus, education expenditures at the primary level are poverty neutral whereas post primary expenditures are regressive because they tend to favour the non-poor. However, demographic factors such as family size could negate the poverty neutrality of primary education spending.

Figure 7.1: Education benefit analysis

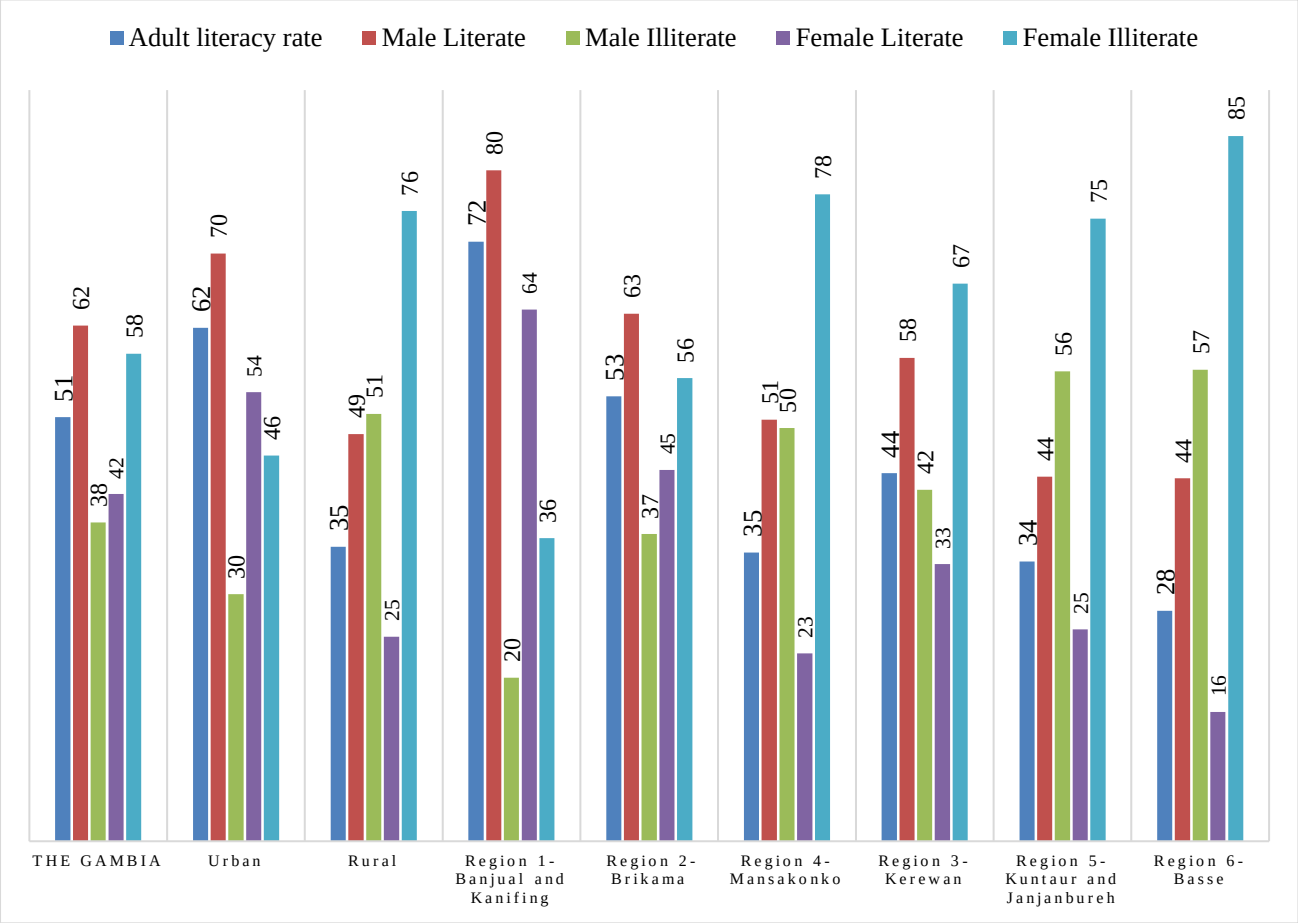


Source: Computed based on IHS, 2015

There are significant regional disparities in adult[4] literacy rates in The Gambia. The national literacy rate in The Gambia is 50.8% (Figure 7.2). There is a slight difference in adult literacy rates between males (61.8%) and females (58.4%). However, the adult literacy rate gap between urban and rural residents is huge with a difference of 26.2% in favor of urban (61.5%) and only 35.3% for rural. This has huge equity implications, between urban and rural areas in education public spending utilization. In terms of gender, there are observed literacy gaps between female and male adults both in urban and rural areas though the gender parity is higher among the rural areas.

There are disparities in adult literacy rates across Local Government Administrative Areas (LGAs) in The Gambia, which mirrors the urban-rural divide. Banjul and Kanifing combined, which are urban areas, have 72% adult literacy rate while the same figure in (Kuntaur and Janjanbureh) and Basse LGAs are 34% and 28%, respectively. Kuntaur and Basse are LGAs with the lowest adult literacy rate in The Gambia and would benefit from targeted interventions. Basse has the lowest female literacy rates (16%) followed by Mansakonko (23%) compared to a female literacy rate of 64% in both Banjul and Kanifing. The female literacy rates in Basse and Mansakonko are also much below the national average of 42%.

Figure 7.2: Literacy rate by gender and region

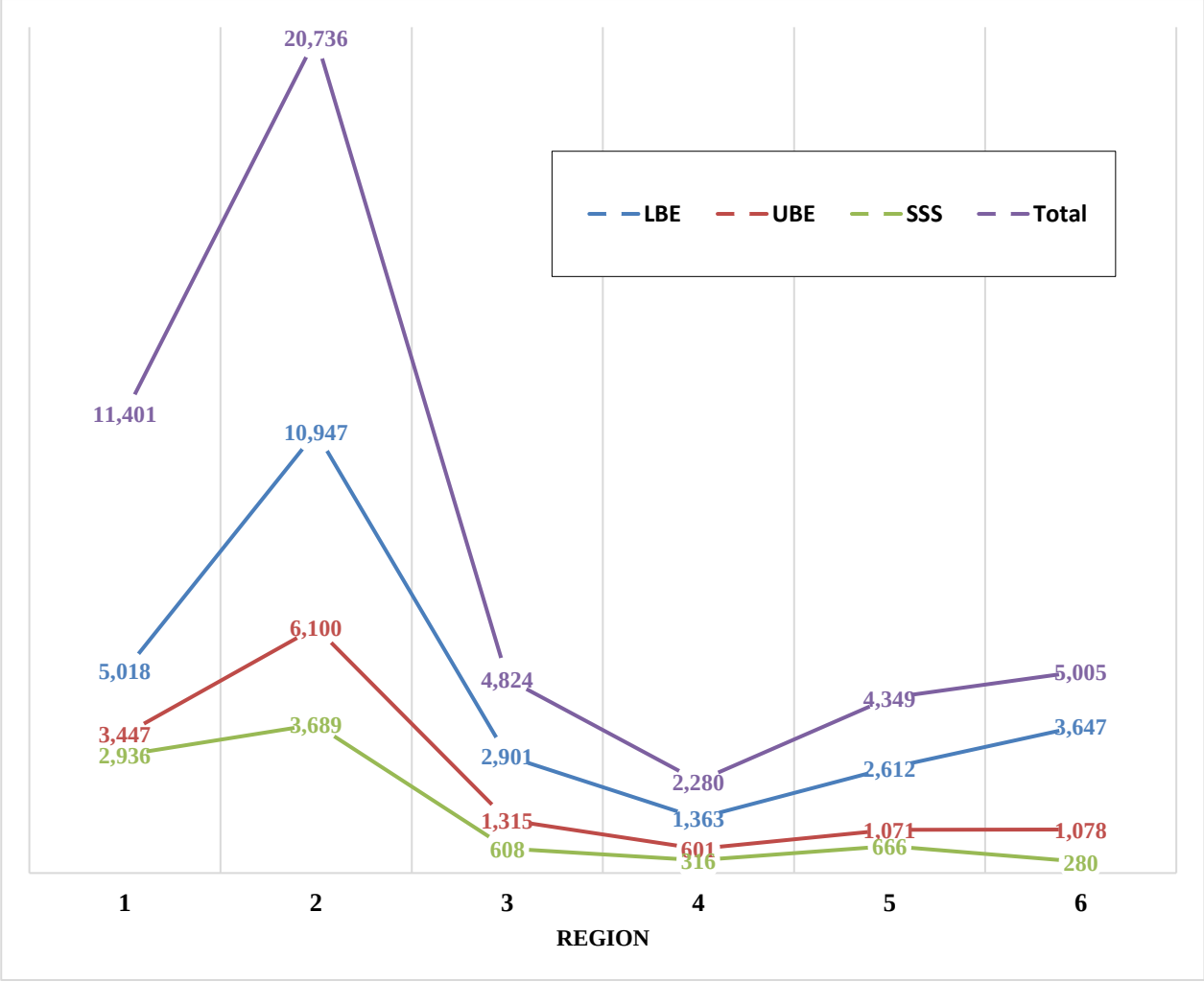


Source: IHS, 2015

[4] Ages 15 and above

There are considerable regional disparities in public education spending. The amount of public education spending on different levels of education by region is computed by multiplying a unit cost of education for public sector by the number of students enrolled at different levels of education in each region for the year 2021. The highest public education spending was spent in Region Two which is US$ 20,736 in 2021 followed by Region One where a total of US$ 11,401 was spent in the same year. The lowest public spending was in Region Four where only US$ 2,280 was spent across all levels of education (LBE, UBE, SSE). The distribution of public education expenditure by level of education across different regions follows similar pattern in which relatively higher public spending for all levels of education goes to Region Two followed by Region One. Region Four is the lowest receiver of education public spending for all levels of education. This is mainly due to large number of students in Regions One and Two compared to other regions. For example, in 2021, the total number of students enrolled across all levels of educations in Regions One and Two are 385,332 students while the combined figure for the rest of the regions are 211,943 students indicating huge difference in the total number of students enrolled across regions.

Figure 7.3: Public education spending by region and level of education (in '000 of US$), for 2021



Source: Computed based on EMIS, 2021 and IHS, 2015

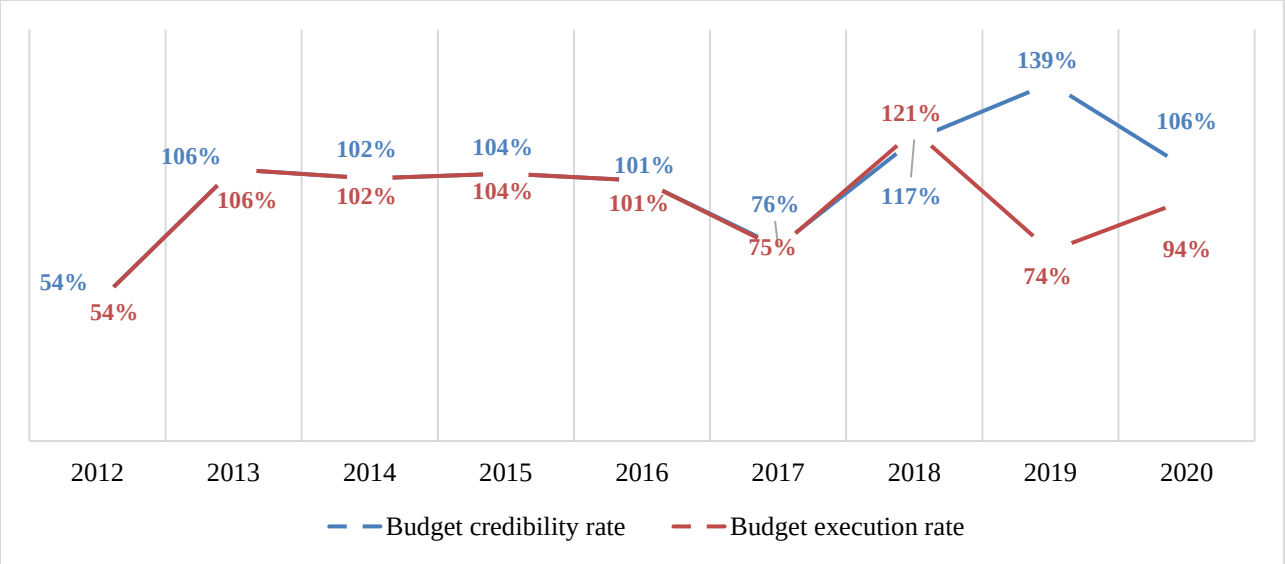
8. Budget Execution and Credibility

This section expounds on budget execution and credibility rates. **Budget execution** rate refers to the degree of implementation of the approved budget. Budget execution is measured by the difference between the total amount of funds released by the Ministry of Finance to those ministries that are responsible for delivering education services and the total amount of funds that are actually spent by those ministries at the end of the fiscal year. Budget execution is a key component of budget credibility since unspent funds will affect actual expenditure.

Budget credibility refers to the ability of the government to execute the budget as planned. This is measured by the deviation between planned and actual spending – in other words, the difference between budget allocations in the education sector (or planned spending), which are approved at the start of the fiscal year, and actual expenditure, which is the total amount spent at the end of the fiscal year.

The Gambia education sector budget follows the cash method[5] leading to a high budget execution rate. MoBSE's budget execution and credibility rates overlapped until 2017 because the amount of planned and approved budgets was reported to be the same. It is after 2017 that the budget execution and credibility rates started to depart and showed that the ministry's budget credibility rate is better than its budget execution rate. For instance, in 2020, MoBSE's budget credibility rate was 106% while the execution rate was 94%. This indicates that the actual expenditure was higher than the planned budget by 6%, while it was less than the approved/budgeted amount by 6% during the period.

Figure 8.1: MoBSE's budget credibility and execution rates, 2012-2020

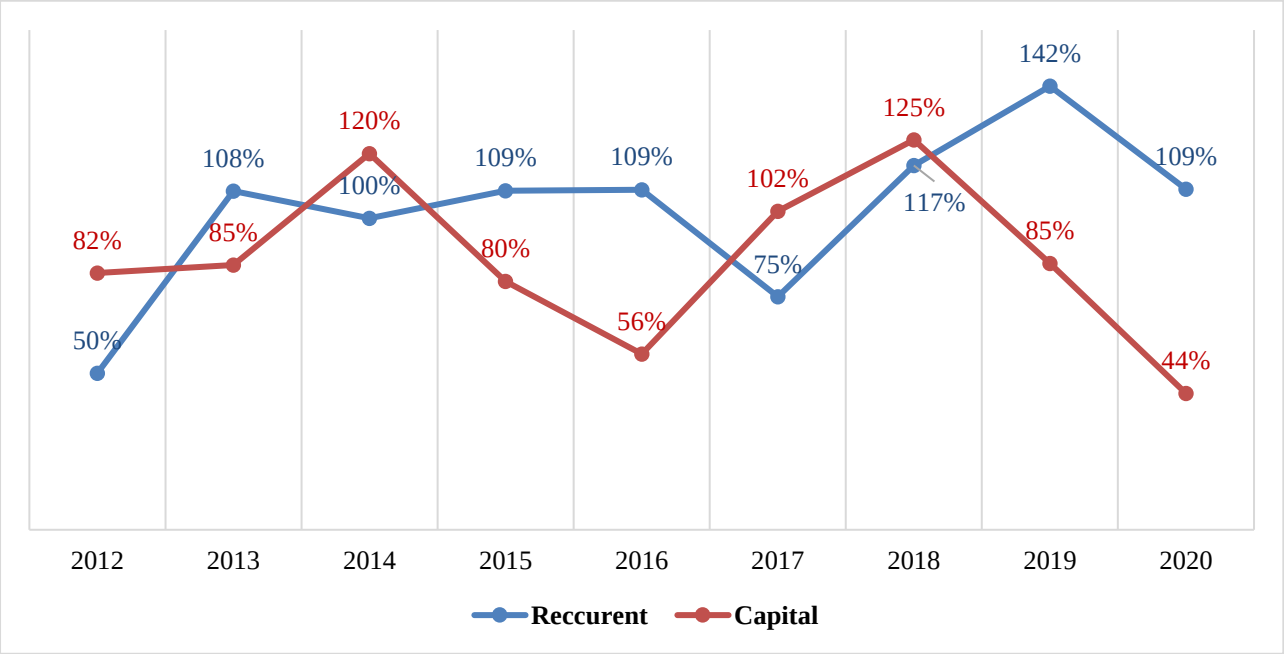


Source: MoBSE, 2021

[5] Under the cash method, income is not counted until cash is received, and expenses are not counted until actually paid. Under the cash basis, revenues and expenses are recognized when payment is made or received

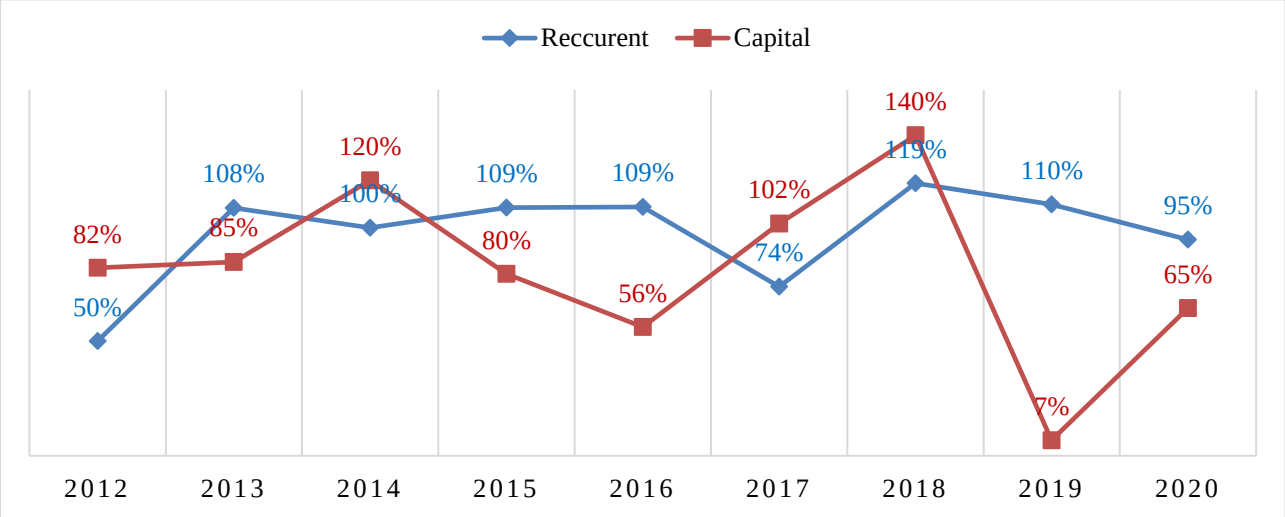
In assessing the budget components, there is similar budget credibility and execution rates between the capital and recurrent budgets between 2012 and 2020. Both budget credibility and execution rates for recurrent and capital expenditures follows similar trends until 2017. There is high variability in execution and credibility rates of capital spending after 2018 while the execution and credibility rates of recurrent expenditure is more than 100% throughout the period considered except the execution rate in 2020 which stood at 95%. This indicates that the actual spending is higher than the planned and budgeted amounts. This also confirms that the ministry has no budget execution issues under the period considered except in 2012 where both budget execution and creditability rates stood at 54% as highlighted in Figure 8.1.

Figure 8.2: MoBSE's budget credibility rate by nature of spending, 2012-2020



Source: MoBSE, 2021

Figure 8.3:MoBSE's budget execution rate by nature of expenditure, 2012-2020



Source: MoBSE, 2021

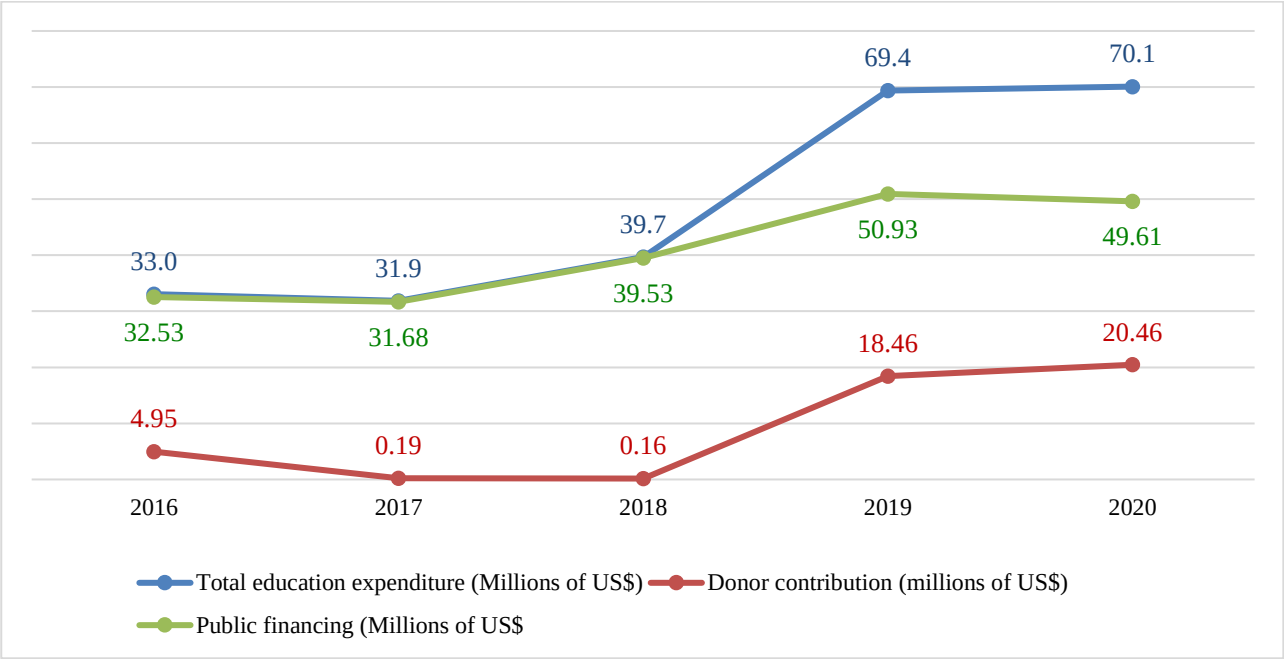
However, in 2019 there was a significant drop in budget execution rate for capital from 140% in 2018 to 7% in 2019 due to some major policy shift by government. There was a significant increase in debt service repayment. As at end of 2018, the country was in a debt distress situation. To curb this, government implemented robust debt management strategies to meet government's financing requirements and at the same time achieve public debt sustainability in the medium to long term. To this vein, total debt service payment has increased by 18.0% in 2019 thereby decreasing nominal debt as a percentage of GDP from 89.1% to 80.1% as at end of 2018 and 2019, respectively (MoFEA, 2019 Public Debt Bulletin).

During the same period, government increased salaries of government workers by 50% and pensions by 100%. Due to these increments, expenditure on government operations (salaries and other goods and services) constituted the highest share of 53.47% of total expenditure.

9. Contribution of Development Partners in Educational Development

Development partners' commitment to education financing reflected less than 1% of education expenditure in 2017 and 2018. After 2019, the contribution of development partners to investment in education has significantly increased. For instance, the share of development partner financing is about 27% of education spending in 2019 while the figure further increased to 29% in 2020.

Figure 9.1: Donors' contribution to education expenditure (in Millions of US$), (2016-2020)



Source: Gambia Domestic Financing, 2016-2020

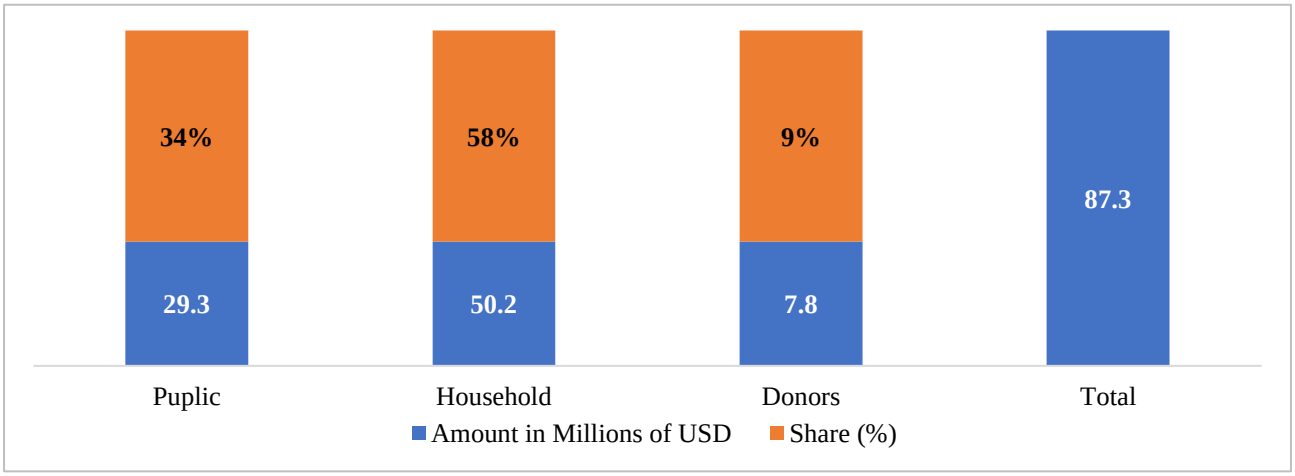
Table 9.1: Share of donors' commitment from total education spending

Year	**Total education expenditure (millions of US$)**	**Donor's contribution (%)**	**Public spending (%)**
2016	33.0	1.5%	98.5%
2017	31.9	0.6%	99.4%
2018	39.7	0.4%	99.6%
2019	69.4	26.6%	73.4%
2020	70.1	29.2%	70.8%

Source: Gambia Domestic Financing, 2016-2020

Households are the main sources of education spending in The Gambia compared to the government. The latest available data shows that households contribute about US$ 50 million to the education spending in the country in 2015. This accounts for about 58% of the total education spending during the year. From a total of US$ 87.3 million spent on education in 2015, the amount covered by the public is US$ 29.3 million which is 34% of the total. This indicates that education sector is funded in large part by private households followed by the public sector.

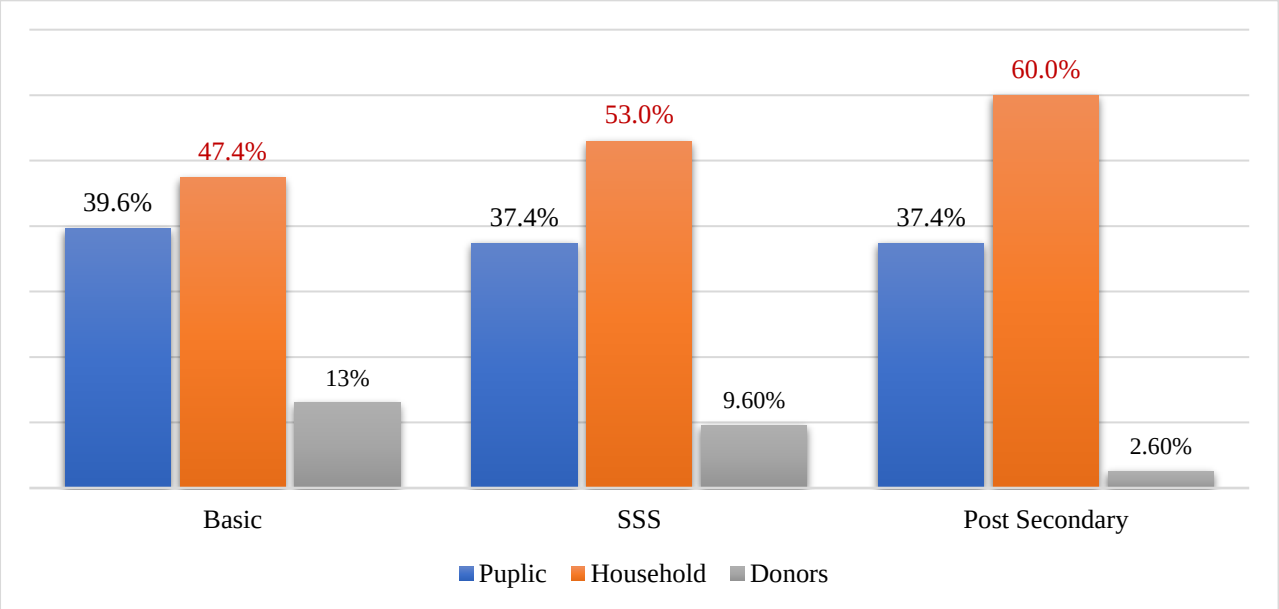
Figure 9.2: Education spending by source (millions of US$), 2015



Source: Computed based on IHS 2015

The breakdown of education spending by level of education reveals that the public sector contributes close to 40% of total spending at the basic education level, while households contribute 47.4%. At the SSS level, households account for 53% of total spending, while the public contributes 37.4%. However, development partners contributed the most at the basic education level accounting for 13% of total spending compared to other levels of education.

Figure 9.3: Breakdown of education finance by source and education level, 2015

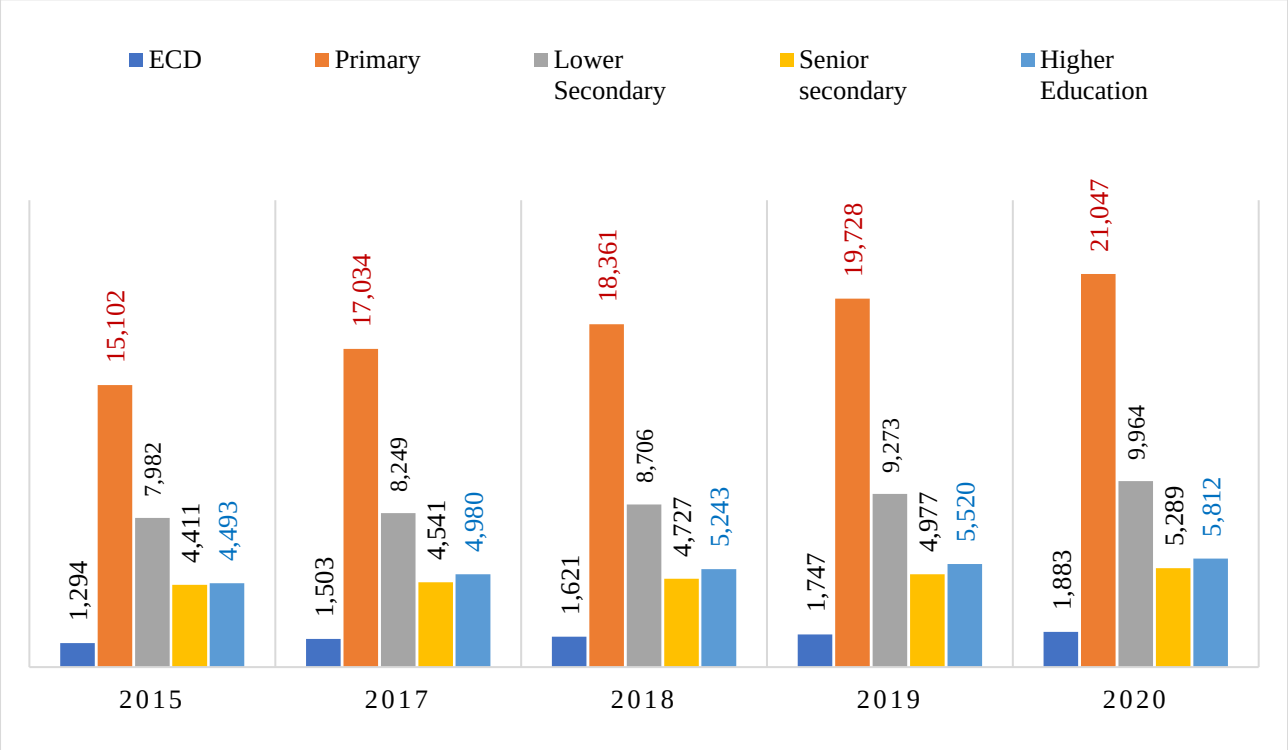


Source: Computed based on IHS 2015

10. Household Expenditure in Educational Development

The largest share of household and public education spending went to primary education. This is consistent between 2015 and 2020 (Figure 10.1) and shows marginal increases over time. This is consistent with the findings obtained in the earlier sections that primary education receives the largest share of public education spending measured both as a percentage of GDP and total public spending. LBE receives the second largest share of both household and public education spending with a slight improvement over time (Figure 10.1 and 10.2). This is mainly due to high enrollment rates in both Primary and Lower Secondary Education; meaning that the spending by level of education is proportional to the enrollment distribution in the respective level of education. However, most of the working-age population of The Gambia has no formal education (58%)[6] and a very small segment has post-basic education. Therefore, there is a need to consider the functional allocation of budget.

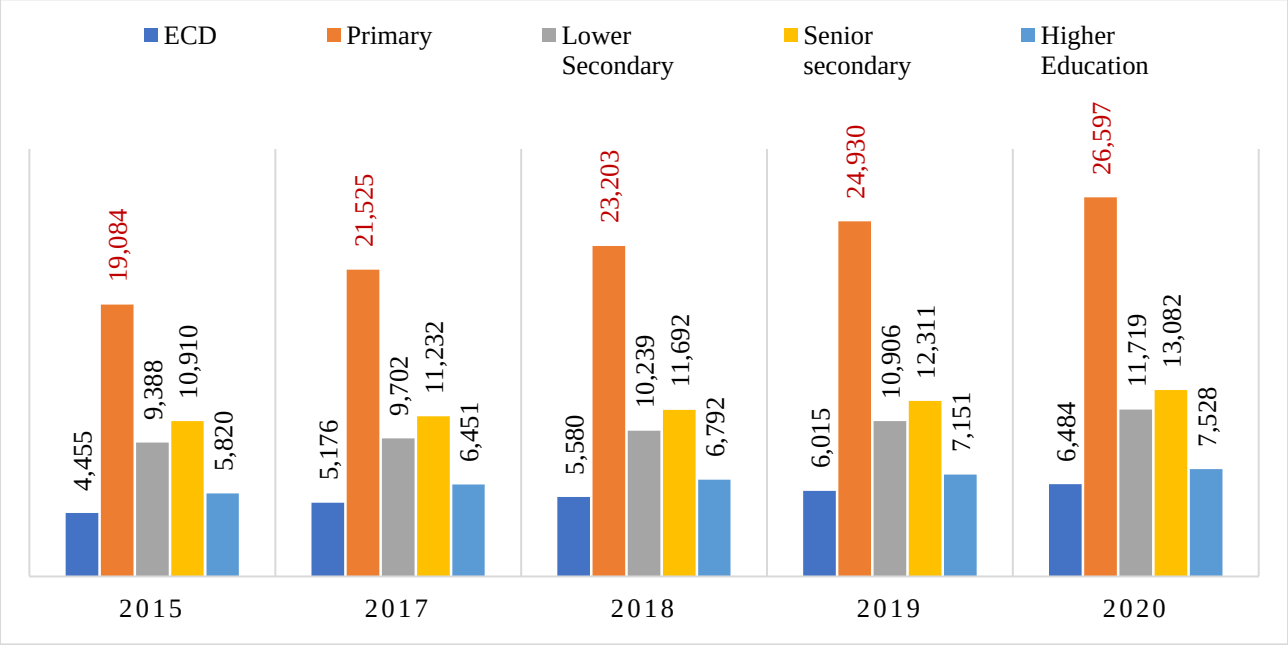
Figure 10.1: Public education spending (000 US$)



Source: Computed based on EMIS and The Gambia HCP projection (2015-2020)

[6] PER, 2017: Public Expenditure Review of The Gambia

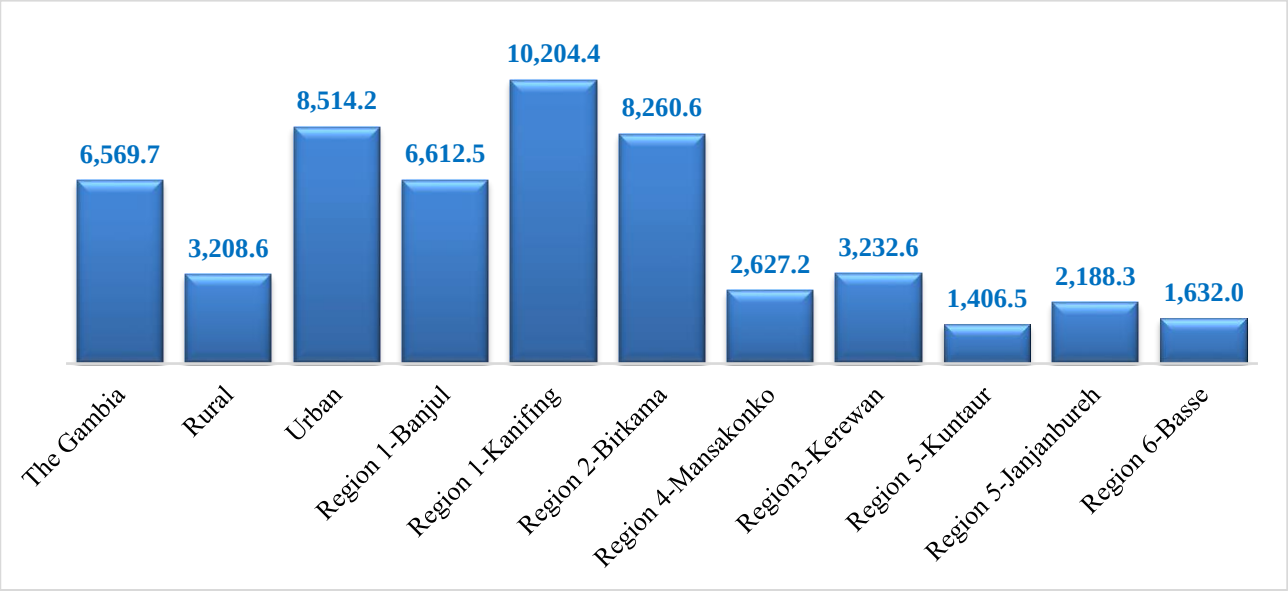
Figure 10.2: Household education spending (000 US$)



Source: Computed based on EMIS and The Gambia HCP projection (2015-2020)

There are high regional disparities as to the average household education spending. This ranges from 1,406 GMD per household per year, in Kuntaur (Region 5) to more than 10,000 GMD per household per year in Kanifing. This explains difference in income level of households living in different regions which have significant impact on households' ability to invest in education. Regions with low education spending were also found to have low learning outcomes which is in large part due to lack of financing for operating costs. Though the government has been targeting interventions to mitigate socio-cultural issues that may affect enrollment and completion rates, the problem persists. This calls for additional resources and targeting approaches to reduce regional inequalities.

Figure 10.2: Average household education spending by region (GMD)

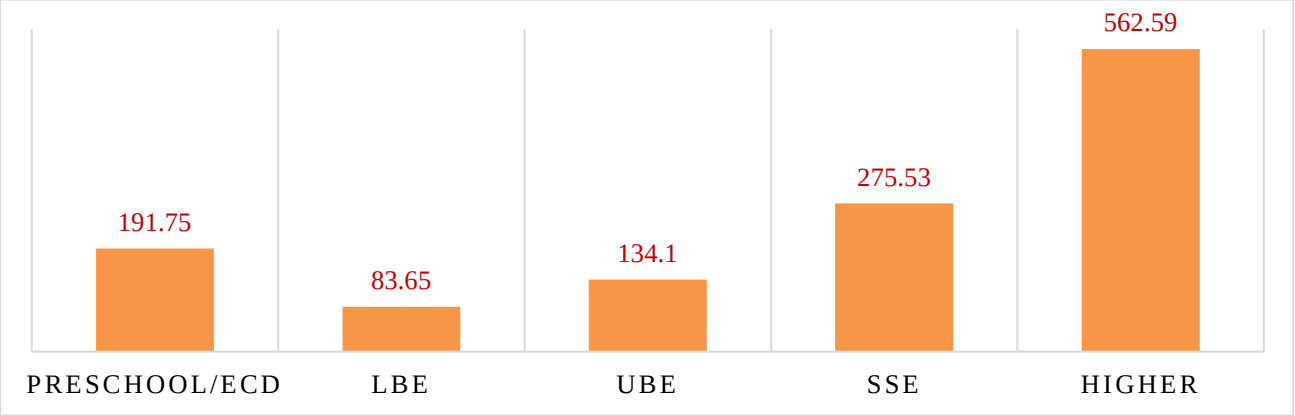


Source: MoBSE, 2021

11. Unit Cost of Education Expenditure

The household spending per student increases with level of education except at lower basic education which is less than that of ECD. The per student household education spending at ECD is about US$ 192 in 2020 representing about 24% of GDP per capita of US$ 815 during the same year. At post-secondary education, the household education spending per student is about US$ 562 which represents about 70% of household per capita income. This high unit cost, especially in post-secondary education, is prohibitive to poor households despite their strong commitment to educate their children. Given that the inequality gap between the rich and the poor is high, poorer households may face greater difficulties in sustaining their investment in education.

Figure 11.1:Household education spending per student (US $)



Source: Computed based on EMIS and The Gambia HCP projection (2015-2020)

The unit cost of education for both (household and government) also increases with education level except for the lower basic education. More specifically, the unit cost of education per student at ECD is US$ 247 of which about 77% is contributed by households and the remaining 23% is covered by the government. The education unit cost at ECD represents about 30% of household per capita income while it represents 122% for post-secondary.

Figure 11.2: Unit Cost of education-by-education level, 2020

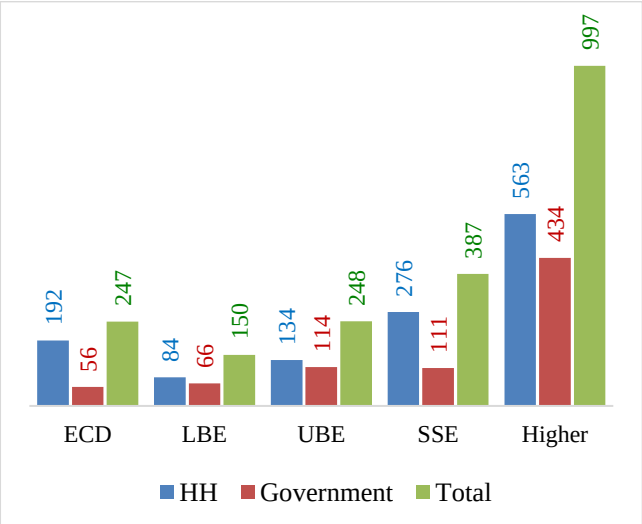
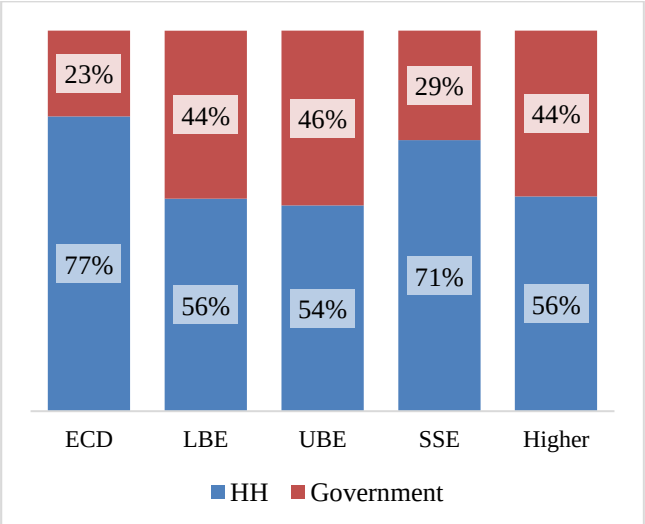


Figure 11.3: Household and government contribution to education unit cost, 2020

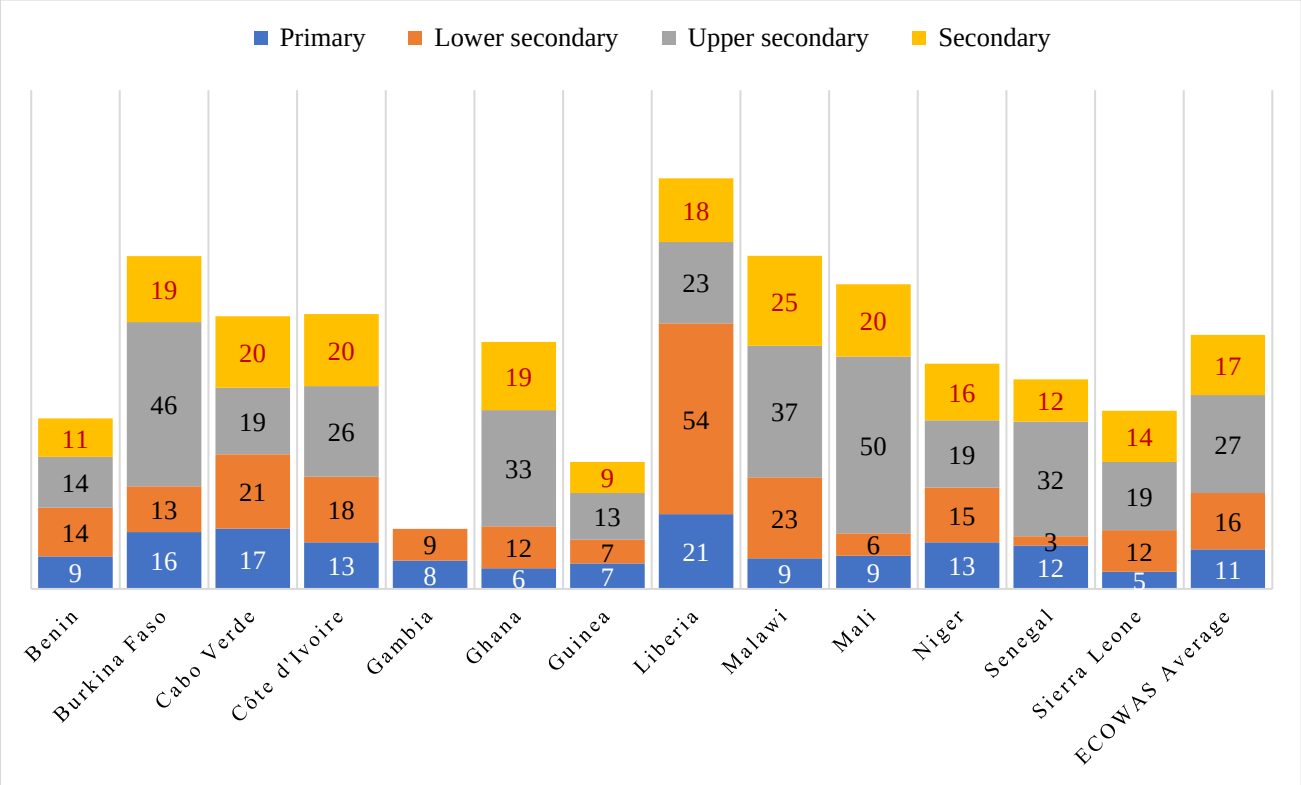


Source: Computed based on EMIS and The Gambia HCP projection (2015-2020)

As shown in Figure 11.3, households contribute more than 50% of unit cost of education at all levels. This supports the figure obtained in the previous section that households are the main source of education spending in The Gambia.

An international comparison of the public spending per student as a share of GDP per capita indicates that The Gambia spends relatively lower amounts than other countries in the region, at primary and lower secondary levels. The latest UIS available data shows that, The Gambia spends the equivalent of 8% and 9% of GDP per capita on each student at primary and secondary levels, respectively. This is the lowest in the region with only three countries: Ghana (6%), Guinea (7%) and Sierra Leone (5%) spending less than The Gambia on primary education. The same figure in 2015 for Sub-Saharan Africa average is 11.14% for primary education and the ECOWAS average is 11% for primary and 16% for lower secondary educations (Figure 11.4).

Figure 11.4: Government funding per student (% of GDP per capita)[7]



Source: WDI, 2021
Note: LYA is used for comparison purpose

[7]Government expenditure per student as % of GDP per capita is computed by dividing total government expenditure for a given level of education (ex. primary, secondary) by total enrolment in that same level, divide again by GDP per capita, and multiply by 100. It is important to show how much a government is spending on average on one student at a given level of education, in relation to average income per person. For more information, please visit this link http://uis.unesco.org/en/glossary-term/government-expenditure-student-gdp-capita

12. Key Policy Recommendations

Based on the findings obtained, the following key policy recommendations are drawn and suggested for possible policy interventions.

1. In 2013, The Gambia allocated only 17% of the total government expenditure on education though the amount was later improved to 28% in 2018. However, in 2019 and 2020, the allocations were 16% in each year. This is below the GPE benchmark. The government should, therefore, endeavour to increase the education budget to at least meet this benchmark and the SDGs commitments. On the other hand, the impact of such commitment on creating access to education and completion of basic education will be helpful to assess the effectiveness of monies spent. Furthermore, analysis of impact on learning achievement will also be useful.
2. Currently, development partners are contributing around 29% in education financing in The Gambia. This financial contribution is not negligible, and the country needs to focus on efforts to ensure sustainability of education sector financing, given potential unreliability of international funds.
3. The PTR at all educational levels has been declining between 2012 and 2020. Though the decline in PTR has positive impact on quality of education, it is beyond the recommended level, which is 40:1. The key driver of the growth in the teacher's supply is the government's arrangement of teacher trainees. However, given the limited fiscal space and the education sector needs, this approach is not affordable and sustainable. The government should reconsider its hiring practices at all levels educational levels and teachers hiring should be demand driven.
4. The education budget is dominated by recurrent spending. This is mainly driven by staff salary which accounts for more than 80% of recurrent expenditure at all levels of education. According to the estimates based on UIS data, about US$ 17 million was spent on primary education in 2015. Of this, about US$ 14 million is spent on staff compensation (both teaching and non-teaching) while only US$ 3.10 million was spent on non-salary expenses such as provision of teaching-learning materials including textbooks. This is below the best practice benchmark which recommends the share of non-teaching salary (for teaching and learning materials, in service training of teachers and supervision) from total recurrent spending on education to be at least 33%. This indicates that the government should hire only the needed quantity and qualification based on the education sector demand.
5. The education sector staff accounts for close to one-third (28%) of the total wage bill in the public sector. However, monthly salary of the education sector staff is below the public sector average wage (GMD 3,913 per month). The high spending on personnel cost in the education sector is associated with high growth in the number of staff but not in the improvement of salaries. This might discourage talented and motivated teachers from joining and staying in the teaching field. Thus, to have the right number and qualification mix of teachers, the government should reconsider the current hiring practices. Teaching staff hiring should align with strategic goals of the education sector and should be based on a predetermined set of criteria including PTR, classrooms, school size, subjects taught, and facilities available at the school level.

6. The unit cost of education increases with educational level. The unit cost of education at ECD is US$ 247, which represents about 77% of household per income while the unit cost at SSE and higher education are US$ 276 and US$ 563 per student respectively. The government should use the unit cost as an instrument in the preparation of policies and associated budgets for effective utilization of funding. To ensure sustainability of the education budget, the unit cost should be a key tool used in the planning process.

7. Considering, the importance of the brief in enhancing evidence-based decision-making; it should be updated annually commencing in 2023.