

**DOWN THE DRAIN: HOW
PUBLIC MONEY IS MISSING THE
TARGET IN THE EDUCATION
SECTOR IN MALAWI**

**FINDINGS OF THE 2011/2012 PUBLIC EXPENDITURE
TRACKING SURVEY (PETS) ON EDUCATION SECTOR IN
MALAWI**

**CIVIL SOCIETY EDUCATION COALITION
(CSEC)**

Malawi

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LIST OF ACRONYMS

CBO	Community Based Organisations
CSEC	Civil Society Education Coalition
CAMDEF	Campaign for Girls Education
CDSS	Community Day Secondary School
CDF	Constituency Development Fund
CBE	Complimentary Basic Education
DEN	District Education Network
DEM	District Education Manager
DC	District Commissioner
DFID	Department for International Development (UK)
EFA	Education for All
EDSA	Education Decentralisation Support
FPE	Free Primary Education
GoM	Government of Malawi
GPF	General Purpose Fund
HSAs	Health Surveillance Assistant
IGA	Income Generating Activity
LDF	Local Development Fund
MGDS	Malawi Growth and Development Strategy
MoEST	Ministry of Education, Science and Technology
MPs	Member of Parliament
NGOs	Non Governmental Organisation
NESP	National Education Sector Plan
OVC	Orphan and Vulnerable Children
PETS	Public Expenditure Tracking Survey
PTA	Parents and Teachers Association
PEA	Primary Education Advisor
SNE	Special Needs Education
SWAP	Sector Wide Approach
SIG	School Improvement Grants
SMC	School Management Committee
TLM	Teaching and Learning Materials
TTC	Teacher Training College
UNICEF	United Nations Children's Fund
VDC	Village Development Committee

EXECUTIVE SUMMARY

The Civil Society Education Coalition (CSEC) commissioned this Public Expenditure Tracking Survey (PETS) to help generate evidence for lobbying and advocating strong linkage between education sector financing on one hand, and the improvement of quality and access of education especially at the primary school level on the other hand. *Down the Drain* implies that the PETS reveal a situation where a significant proportion of education sector financing is not reaching the targeted beneficiaries. Public money allocated through Malawi education budgets is missing the target and not all the funds are producing the desired outputs.

GoM is implementing various policy instruments including NESP and the MGDS. The NESP in part is aimed at addressing challenges affecting the education sector and this include Shortage of qualified primary school teachers, Poor management of teachers, Inadequate and inferior physical infrastructure, Inadequate teaching and learning materials, Poor monitoring and supervisory systems, and, Poor participation of school committees and their communities in school management (MGDS 2006:50).

The main objective of the PETS being implemented by CSEC is to track how the education sector has utilized resources allocated to various schools through the 2011/12 budget. CSEC also intends to generate evidence for conducting credible budget advocacy, to deepen education sector budget accountability and ensure that public funds are making a difference to the education welfare of the people.

The PETS was conducted in 5 districts namely Chikwawa, Mchinji, Salima, Mzimba, Nkhatabay. CSEC has District Education Networks (DENs) in the 5 districts. There were 3 sets of questionnaires which were developed. These are: Primary School questionnaire, District Commissioner's (DC) office questionnaire, and District Education Manager's (DEM) questionnaire. In each district, a total of 10 Primary Schools were randomly sampled resulting into a total sample of 50 Primary Schools. A semi structured questionnaire was administered at each primary school. Therefore, a total of 50 primary school questionnaires were deployed.

The 2011/12 approved recurrent budget was K33.252 billion and was revised upwards to K37.0 billion. There are two key Programs under the MoEST recurrent budget. The first program is the Education and Vocational Training, which was allocated an approved total of K31.205 billion. The amount was later revised upwards to K34.406 billion. The second program is Public Administration which had an approved allocation of K2.046 billion, later revised upwards to K2.598 billion.

Pre-Primary and Primary Education had a revised budget allocation K24.602 billion, the lion's share of all the six (6) other sub-programs under the Education and Vocational Training Program representing 71 percent of total Program allocation. This also means that Pre-primary and Primary Education accounts for 66.4 percent of total Recurrent Expenditure, and further represents 56.4 percent of total revised MoEST Vote. In aggregate, K21.88 billion was allocated to DEMs in the revised 2011/12 MoEST budget representing 59 percent of the revised total recurrent budget for MoEST. This revised budget had targeted a total number of 4,034,220 primary school pupils under the 34 DEMs. The average per pupil spending across the DEMs is K6, 398.22.

In terms of the PETS findings, the exercise reveals that of all the primary schools visited, less than half of the schools (49 percent) received teaching and learning materials (TLM). This implies that a majority of the schools (51 percent) did not receive the TLM through the budget allocation and ORT of the District Education Manager (DEM).

The MoEST provides school improvement grants (SIG) to primary schools in Malawi. The education PETS has established the extent of provision of SIG in the primary schools that were visited. Some schools have indicated receipt of the SIG in form a Direct Support to School (DSS) programme. Therefore, for purposes of this PETS, DSS and SIG are put under one category. A majority of the schools (70 percent) received the SIG/DSS while 30 percent of the schools did not receive.

Despite that funds are allocated, the PETS reveals that absolutely no primary school in all the districts visited received funds for bursaries in 2011/12. This puts provision of the bursaries at zero (0) percent as virtually all respondents say that bursaries do not exist in their schools. This is despite that over 90 percent of the respondents express the need for the bursaries to be provided.

The PETS reveals that 77 percent of the schools did not receive any new houses for teachers through the DEM in 2011/12. Again this is despite the huge demand for teachers' houses in almost all the schools. The 23 percent of the schools that indicate at least a teacher's house was constructed still complained of inadequate numbers of houses compared to the number of teachers who need accommodation.

This PETS reveals a pathetic state of affairs in as far as construction of school blocks is concerned in 2011/12 where 94 percent of the primary schools indicate that no single school blocks were constructed. Again this is not to mean that the schools have sufficient numbers of school blocks as demonstrated by majority respondents who demand construction of classroom blocks a matter of urgency. Table 4.6 below shows that while all districts reveal slow progress in this area, Mzimba and Nkhatabay reveal 100 percent levels in non construction and absence of new school blocks in 2011/12.

The PETS endeavored to establish if primary schools are able to get supplementary funds from alternative sources. 53 percent of the primary schools indicate that they get alternative sources of funding while 47 percent do not. Schools in Chikwawa district have the highest levels (70 percent) of alternative financing, seconded by Mzimba (62.5 percent) and Nkhatabay (50 percent).

The study shows that majority of the primary schools prepared budgets in 2011/12 and that they continue the preparation of budgets into the 2012/13 school calendar year. The PETS reveal that 75 percent of the schools prepare budgets for their respective primary schools. Best practices obtain from Mzimba and Nkhatabay where all (100 percent) primary schools indicate that they prepare budgets.

The study establishes that all schools (100 percent) in all the districts covered demand some form of payment from learners. No primary school is completely free from payments. Except for tuition fees and textbook revolving funds, the schools ask pupils to pay, Development Fund, Mock Exam, Exam payments, Examination fees, PTA fund, and General Purpose Fund (GPF).

The majority of the primary schools studied under the PETS have been visited by the PEA. 77 percent of the schools have been visited 3 times or more in 2011/12 with a minimum of

at least once every term. This demonstrates commendable work and commitment by the PEAs. 30 percent of the schools indicate that the PEA has visited them by 6 times or more, representing at least a minimum of 2 visits per term. 13 percent of the schools have been visited more than 10 terms by the PEA in 2011/12 school calendar.

The PETS further establishes that only 11 percent of the schools had teachers' houses and school blocks outside the LDF. Chikwawa had the highest number of schools (30 percent) benefiting with such facilities while Salima had 20 percent. Mchinji, Mzimba and Nkhatabay districts have 100 percent of their schools not benefiting from teachers houses and school blocks outside the LDF.

The **top six priorities** mentioned by schools for inclusion and funding in the next budget are teachers houses, school blocks, teaching and learning materials, toilets and sanitation, construction of administration blocks, and increase in teachers salaries as well as teachers allowances. The **5 least prioritized budget items** are sports materials (2.1 percent), electricity and school feeding both at 8.5 percent, and computers and boreholes both at 10.6 percent.

In conclusion, the PETS observe that there is a mismatch between the funds allocated to various budget items and subprograms of the education sector on one hand, and the actual outputs on the other hand. This suggests either allocative inefficiency or funds misappropriation. Fraud and corruption cannot be ruled out in the implementation of the 2011/12 education budget. Significant amounts of funds allocated to the education budget are not producing the desired outputs and substantial budget resources could simply be going *Down the Drain*.

The poor performance of education sector budget outputs in 2011/12 could also be attributed to the poor performance of the Malawi economy which was characterized by chronic forex shortages, low performance of tobacco earnings, intermittent fuel supply, and a freeze in donor support. These challenges had a direct bearing on the performance of the budget and the education budgets were not spared from the down trend. The general recommendation is that GoM should increase efforts to improve the performance of the economy, enhance productivity to boost the revenue base for adequate budget financing.

1.0 INTRODUCTION

This report is titled *Down the Drain*. The title points to the overwhelming gap between resource allocation and availability of outputs in the education sector. The title further suggests the need to continuously ensure that funds allocated to education translate into tangible outputs and lead to improved education standards in Malawi especially at primary school level. This is also in view of the observation that education is among the top three sectors with highest budgetary allocation in Malawi budgets.

The Civil Society Education Coalition (CSEC) commissioned this Public Expenditure Tracking Survey (PETS) to help generate evidence for lobbying and advocating strong linkage between education sector financing on one hand, and the improvement of quality and access of education especially at the primary school level on the other hand. *Down the Drain* implies that the PETS reveal a situation where a significant proportion of education sector financing is not reaching the targeted beneficiaries. Public money allocated through Malawi education budgets is missing the target and not all the funds are producing the desired outputs.

2.0 BACKGROUND

The Government of Malawi is implementing programmes in the education sector based on the National Education Sector Plan (NESP) from 2008 to 2017. National Education Sector Plan (NESP) draws on the first and second education development plans, PIF and the Long-term Development Perspective for Malawi (Vision 2020). Subsequent to these development policies, the NESP is also grounded in the current medium – term national development strategy (the Malawi Growth and Development Strategy - MGDS).

Furthermore, the NESP reflects the Government of Malawi’s commitment to both regional (Southern African Development Community and the African Union) and international (the Millennium Development Goals) targets and priorities, and it incorporates the ideals of the Education for All (EFA) National Plan of Action. Consistent to the above and based on calls for coordinated, increased and improved donor assistance, the NESP paves the way towards a Sector Wide Approach (SWAp) to planning, development and financing of the education sector.

The NESP informs the levels of investment that are required to ensure quality and access to education. It also outlines the goals and targets expected to be met from the various investments made to the sector. The NESP identifies Basic Education as one of the main priorities where attention is also given to investing in Primary Education.

Overall the longest existing structure under basic education and within the entire education sector is primary education. Primary education is the sub-sector which affects the greatest number of people, and which is the basis for all other education. Good primary education is valuable both for those who leave school at the end of primary, and for those who continue their education.

Only if the primary sector functions well can students gain the basic knowledge to progress to secondary, while research world-wide shows that people who have a good primary education are likely to be more productive in life than those who have not. However, it is the same primary structure which harbours most of the challenges in the entire education system in Malawi due to increasing enrolment without adequate funding. Such inadequate funding in turn leads to the following challenges:

- i. Shortage of qualified primary school teachers,
- ii. Poor management of teachers,
- iii. Inadequate and inferior physical infrastructure,
- iv. Inadequate teaching and learning materials,
- v. Poor monitoring and supervisory systems, and
- vi. Poor participation of school committees and their communities in school management (MGDS 2006:50).

In response to the challenges, Malawi is implementing a priority, fast-track programme to strengthen primary education, which will be the base for all other education developments. The programme combines policy measures, quality improvement and investments, through three sets of strategies listed below. Through policy and other measures, Malawi plans to give all children a quality primary education.

Table 2.0: Primary Education Enrolment, Targets, Teachers and Classrooms

All Primary Schools	2006	2007	2008	2012	2017
Enrolment, Total	3,280,714	3,306,926	3,396,373	3,738,709	3,744,402
GER	117.2	115.0	115.1	115.9	106.1
Female Enrolment, % of Total	50.0%	50.0%	50.0%	50.0%	50.0%
Female Enrolment, %, Standards 1-4	50.6%	50.6%	50.5%	50.2%	50.0%
Female Enrolment, %, Standards 5-8	48.6%	48.6%	48.7%	49.5%	50.0%
Enrolment Standard 1	886,512	846,934	804,995	629,553	531,879
GER Standard 1	221.5	206.0	190.7	136.4	105.4
Enrolment Standard 5	315,596	329,438	349,421	464,061	454,811
GER Standard 5	91.7	93.2	96.2	116.9	104.8
Enrolment Standard 8	158,192	166,170	180,223	284,559	399,562
GER Standard 8	51.4	52.6	55.5	80.2	103.0
Promotion Standard 1	51.9			80.0	90.0
Repetition Standard 1	23.4			15.0	5.0
Promotion Standard 5	68.6			80.0	90.0
Repetition Standard 5	16.8			15.0	5.0
Private School % of Enrolment	1.2%	1.3%	1.4%	2.0%	5.0%

Government-Supported Schools	2006	2007	2008	2012	2017
Qualified Teachers	38,463	37,120	37,500	48,870	61,990
Distance Education Trainee			4,000	9,000	-
Other Teachers	3,894	3,492	3,500	880	-
Total Teachers	42,357	40,612	45,000	58,750	61,990
Pupil-Teacher Ratio	76.6	80.4	74.4	62.4	57.4
Number Classrooms	35,729	36,959	39,889	46,096	62,667
Pupil-Classroom Ratio	91	88	88	79	57
Proportion Classes Double Shift		15%	16%	20%	15%

2.1 Objectives of the PETS

The main objective of the PETS being implemented by CSEC is to track how the education sector has utilized resources allocated to various schools through the 2011/12 budget. CSEC also intends to generate evidence for conducting credible budget advocacy, to deepen education sector budget accountability and ensure that public funds are making a difference to the education welfare of the people. The realization of the objectives is based on evidence

and PETS data collected from 5 key districts where CSEC has active education advocacy groupings known as District Education Networks (DEN).

2.2 Specific Objectives of the PETS:

- To assess the level of leakage of funds on selected budget areas of the education sector
- To examine the level of adequacy or inadequacy of Local Development Funds (LDF) allocated for the construction of school infrastructure
- Determine whether schools are receiving School Improvement Grants and teaching and learning materials and the timeliness of delivery of these items
- To examine the role of communities in school budget preparation
- Identify key gaps in education budget with reference to current education environment and the National Education Sector Plan (NESP).
- To analyze allocation of budget funds to all DEMs

2.3 Sampling, Methodology and Limitations

The PETS was conducted in 5 districts namely Chikwawa, Mchinji, Salima, Mzimba, Nkhatabay. CSEC has District Education Networks (DENs) in the 5 districts. There were 3 sets of questionnaires which were developed. These are: Primary School questionnaire, District Commissioner's (DC) office questionnaire, and District Education Manager's (DEM) questionnaire. In each district, a total of 10 Primary Schools were randomly sampled resulting into a total sample of 50 Primary Schools. A semi structured questionnaire was administered at each primary school. Therefore, a total of 50 primary school questionnaires were deployed.

There were a total of 5 questionnaires for the DCs in line with the 5 districts sampled. The DCs questionnaire was designed to capture levels of budgetary allocation and actual expenditures at the district level. A total of 5 DEM's questionnaires were also deployed. The DEM questionnaire was designed to collect data on levels of education sector budget allocations for each district. The questionnaire also intended to capture monthly funds transfers and monthly actual expenditures for education activities for each district.

The DEM questionnaire was also designed to collect data that verifies the responses from the Primary School questionnaire. An additional 6 questionnaires were administered in Mchinji focusing on attainment of outputs in the Secondary School sector. The Secondary School questionnaires were designed to provide a point of reference in terms of performance of Primary School outputs and Secondary School outputs, and such comparison could provide basis for the next round of PETS which could primarily focus on budget expenditures to secondary education. In summary, over 90 percent of all the questionnaires were filled in with credible responses as Table 2.3 below shows a high questionnaire response rate and return rate.

Table 2.3: Questionnaire Return Rate

Questionnaire Type	Total Deployed	Total Returned	% Rate of Return
Primary School	50	47	94
DCs	5	5	100
DEM	5	4	80
Secondary School	6	6	100
Total	66	62	93.9

The questionnaires were administered by CSEC members belonging to DENs in each of the mentioned districts. The DEN members received appropriate training and were familiar with the local conditions. CSEC recruited data entrants and data analysts with experience in civil society based budget tracking, qualitative and quantitative data analysis. The filled in questionnaires were manually captured in excel sheets considering that the questionnaires were semi structured and required both qualitative and quantitative response.

However, the PETS exercise was not without challenges and limitations. The key challenges have been listed below:

- **Mix up in financial years:** the PETS was designed to capture responses pertaining to financial year 2011/12. However, some responses demonstrate a mix up between 2011/12 and 2012/13 responses. This is also partly because the administration of questionnaires was done between November and December 2012, a period which falls within the 2012/13 financial year of Malawi budget cycle.

- **Cooperation from respondents:** Some respondents were not serious enough in providing information. This resulted into weak responses or no responses at all in certain critical fields of the questionnaire.
- **Inadequate information:** Some respondents (primary school authorities and district managers) did not keep proper records of accounts and inventories pertaining to the fiscal year 2011/12. This resulted into gaps of information in questionnaires.
- **Inconsistent budget allocation figures:** There is in certain cases inconsistent budget information on allocation to the education sector even at the district level from one budget document to another. This is not a new phenomenon to Malawi budget documents and its makes data analysis a challenge as it creates funds accountability challenges as well as loopholes for funds misappropriation in accounts offices.

3.0 STATE OF BUDGET ALLOCATIONS TO EDUCATION SECTOR

Malawi's budgets have been expanding over the years. Budgets for the education sector are also expanding in nominal terms. In 2012/13 fiscal year, the education sector has been allocated over K70 billion for Recurrent and development expenditures. The question that still lingers is to what extent the budget resources reach the schools and communities.

Over years, questions have been raised on the extent to which budget allocations are making a difference to the educational welfare of Malawians. Consensus is increasingly emerging in that while the volumes of budget revenue and expenditure are expanding, there is equally required more efforts to scrutinize the interface and interplay between budget allocations on one hand, and budget outputs and outcomes on the other hand.

Table 3.0: Ministry of Education Approved and Revised Budget for 2011/12

Budget Type	2011/12 Approved	2011/12 Revised
Salaries (PE)	K25.27 billion	K27.25 billion
ORT	K7.97 billion	K9.75 billion
Recurrent Total	K33.25 billion	K37 billion
Development Budget (Donor Funded)	K5.89 billion	K5.93 billion
Development Budget (Malawi)	K650.18 million	K650.18 million

Government)		
<i>Development Total</i>	<i>K6.54 billion</i>	<i>K6.58 billion</i>
Total Vote	K39.79 billion	K43.59 billion

Source: Ministry of Finance, Output Based Budget Document 2012/13

The increase in nominal value of Malawi budgets can be seen through the recent budget statements made by Malawi government. On 15th February 2013, the Minister of Finance presented a 2012/2013 Mid Year budget review statement which expects to mobilize revenue amounting to K461 billion against total expenditure of K473 billion, up from K408 billion. The Budget Statement also indicates Government’s plans to spend a total of K62.6 billion in the Ministry of Education, up from the approved budget of K54.7 billion.

These budget revisions come at a time when the education sector is faced with a myriad of challenges prominent of which is the shortage of teaching and learning materials. Different stakeholders including the CSEC have an important responsibility as they need to take a central role in asking accountability questions on where education budget funds are going. CSEC is therefore on the right path to conduct budget analyses and track public expenditures at national as well as district levels.

3.1 Allocations to 2011/12 Education Budget

The 2011/12 approved recurrent budget was K33.252 billion and was revised upwards to K37.0 billion. There are two key Programs under the MoEST recurrent budget. The first program is the Education and Vocational Training, which was allocated an approved total of K31.205 billion. The amount was later revised upwards to K34.406 billion. The second program is Public Administration which had an approved allocation of K2.046 billion, later revised upwards to K2.598 billion.

3.2 Total Allocation to Primary Education in 2011/12

Pre-Primary and Primary Education had a revised budget allocation K24.602 billion, the lion’s share of all the six (6) other sub-programs under the Education and Vocational Training Program representing 71 percent of total Program allocation. This also means that Pre-primary and Primary Education accounts for 66.4 percent of total Recurrent Expenditure, and further represents 56.4 percent of total revised MoEST Vote. The

implication is that while education sector is among the 9 MDGS priorities, Pre-primary and Primary Education is the first priority among priorities among the MoEST sub-programs. See Table 3.1 for details.

Table 3.1: MoEST Recurrent Budget by Program

Program/Sub-Program	2011/12 Approved	2011/12 Revised
01. Pre-primary and Primary Education	K22.62 billion	K24.60 billion
02. Secondary Education	K6.24 billion	K6.24 billion
03. Higher Education	K486.87 million	K486.87 million
04. Vocational Training	K669.38 million	K669.38 million
05. Teacher Training	K1.11 billion	K2.34 billion
06. Complimentary Basic Education	K63.32 million	K63.32 million
Total Program: Education and Vocational Training	K31.20 billion	K34.40 billion
02. Ministers Office	K33.81 million	K33.81 million
03. Management and Support Services	K1.49 billion	K1.95 billion
04. HR Development and Management	K383.38 million	K383.38 million
07. Internal Monitoring and Evaluation	K39.76 million	K91.88 million
08. Local Government Services	K69.55 million	K118.92 million
10. Information Management Systems	K20.56 million	K20.56 million
Total Program: Public Administration	K2.04 billion	K2.59 billion
Other	0.00	0.00
Other Total	0.00	0.00
VOTE 250 TOTAL	K33.25 billion	K37.0 billion

Source: Ministry of Finance, Output Based Budget Document 2012/13

3.3 Allocation to Development Budget of Education in 2011/12

The 2011/12 Education Budget planned and implemented a number of projects under the Development Budget. As indicated in this report, a total of K6.54 billion was approved for the

projects and the amount was revised to K6.58 billion. Donors contributed 90 percent of the financing. The list of projects is captured in Table 3.2 below.

Table 3.2: Development Projects financed in 2011/13 Education Budget

Project	Funded By	2011/12 Approved	2011/12 Revised
ADF V Construction of Community Day Sec. School	Donor(ADF)	K111 million	K111 million
ADF V Education Project	Mw Govt Donor	K618.98 million K300 million	K618.98 million K300 million
Complementary Basic Education	Donor	K200 million	K200 million
Construction and Expansion of CDSSs and Boarding	Donor	K200 million	K200 million
Construction of 3 Teacher Training Colleges	Donor	K200 million	K200 million
Construction of Girls Hostel	Donor	K500 million	K500 million
Construction of Phalombe TTC	Mw Govt Donor	K31.2 million K200 million	K31.2 million K200 million
Construction of Primary Schools	Donor	K2.2 billion	K2.2 billion
Construction of TTC in Chiradzulu	Donor	K100 million	K100 million
DAPP TTCs	Donor	K132.72 million	K132.72 million
Expansion of Infrastructure at Mzuzu University	Donor	K0.00	K45 million
Mass Adult Literacy	Donor	K176.19 million	K176.19 million
National School Meals Programme	Donor	K500 million	K500 million
Rehabilitation of 4 Secondary Schools	Donor	K300 million	K300 million
Rehabilitation of Secondary Schools	Donor	K250 million	K250 million
Rehabilitation of TTCs	Donor	K110 million	K110 million
Rehabilitation of Workshops in 7 Technical Colleges	Donor	K50 million	K50 million
Secondary School Bursary Project	Donor	K210 million	K210 million
Special Needs Institute (SNE)	Donor	K150 million	K150 million
Total Vote: Development Budget		K6.540 billion	K6.585 billion

Out of all the 19 Development Projects lined up for implementation and financing in 2011/12 Education Budget, Malawi government allocated locally generated funds to 2 projects only. Both projects are counterpart funding. Donor allocated funds to 17 out of the 19 projects, signifying the high levels of donor dependence in the Development Budget of the MoEST.

Some projects deliver the right to education for needy and vulnerable children and it would be advisable for Malawi government to mobilize locally generated resources to such projects. These include the Secondary School Bursary Project and the Special Needs Institute (SNI) which can be

left entirely to the dictates and sometimes uncertainties of donor funding. The same is true with projects towards Complimentary Basic Education (CBE).

3.4 Allocation of Resources to DEM and Per Capita (Pupil) Spending in 2011/12

Education sector has 34 District Education Manager (DEM) offices covering all the districts. Some districts with higher population of students have more than 1 DEM. These include Mzimba which has Mzimba North DEM and Mzimba South DEM, Lilongwe has Lilongwe Urban DEM, Lilongwe Rural East DEM, and Lilongwe Rural West DEM. Similarly the high populated Blantyre has Blantyre Urban DEM and Blantyre Rural DEM while Zomba has Zomba Urban DEM and Zomba Rural DEM. Lilongwe is the most highly populated district in Malawi hence the highest number of DEMs.

Budget allocations for the DEM are all Recurrent Expenditure in nature and the per pupil spending is based on the revised 2011/12 budget allocations. This is because the revised budget figures are closer to the actual spending figures than the approved budget allocations. However, in other cases, and in fact in most cases, the revised and approved budget allocations are the same.

In terms of highest allocations, Lilongwe Rural West DEM has the highest approved budget in nominal terms of K1, 186,094,142 (or K1.18 billion). Likoma DEM has the least approved budget allocation with K42, 806,946 (or K42.8 million). The allocations were revised upwards for both DEM to K1,206, 094,142 for Lilongwe Rural West DEM and K92, 806,946 for Likoma DEM. The average allocation across all the DEMs is around K600 million.

However, the actual value and adequacy of the allocation can only be obtained after measuring the per capita index and factoring in the population figures. For example, Lilongwe Rural West DEM has a total pupil population of 198,131. This translates to per pupil spending of K6, 087.35. On the other hand, Likoma DEM with a total pupil population of 3,498 translates to a much larger per capita spending of K26, 541.33.

Therefore, per pupil spending in Likoma is over 335 percent that of Lilongwe Rural West DEM. In real sense, Lilongwe Rural East DEM is least funded than Likoma DEM. However, there may be factors that lead to such a huge per pupil budget allocation in Likoma and this may include high

transport costs between Likoma Island and the mainland. See Table 3.4 for per pupil spending across all the 34 DEMs.

Table 3.4: Per Pupil Spending for DEMs in 2011/2012 Revised Budget

DEM	Revised 2011/12 (MK)	Pupil Population (2011 EMIS)	Per Capita Allocation (MK)
Chitipa DEM	483,399,681.00	69,560	6,949.39
Karonga DEM	495,622,176.00	95,132	5,209.84
Rumphi DEM	473,183,258.00	65,550	7,218.66
Mzimba North DEM	645,491,747.00	116,346	5,548.04
Mzimba South DEM ⁰	800,098,549.00	135,737	5,894.48
Mzuzu City DEM	333,147,085.00	47,739	6,978.51
Nkhatabay DEM	445,242,119.00	77,335	5,757.32
Likoma DEM	92,806,946.00	3,498	26,531.43
Lilongwe Urban DEM	849,084,200.00	147,090	5,772.55
Lilongwe Rural East DEM	895,202,626.00	188,310	4,753.88
Lilongwe Rural West DEM	1,206,094,142.00	198,131	6,087.36
Mchinji DEM	687,114,878.00	137,189	5,008.53
Dedza DEM	764,165,026.00	175,678	4,349.80
Ntcheu DEM	769,032,425.00	160,265	4,798.51
Kasungu DEM	935,629,528.00	224,215	4,172.91
Ntchisi DEM	439,656,528.00	76,601	5,739.57
Nkhotakota DEM	565,312,050.00	100,075	5,648.88
Salima DEM	517,234,961.00	94,875	5,451.75
Dowa DEM	834,883,750.00	171,025	4,881.65
Blantyre Urban DEM	828,948,775.00	155,341	5,336.32
Blantyre Rural DEM	600,835,672.00	117,619	5,108.32
Nsanje DEM	451,254,214.00	73,273	6,158.53
Chikwawa DEM	599,046,378.00	130,734	4,582.18
Mwanza DEM	299,744,403.00	33,484	8,951.87
Neno DEM	291,794,457.00	39,357	7,414.04
Zomba Urban DEM	205,878,601.00	24,253	8,488.79
Zomba Rural DEM	934,492,085.00	179,100	5,217.71
Machinga DEM	712,800,085.00	138,351	5,152.11
Balaka DEM	705,698,930.00	107,426	6,569.16
Mangochi DEM	970,391,215.00	202,699	4,787.35
Mulanje DEM	758,989,825.00	162,657	4,666.20
Thyolo DEM	970,399,148.00	183,932	5,275.86

Chiradzulu DEM	593,632,905.00	96,326	6,162.75
Phalombe DEM	728,300,762.00	105,317	6,915.32

Source: Ministry of Finance, Detailed Budget Documents 2012/13 and EMIS 2011

In aggregate, K21.88 billion was allocated to DEMs in the revised 2011/12 MoEST budget representing 59 percent of the revised total recurrent budget for MoEST. This revised budget had targeted a total number of 4,034,220 primary school pupils under the 34 DEMs. The average per pupil spending across the DEMs is K6, 398.22.

However, there are DEMs whose per capita allocation is above average. Apart from Likoma, which is an exceptional case and needs deeper study, other districts with above average per pupil recurrent spending include:

- Zomba Urban DEM with K8,488.79
- Neno DEM with K7,414.04
- Rumphu DEM with K7,218.66
- Chitipa DEM with K6,949.39
- Mzuzu City DEM with K6,978.51
- Balaka DEM with K6,569.16
- Phalombe DEM with K6,915.32

4.0 FINDINGS OF THE EDUCATION PETS

This section highlights the findings of the education PETS as they pertain to the fiscal year 2011/12. However other findings and observations made in the study relate to FY 2012/13. The findings are also intended to demonstrate the extent to which the budget funds are translating into outputs. The findings also bring out critical factors for consideration in improving budget funds allocation and management.

4.1 Availability of Teaching and Learning Materials (TLM) in Primary Schools

The tracking exercise reveals that of all the primary schools visited, less than half of the schools (49 percent) received teaching and learning materials (TLM). This implies that a majority of the schools (51 percent) did not receive the TLM through the budget allocation and ORT of the District Education Manager (DEM). The findings confirm the challenges that most primary schools faced with regards to TLM in 2011/12.

Some of the concerns highlighted by respondents include the low quality of learning since most learners had inadequate TLM. Out of all the primary schools that received the TLM, a majority (85 percent) indicated that the TLM were not enough. The most common types of TLM received are exercise books, chalk, flipcharts, and scheme books for teachers. Provision of textbooks was rarely mentioned by the respondents.

The study also reveals variations in terms of availability and delivery of TLM by district where some districts like Nkhatabay received literally nothing in 2011/12. As Table 4.1 shows, Nkhatabay had 0 percent while Salima had the highest better levels of receipt of TLM at 80 percent.

Table 4.1: Availability of TLM by District

District	% of Primary Schools that received TLM	% of Primary School without TLM
Chikwawa	70	30
Mchinji	22	78
Mzimba	75	25
Nkhatabay	0	100
Salima	80	20

Total	49	51
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As shown in Table 4.1 above, majority of primary schools in Salima, Chikwawa, and Mzimba received the TLM through the District Education Manager (DEM) while a majority of the schools in Mchinji and (all schools) in Nkhatabay did not receive TLM in 2011/12. It is interesting to observe that all districts including Nkhatabay and Mchinji were allocated ORT funds part of which was intended to procure TLM for these districts. The question is: Where did the funds for TLM go?

The absence of TLM in 51 percent of the schools raises accountability issues and questions as to where the budget funds for TLM went in 2011/12. This accountability question is even more relevant considering that even the 49 percent of schools that received the TLM complained of inadequate supplies and that not all required categories of TLM were delivered to them.

4.2 Provision of School Improvement Grants (SIG) to Primary Schools

The MoEST provides school improvement grants (SIG) to primary schools in Malawi. The education PETS has established the extent of provision of SIG in the primary schools that were visited. Some schools have indicated receipt of the SIG in form a Direct Support to School (DSS) programme. Therefore, for purposes of this PETS, DSS and SIG are put under one category. A majority of the schools (70 percent) received the SIG/DSS while 30 percent of the schools did not receive.

The 30 percent represent a significant number of individual schools that did not receive SIG. The significance of the 30 percent is in consideration that each single school within the 30 percent represents hundreds of pupils who are being denied access to quality education due to lack of access to SIG. This again raises critical accountability and equity issues in the distribution of SIG and DSS to primary schools.

The equity issue is further confirmed by variations in terms of provision of SIG by district. Mchinji and Nkhatabay reveal 100 percent levels of provision of SIG. All primary schools in the 2 districts of Mchinji and Nkhatabay received SIG/DSS in 2011/12. Table 4.2 shows the percentage level of provision of SIG by district.

Table 4.2: Provision of SIG/DSS by District

District	% of Primary Schools that received SIG/DSS	% of Primary School without SIG/DSS
Chikwawa	20	80
Mchinji	100	0
Mzimba	87.5	12.5
Nkhatabay	100	0
Salima	50	50
Total	70	30

An interesting observation is that the 2 districts of Nkhatabay and Mchinji which received low TLM have registered better provision of SIG. It is possible that the failure by DEM to provide TLM to these districts might to some extent have been compensated by the funds available under the SIG/DSS. However, not all funds under SIG are for TLM and this means that even with the SIG/DSS at their disposal, the 2 districts of Nkhatabay and Mchinji still suffered acute shortage of TLM.

All the respondents in Mchinji clearly explain that the grant is in form of DSS. The lowest grant to a school in Mchinji is K71, 900 while the highest is K97, 200. Nkhatabay has the highest average amounts of grants. The lowest grant to a school in Nkhatabay is K240, 000 while the highest amount is K340, 000.

In terms of the nominal amounts of SIG received, the lowest amount provided to a school is K28, 000 in Chikwawa. The highest amount of SIG received is K539, 000 and it is to a primary school in Salima. This SIG amount of K539, 000 in Salima is about 20 times higher the amount given to the lowest school in Chikwawa (K28, 000).

The average amount of SIG/DSS for all schools that received the grants is K139, 289. As Table 4.3 shows, Nkhatabay has the highest average amount of grants at K289, 478 while Chikwawa has the lowest average grants at only K57, 000. The picture in Chikwawa is further compromised by the fact that only 20 percent of the primary schools received the grants.

Therefore, two observations are made for Chikwawa. First, there are only a few schools that received SIG. Secondly, among the few schools, the grants received are lowest in nominal terms when compared with schools in other districts visited under the PETS like Nkhatabay where apart from all school receiving the grants, the actual size of the grant is also largest at an average per school of close to K290, 000.

Table 4.3: Average Size of Grants to Schools

District	Highest Grant to a School (MK)	Lowest Grant to a School (MK)	District Average Size of Grant (MK)
Chikwawa	86,000	28,000	57,000
Mchinji	97,200	71,910	85,540
Mzimba	84,000	70,000	78,228.57
Nkhatabay	340,000	240,000	289,478
Salima	539,000	28,000	139,289.27

The PETS further confirms that 50 percent of the primary schools in Salima received the grants while another half did not. However, Salima district shows the highest intra-district inequity in the allocation of the grants where the lowest grant to a school is K29, 000 and the highest is K539, 000. On the other hand, Mchinji and Mzimba have an almost equitable intra-district distribution of the grants in terms of nominal value of the amount as the average grant size is not too different from the individual school grant sizes. See Table 4.3 for the comparison between highest and lowest grants per district.

4.4 Primary School Bursaries

Malawi government has a policy of provision of bursaries to needy students both at primary school and secondary school levels. The bursaries target orphaned and vulnerable children (OVC) among other categories of needy learners. Each financial year, funds are allocated in the education sector budget under MoEST for this purpose.

However, despite that funds are allocated, the PETS reveals that absolutely no primary school in all the districts visited received funds for bursaries in 2011/12. This puts provision of the bursaries at zero (0) percent as virtually all respondents say that bursaries do not exist

in their schools. This is despite that over 90 percent of the respondents express the need for the bursaries to be provided.

The same issue of accountability arises in connection with the non existence of bursaries at the school level which begs the question as to where budget allocations for bursaries are going. The main rationale behind the huge demand for bursaries is that there is an overwhelming increase in the number of OVCs that are enrolled in the schools. In addition, respondents cite the prevalence of poverty and low incomes among households within the catchment areas of the schools as additional causes of vulnerability.

Economic reforms that Malawi government started implementing in the course of 2011/12 have a compounding effect on household poverty and vulnerability as people suffer low incomes and decrease in purchasing power. The reforms call for immediate need to put in place safety net measures. The education bursary for OVC is one such social protection measures that can cushion pupils against the harsh effects of the economic reforms. The bursary can support more OVC to attend school despite the economic challenges.

4.5 Construction of Teachers Houses

Accommodation for teachers is a critical issue for motivation and attracting of teachers to work not only in rural schools but also in urban areas. This is because housing is a fundamental basic need as it is a human rights issue. Government of Malawi (GoM) allocated sums of money for construction of teachers' houses. Non governmental organisations (NGOs) as well as private sector players also make efforts to contribute to teachers' accommodation.

The PETS reveals that 77 percent of the schools did not receive any new houses for teachers through the DEM in 2011/12. Again this is despite the huge demand for teachers' houses in almost all the schools. The 23 percent of the schools that indicate at least a teacher's house was constructed still complained of inadequate numbers of houses compared to the number of teachers who need accommodation.

Some concerns raised by respondents include that teachers walk long distances to and from school resulting into late reporting for work and low quality of teaching due to fatigue.

Some districts like Nkhatabay and Mzimba reveal that little or no house construction projects took place through DEM budgets in the districts in 2011/12. See table 4.5 below.

Table 4.5: Provision of Teachers Houses in 2011/12

District	% of Primary Schools that had at least a Teacher's House constructed	% of Primary School with no Teachers House constructed
Chikwawa	50	50
Mchinji	22	78
Mzimba	12.5	87.5
Nkhatabay	0	100
Salima	30	70
Total	23	77

Chikwawa district shows a better although not impressive picture where half of all the schools indicate they had a teacher's house constructed. Another 50 percent of the schools had no teachers' house constructed in 2011/12. In Mchinji and Salima, 78 percent and 70 percent of their primary schools experienced no project of construction of teachers' houses respectively. In terms of the actual number of teachers houses built, refer to Table 4.5.1 below.

Table 4.5.1: Number of Teachers Houses Constructed Per School in 2011/12

District	Number of Schools benefited from Teachers Houses	Number of Houses at each school
Chikwawa	5	5
Mchinji	2	4
Mzimba	1	1
Nkhatabay	0	0
Salima	3	3

Table 4.5.1 above shows that Mchinji had the highest ratio of school to new teacher's houses at 1:2. The rest of the districts had a 1:1 ratio except for Nkhatabay where as already observed, had no teacher's house constructed in all the schools studied. This is not to say that all teachers have accommodation in Nkhatabay.

4.6 Construction of School Blocks

School blocks are an important aspect to the improvement of the learning environment in schools. Primary schools in Malawi have for many years been characterized with pupils learning under trees, in open spaces, or congested in available limited number of school blocks. This problem became more acute in the mid 90's after GoM introduced Free Primary Education (FPE). Quality of education and school attendance are compromised during harsh weather conditions when learners have no shelter and classes are simply called off. Each financial year, 2011/12 inclusive, GoM through MoEST allocates considerable sums of money for construction of school blocks.

This PETS reveals a pathetic state of affairs in as far as construction of school blocks is concerned in 2011/12 where 94 percent of the primary schools indicate that no single school blocks were constructed. Again this is not to mean that the schools have sufficient numbers of school blocks as demonstrated by majority respondents who demand construction of classroom blocks a matter of urgency. Table 4.6 below shows that while all districts reveal slow progress in this area, Mzimba and Nkhatabay reveal 100 percent levels in non construction and absence of new school blocks in 2011/12.

Table 4.6: Construction of School Blocks in 2011/12

District	% of Primary Schools with new School Blocks constructed	% of Primary School with no School Blocks constructed
Chikwawa	10	90
Mchinji	11	89
Mzimba	0	100
Nkhatabay	0	100
Salima	10	90
Total	6	94

In Chikwawa, an overwhelming 90 percent of schools experienced no construction of new school blocks, and it was the same with Salima at 90 percent while the situation in Mchinji is not too different at 89 percent.

This state of affairs possibly points to an explanation that the DEM budget funds are largely for recurrent expenditures, or that the development budget under the DEM is either

inadequate or that the allocated funds had lost purchasing value. This is in consideration that the 2011/12 fiscal year was among the worst in fiscal history of Malawi where government revenue hugely underperformed, donors withdrew support, and prices of fuel and forex skyrocketed. The construction sector could not have been spared with consequences in the construction of school blocks and teachers houses. However, these observations do not explain why some schools had benefited from construction of school blocks. The observations also do not explain the inequity where some districts had at least a small number of school blocks constructed through DEM financing while others had completely no school blocks built in 2011/12.

4.7 Alternative Sources of Financing for Primary School Education

The financing gaps and resource deficiencies in schools are in certain cases bridged through alternative sources of financing. NGOs and faith based institutions have for many years provided critical source of alternative or supplementary financing to the primary school education in Malawi. Bilateral development agencies also provide additional financing or material support to primary schools.

The PETS endeavored to establish if primary schools are able to get supplementary funds from alternative sources. 53 percent of the primary schools indicate that they get alternative sources of funding while 47 percent do not. Table 4.7 shows that schools in Chikwawa district have the highest levels (70 percent) of alternative financing, seconded by Mzimba (62.5 percent) and Nkhatabay (50 percent).

Table 4.7: Percentage of Schools Receiving Alternative Support in 2011/12

District	% of Primary Schools with Other Sources of Funds	% of Primary School without other sources of funds
Chikwawa	70	30
Mchinji	44	56
Mzimba	62.5	37.5
Nkhatabay	50	50
Salima	40	60
Total	53	47

Primary schools in Salima and Mchinji have the lowest levels of alternative sources of funds at 40 percent and 44 percent respectively. This may either mean that DEM budgets in the 2 districts are better able to cover school requirements, or that there is a low presence of institutions providing alternative financing in the districts. The converse is true for Chikwawa, Nkhatabay and Mzimba where the better coverage of alternative financiers could have been motivated by years of low government (DEM) funding to primary school activities in these districts. The high presence of alternative sources of education funding may imply that government is slowly abdicating its constitutional responsibility to provide for the right to education and this is cause for concern.

In terms of support from the Education Decentralisation Support Academy (EDSA), the PETS reveal that primary schools under the study did not benefit from EDSA support in 2011/12. A majority (98 percent) did not access EDSA support while only 1 primary school in the PETS sample benefited, representing only 2 percent of all the primary school visited. The single beneficiary is a school in Salima, meaning that only 10 percent of schools in Salima benefited from EDSA while a majority of 90 percent did not.

NGOs play a more visible role as a primary source of funding to primary schools. Members of Parliament (MPs) are also a significant source of support either through individual donations or through the Constituency Development Fund (CDF). The PETS also reveal an interesting occurrence where some citizens play a philanthropic role by also making personal donations to primary schools. Table 4.7.1 below shows the sources of alternative support by district and by type of support provided in 2011/12.

Table 4.7.1: Source of Alternative Support and Type provided to Schools

District	Source/Institution	Amount(s) Provided	Purpose of Support	Comments
Chikwawa	CAMFED	Between K103,000 – K296,000 per school	-uniform -writing materials -learning materials	The support also prioritizes OVC especially girl OVC
	LDF	Not Known by the school authorities	Construction of 1 Teachers House	
Mchinji	DFID	Not Known	Construction of 8 School Blocks	

	MPs	Not Known	Construction and maintenance of teachers houses	
	CDF	K51,950	Contribution to construction of teachers house	
	World Vision	Not Known	Sanitation and Sports facilities	
	LDF	K2,084,903	Construction of teachers house	
	Penjani Nyasulu (a citizen)	K78,000	Electricity for school	Provision of electricity generator/inventor
Mzimba	Kazombo CBO	Not Known	Not Recorded	
	MPs	Not Known	-Building materials -Construction of 1 School Block	
	UNICEF	Not Known	Desks	
	Kamuzu Academy	Not Known	Sports uniforms	
	Raiply Ltd.	K800,000	Desks	
	Community	K100,000	Desks	The parents and guardians contributed labour (hire) for the assembly of desks donated by Raiply
Nkhatabay	World Vision	Not Known	-Building toilets/Self-help house -School uniforms -construction of school kitchen -Construction of teachers house	
	British Council	K50,000	Connecting classroom project	Provision of fingerlings, pesticides, and fruit propagation
	CDF	K70,000	Maintenance of school block	

	Read Malawi Project	Not Known	Promoting reading culture	Provided 4,000 text books
Salima	MPs	Not Known	-Assorted TLM -Construction of school blocks and teachers houses	Provided 110 iron sheets towards schools built by communities, and other assorted construction materials
	ECOPROJECT	K285,000	Construction of pighouse	For income generating activities for schools
	Community	Not Known	Building of school blocks	This is a community-led initiative

Note: These projects and contributions are based on schools in the PETS sample

4.8 Participation in Preparation of School Budgets

School level accountability is important to the provision of quality education and helps to broaden access and improve equity. Schools that embrace participatory processes of budget preparation are more likely to achieve better results even under circumstances of low funding.

The study shows that majority of the primary schools prepared budgets in 2011/12 and that they continue the preparation of budgets into the 2012/13 school calendar year. The PETS reveal that 75 percent of the schools prepare budgets for their respective primary schools. Best practices obtain from Mzimba and Nkhatabay where all (100 percent) primary schools indicate that they prepare budgets as Table 4.8 below shows.

Table 4.8: Percentage of Schools that Prepare Budgets

District	% of Primary Schools with Prepare Budgets	% of Primary School which do not Prepare Budgets
Chikwawa	40	60
Mchinji	56	44
Mzimba	100	0
Nkhatabay	100	0

Salima	80	20
Total	75	25

Chikwawa is the only district with a majority of schools (60 percent) that do not prepare budgets. Mchinji too has a significant number of schools (44 percent) that do not prepare budgets while Salima has only 20 percent of schools with no budget preparation.

Different stakeholders take part in the preparation of budgets and these include the Parents and Teachers Association (PTA), school staff including the head teachers and teachers. The School Management Committee (SMC) also takes centre stage in participation. Other stakeholders are: Village Development Committees (VDCs) with Group Village Heads (GVH) and village heads taking a leading role. Other key players in budget preparation include Mother Groups, project committees, and learners themselves. The PETS also establishes that Health Surveillance Assistants (HSAs) also participate in the school budgeting processes in some districts. Table 4.8.1 shows the most common players to the school budgeting processes and that SMC, PTA, and staffs are among the top 3 active stakeholders.

Table 4.8.1: Degree of Stakeholder Participation in School Budget Preparation

Levels of Participation by:	% Yes	% No
Stakeholder		
PTA	64	36
Staff	62	38
SMC	66	34
VDC	21	79
Mother Group	15	85
Project Committee	6	94
Learners	8.5	91.5
HSAs	4	96

The least common stakeholder involved in the school budget processes is the HSAs (4 percent) followed by project committees (6 percent) and learners (8.5 percent). The low involvement of learners who are a majority beneficiary of school budgets is a point of concern and does not reflect well with modern approaches of child participation. The study further establishes that it is only Nkhatabay district which involves learners. However, while

this is a good practice, it is only less that majority (40 percent) of schools which involve learners in budget preparation in Nkhatabay.

The PETS indicates that 64 percent of schools involve PTAs in budgeting. At district level, Mzimba (100 percent) and Nkhatabay (100 percent), top the list of districts with maximum involvement of PTAs in all schools. Table 4.8.2 shows percentage levels of PTA involvement.

Table 4.8.2: Schools that Involve PTAs Budgeting

District	% of Primary Schools that Involve PTAs	% of Primary School that do not Involve PTAs
Chikwawa	10	90
Mchinji	56	44
Mzimba	100	0
Nkhatabay	100	0
Salima	60	40
Total	64	36

Chikwawa district has the least number of schools (10 percent) that involve PTAs in budgeting and this is followed by Mchinji (56 percent). Salima has 60 percent of its primary schools involving PTAs in school budget preparation.

In terms of staff participation, schools mainly involve the head teachers and deputy head teachers in budget preparation. Some schools also involve the other teachers. On aggregate, 62 percent of all the schools involve head teachers and teachers in budget preparation. Again Mzimba and Nkhatabay have all the schools (100 percent) involving teachers. Table 4.8.3 shows the details.

Table 4.8.3: Schools that Involve Teachers/Staff in Budgeting

District	% of Primary Schools that Involve Teachers	% of Primary School that do not Involve Teachers
Chikwawa	30	70
Mchinji	22	78
Mzimba	100	0
Nkhatabay	100	0
Salima	70	30

Total	62	38
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The districts of Mchinji and Chikwawa have the lowest degree of teacher participation in school budget preparation. Salima is better at 70 percent. However, the absence of teachers in budget preparation in some schools of Salima, Mchinji, and Chikwawa raises questions in terms of how guidance is provided to the other stakeholders who participate in the school budget preparation. This also comes in view of earlier observations that the 3 districts are among those which also do not involve learners. The combined absence of teachers and learners in budget preparation is a serious budget governance issue which could compromise accountability and budget ownership.

The trend on teacher involvement is almost similar to one on participation of SMC. Nkhatabay and Mzimba schools have 100 percent levels of SMC involvement while Salima has 70 percent SMC involvement. Again Mchinji is the least in terms of schools that involve SMC participation in budgeting, while Chikwawa trails with 40 percent of the schools in the district involving SMC.

Involvement of traditional chiefs in school budget preparation is among the lowest when compared with involvement of other stakeholders. Only 17 percent of schools involve the chiefs. Table 4.8.4 shows that some districts have absolutely no participation of chiefs in budgeting.

Table 4.8.4: Schools that Involve Chiefs in Budgeting

District	% of Primary Schools that Involve Chiefs	% of Primary School that do not Involve Chiefs
Chikwawa	0	100
Mchinji	11	89
Mzimba	12.5	87.5
Nkhatabay	40	60
Salima	30	70
Total	17	83

The schools in Chikwawa district do not involve chiefs at all (0 percent), followed by Mchinji (11 percent) and Mzimba (12.5 percent). Although not with a majority of all its

schools, Nkhatabay has the highest number of schools (40 percent) that allow participation of traditional chiefs, followed by Salima (30 percent).

As indicated earlier, Mother Groups also take part in budget preparation in some schools. However, the degree of involvement is similar to that of chiefs where only 83 percent of all schools under the PETS do not have participation of the mother groups. Again, Nkhatabay is a pacesetter in this respect where 50 percent of its schools involve these cadres while Mchinji has no (0 percent) participation of mother groups as shown in Table 4.8.5 below.

Table 4.8.5: Schools that Involve Mother Groups in Budgeting

District	% of Primary Schools that Involve Mother Groups	% of Primary School that do not Involve Mother Groups
Chikwawa	10	90
Mchinji	0	100
Mzimba	12.5	87.5
Nkhatabay	50	50
Salima	10	90
Total	17	83

Some 12.5 percent of schools in Mzimba involve the mother groups while Chikwawa and Salima schools are at 10 percent apiece. Mchinji is again on the lowest side with zero percent participation of mother groups.

5.0 STATUS OF PAYMENT OF FEES AND VISITS BY PRIMARY EDUCATION ADVISORS (PEAS)

This section presents findings on the extent to which learners are asked to make payments towards various categories of school expenses. The section also assesses the frequency of visits to schools by PEAs. It should be emphasized that while primary education is free in Malawi, schools still demand certain fees and financial contributions from learners, and to some extent, from their parents and guardians.

The study establishes that all schools (100 percent) in all the districts covered demand some form of payment from learners. No primary school is completely free from payments. The categories of payments under this study are; Tuition fees, Development Fund, Textbook

Revolving Fund, Mock Exam, Exam payments, Examination fees, PTA fund, and General Purpose Fund (GPF).

5.1 Tuition Fees

The PETS confirms that tuition fees are not paid by learners in all the schools. FPE can therefore be defined as the exemption from payment of tuition fees by learners. Beyond tuition fees, primary education is practically not free anymore.

5.2 Development Fund

The development fund exists in a number of schools. The main purpose of the fund is to raise money for various development and infrastructure projects at the schools. A fee is charged per student in most cases. The study establishes that a significant number of primary schools (49 percent) ask their learners to contribute to the development fund. Mchinji has the highest percentage of schools (78 percent) demanding development funds from learners while Nkhatabay has the least number of schools (10 percent) demanding money from learners for development fund. See table 5.2 for details.

Table 5.2: Schools that ask Learners to pay Development Fund

District	% of Primary Schools that collect Development Fund	% of Primary School that do not collect Development Fund
Chikwawa	30	70
Mchinji	78	22
Mzimba	75	25
Nkhatabay	10	90
Salima	60	40
Total	49	51

Chikwawa trails Nkhatabay as a district with least number of schools that collects development fund while Mzimba is among the top districts that ask learners to contribute to the fund.

In terms of actual per learner contributions, Mzimba has schools with the highest amounts of K500 per learner. The lowest or minimum contribution per student across all the schools in all the districts is K50. See Table 5.2.1 for details.

Table 5.2.1: Average per student payments to Development Fund

District	Highest Per Learner (MK)	Lowest Per Learner (MK)	District Average Per Learner (MK)
Chikwawa	150	90	120
Mchinji	200	50	113.33
Mzimba	500	50	216.67
Nkhatabay	150	-	150
Salima	200	50	143.67

The average per learner contribution across all schools is K143.67. Mchinji has the lowest average per learner contribution at K113.33 while Mzimba has the highest at K216.67.

5.3 Text Book Revolving Fund

As is the case with tuition fees, all schools in all the districts do not require students to pay the text book revolving fund. However, a substantial number of respondents are concerned with the low supply and unavailability of textbooks in their schools. Nonetheless, respondents understand the importance of not asking learners to pay the text book revolving fund and they cite FPE as the reason for not doing so.

5.4 Payments for Mock Examinations

Mock examination fees are mainly asked from Standard 8 learners. In most cases, the fees are paid at the zone level since the schools are divided into zones and clusters for examination purposes. Majority of schools (62 percent) do not ask learners to pay mock exam fees. However, the 38 percent that do so represent a sizeable number of schools with some districts like Nkhatabay having 90 percent of their schools asking learners to pay, seconded by Salima (40 percent).

Table 5.4: Schools that ask Learners to pay Mock Exam fees

District	% of Primary Schools that	% of Primary School that do not
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	collect Mock Exam Fees	collect Mock Exam fees
Chikwawa	20	80
Mchinji	0	100
Mzimba	37.5	62.5
Nkhatabay	90	10
Salima	40	60
Total	38	62

All schools under the study in Mchinji (100 percent) did not ask learners to pay mock exam fees seconded by schools in Chikwawa (80 percent). In Mzimba, 62.5 percent of the schools did not collect mock exam fees.

The highest per learner mock examination fees is K1000 and is charged in schools in Mzimba while the lowest is K200 per learner. The average per payment for mock examination fees for all school and all districts is K450. Respondents indicate that learners struggle to pay the fees and parents and guardians complain that the fees are too high. No wonder some learners fail completely to pay the fees. Teachers and parents negotiate with examination authorities to allow the learners to still sit for the mock exams.

5.5 Examination Fees

While mock examination fees are for selected classes, the general examination fees cover all classes. However, in most schools studied under the PETS, the examination fees tend to cover from Standard 5 to 8. Except for Chikwawa, almost all primary schools in the rest of the districts ask learners to pay examination fees. On average, 70 percent of all schools visited have institutionalized the practice of asking learners to pay examination fees.

The fees are mainly used to print and photocopy report cards for end of term examinations. Only 10 percent of schools in Chikwawa ask for examination fees. This is in sharp contrast with Nkhatabay where all the schools (100 percent) ask learners to pay the fees. This is seconded by Salima (90 percent), and Mchinji (89 percent). In Mzimba 62.5 percent of primary schools require learners to pay examination fees as Table 5.5 shows.

Table 5.5: Schools that ask Learners to pay Examination fees

District	% of Primary Schools that	% of Primary School that do not
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	collect Examination Fees	collect Examination fees
Chikwawa	10	90
Mchinji	89	11
Mzimba	62.5	37.5
Nkhatabay	100	0
Salima	90	10
Total	70	30

The highest amount of examination fees is charged in Mzimba and it is K1000 per learner. The lowest amount is charged in Mzimba at K10 per learner. The average examination fee for all schools in all districts is K262.42. Salima has the highest average examination fee at K372.22 per learner while Nkhatabay has the lowest at K133 per learner.

One common complaint made by respondents is that parents and guardians have difficulties paying the examination fees. Parents say that they don't have money and therefore not all students pay the fees. Other respondents like Mzimba say that some guardians are reluctant to pay the examination fee arguing that primary school is supposed to be free. Learners write exams after negotiations with school administrators.

5.6 Payment of PTA Fund

The study finds that only 21 percent of schools ask learners to pay the PTA fund. A majority (79 percent) do not require payment of PTA from the learners. Chikwawa district has the highest number of schools which ask learners to pay PTA fund while Nkhatabay has no schools (zero percent) which ask learners to pay PTA fund. Chikwawa is followed by Salima where 30 percent of schools collect PTA contributions from pupils. See Table 5.6 for details.

Table 5.6: Schools that ask Learners to pay PTA fund

District	% of Primary Schools that collect PTA funds	% of Primary School that do not collect PTA funds
Chikwawa	50	50
Mchinji	89	11
Mzimba	11	89
Nkhatabay	0	100
Salima	30	70

Total	21	79
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The highest amount of PTA contribution recorded from the schools visited is K100 per learner in Chikwawa. The lowest is K20 per learner from the same district.

5.7 Collections for GPF

GPF is rarely collected from learners in almost all the schools and districts covered under this study. Only schools in Salima indicated the presence of collection of the GPF from among the learners. The Salima schools which demand learners to pay the GPF represent only 2 percent of all the schools under the PETS. The amount of contribution is K20 per learner.

5.8 Frequency of Visits by PEA

The majority of the primary schools studied under the PETS have been visited by the PEA. 77 percent of the schools have been visited 3 times or more in 2011/12 with a minimum of at least once every term. This demonstrates commendable work and commitment by the PEAs. 30 percent of the schools indicate that the PEA has visited them by 6 times or more, representing at least a minimum of 2 visits per term. 13 percent of the schools have been visited more than 10 terms by the PEA in 2011/12 school calendar. The Table 5.8 below highlights the frequency of PEA visits by district.

Table 5.8: Frequency of Visits by PEAs

Frequency District	0 (zero) visits per year (% schools)	1 to 3 visits per year (% schools)	>3 to 6 visits per year (% schools)	>6 visits per year (% schools)
Chikwawa	20	40	30	10
Mchinji	0	45	22	33
Mzimba	0	50	25	25
Nkhatabay	0	30	60	10
Salima	0	50	10	40

The Table above shows that 20 percent of the schools in Chikwawa had no visit at all in 2011/12. The respondents in the district indicate that the areas had no PEA at the time of the study hence the absence of visits. Salima district has the highest number of schools (40

percent) with more than 6 visits per year. This is followed by Mchinji (33 percent). However, it is Nkhatabay (70 percent) which has the highest number of visits by the PEA of more than 3 visits per year.

5.9 Teacher’s Houses and School Blocks Constructed outside the LDF

The Local Development Fund (LDF) is the single most important source of financing for the construction of teachers’ houses and school blocks. However, it is expected that MoEST budgets should also finance construction of these facilities apart from the LDF financing. However, the PETS establish that only a small number of schools had teachers’ houses and school blocks constructed outside the LDF. This also means that the majority of the schools heavily relied on the LDF in 2011/12.

Table 5.9: Schools with Teachers Houses and School Blocks outside LDF

District	% of Primary Schools with facilities outside LDF	% of Primary School with facilities not outside LDF
Chikwawa	30	70
Mchinji	0	100
Mzimba	0	100
Nkhatabay	0	100
Salima	20	80
Total	11	89

Only 11 percent of the schools had teachers’ houses and school blocks outside the LDF. Chikwawa had the highest number of schools (30 percent) benefiting with such facilities while Salima had 20 percent. Mchinji, Mzimba and Nkhatabay districts have 100 percent of their schools not benefiting from teachers houses and school blocks outside the LDF.

6.0 PRIORITIES SUGGESTED BY SCHOOLS FOR THE NEXT BUDGET

This section outlines areas of school financing that need to be prioritized through the next budget. In this case, the study creates a bridge between the 2011/12 findings and the 2013/14 financial year. This is because the priorities can not apply to the 2012/13 budget which was already half way into its implementation by the time the PETS rolled out in

November 2012. CSEC and the DENs can apply the priorities to engage education budget stakeholders during the 2013/14 pre-budget consultations and related budget dialogue.

The **top six priorities** mentioned by schools for inclusion and funding in the next budget are teachers houses, school blocks, teaching and learning materials, toilets and sanitation, construction of administration blocks, and increase in teachers salaries as well as teachers allowances. See Table 6.0 below.

Table 6.0: Ranking of Education Budget priorities from Highest to Lowest

Item	Ranking (%)
Teachers Houses	95.7
School Blocks	87.2
Teaching and Learning Materials	63.8
Toilets and Sanitation	46.8
Administration Blocks	40.4
Increase in Teachers Salaries and allowances	38.2
Desks and Chairs	27.6
Recruitment of More Teachers	19.1
Boreholes	10.6
Computers	10.6
Electricity	8.5
School Feeding	8.5
Sports Materials	2.1

The **5 least prioritized budget items** are sports materials (2.1 percent), electricity and school feeding both at 8.5 percent, and computers and boreholes both at 10.6 percent.

7.0 CONCLUSIONS AND RECOMMENDATIONS

The PETS observes that there is a mismatch between the funds allocated to various budget items and subprograms of the education sector on one hand, and the actual outputs on the other hand. This suggests either allocative inefficiency or funds misappropriation. Fraud and corruption cannot be ruled out in the implementation of the 2011/12 education budget. Significant amounts of funds allocated to the education budget are not producing the desired outputs and substantial budget resources could simply be going *Down the Drain*.

The poor performance of education sector budget outputs in 2011/12 could also be attributed to the poor performance of the Malawi economy which was characterized by chronic forex shortages, low performance of tobacco earnings, intermittent fuel supply, and a freeze in donor support. These challenges had a direct bearing on the performance of the budget and the education budgets were not spared from the down trend. The general recommendation is that GoM should increase efforts to improve the performance of the economy, enhance productivity to boost the revenue base for adequate budget financing. The following specific recommendations are made.

- 7.1 **Ensure that teaching and learning materials are provided to all school in a timely and adequate manner.** Equity should also be pursued to redress the situation where some schools are provided with the TLM while others are completely neglected.
- 7.2 School improvement grants have proved instrumental in bridging the lack of TLM and in meeting the cost of rehabilitation and maintenance of school infrastructure. However, the SIG are disbursed in inadequate amounts. **Government should therefore consider revising the SIG amounts upwards** and also ensure equity in terms of coverage since some schools have missed out on the list of SIG beneficiaries.
- 7.3 **MoEST needs to explain where the funds for primary school bursaries go.** This is in line of the observation that no single school received the bursaries. This is also in consideration of the overwhelming presence of numbers of orphans and vulnerable children who need education support through bursaries.

- 7.4 Quality of teaching is negatively affected because of the significant shortage of teachers' houses, a situation that is forcing teachers to travel long distances to and from school. **GoM should therefore continue but also expand the various programmes that are constructing teachers' houses** and these include the LDF. Communities that have shown self-initiative by molding bricks should also be encouraged and supported with other forms of building materials to complete most of the unfinished houses reported in through the PETS.
- 7.5 The development budget of DEMs need to be adequately financed to enable **construction of additional school blocks since most of the schools reported that the district education budget did not adequately provide for the construction of school blocks.**
- 7.6 MoEST is abdicating its role of financing critical aspects of the operations of primary schools to well-wishers and other stakeholders who provide support through extra-budgetary channels. Leaving primary education at the mercy of well-wishers is dangerous as it can lead to unpredictability in financing. **MoEST should therefore reassert its role and build adequate resources in budget programs that support primary schools.**
- 7.7 Education budget governance needs to be strengthened by **broadening participation of key players in the preparation of school budgets.** All schools should be encouraged to develop and nurture the culture of preparing school budgets annually. Budget preparation can help schools to lobby adequate budget resources based on the schools' needs.
- 7.8 Schools should also **open participation to all stakeholders in the surrounding communities, especially learners so that as primary beneficiaries of education financing,** the children and all learners should own the school budgets as this can also help to inculcate a sense of responsibility, reduce vandalism, and learn to manage scarce resources at an early age.
- 7.9 Primary school education is not completely free. **GoM should ensure adequate financing of development and maintenance costs of schools so that learners are not pushed into making payments** for Development Fund. Similarly, MoEST should adequately fund budget lines for examination management for schools since majority of the schools are demanding payments from learners for examination fees. Economic hardship and financial constraints

facing Malawian households since 2011/12 mean that many learners cannot afford such payments and may end up being kicked out of school.

- 7.10 However, for schools that are collecting payments and fees from learners, there is **need for proper documentation, accounting and accounting of the funds**. Schools need to demonstrate accountability and transparency in the use of the collected funds.
- 7.11 MoEST should **devise a mechanism for disseminating good practices in collection of funds for various purposes at the schools**. For example, some schools take the responsibility of fundraising away from learners to the parents, guardians and communities who carry out income generating activities (IGAs). This is a best practice as it spares the learners, and especially those from poor households from making the contributions.
- 7.12 In view of the observation that a significant number of schools are not adequately visited by the PEA, MoEST is encouraged to **deploy more PEAs to cover all zones and ensure sufficient funding** for the operations of the PEAs. DEMs and schools also need to link up and learn from each other since in some districts, PEAs are able to make frequent visits to schools within their zones.
- 7.13 The next GoM budgets and MoEST budgets should **prioritize teachers' houses, school blocks, and sanitation facilities**. Provision of TLM, school desks and chairs should also be give priority attention. The harsh state of Malawi economy and high rise in cost of living since 2011/12 entails urgent need to continually revise teachers' salaries and allowances.
- 7.14 Although mentioned by a minority of respondents, **future budgets of MoEST should plan funds for recruitment of more teachers**, provide electricity and computers to schools, and expand the school feeding program.

8.0 CONCLUSION

The PETS reveals a disjoint between education sector funds allocation and realization of outputs on the other hand. A plethora of reasons could explain the mismatch. However, whatever the explanation, one thing that is sure is that education funds are to a large extent missing the targets. Arguably, significant amount of education budget funds are going down the drain. This scenario needs to be investigated further through public audits and through intensification of the anti-corruption drive. **Ultimately, public funds should reach the**

schools. Education budget money should make a difference to children, all learners, teachers, and communities surrounding the schools. Transparent and accountable use of educator sector budgets will translate to quality education that improves the human capital development of the people of Malawi in an equitable manner.

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ANNEXE 1

SCHOOL QUESTIONNAIRE (CSEC to attach)

ANNEXE 2

DC QUESTIONNAIRE

ANNEXE 3

DEM QUESTIONNAIRE