Background Note

National Policy Dialogue

on

Public Financing of Education in Pakistan (2010-11 to 2015-16) &

Education Budget Proposals FY 2016-17

(Launch of Report & Discussion)
Background Note

1. Introduction:

Pakistan adopted the right to free and compulsory education for all the children of 5-16 years of age in April 2010. Since its adoption Federal and Provincial governments in Pakistan have been able to cover a considerable distance in improving access and quality of education to the children of 5-16 years of age. Considering the quantum of the challenge, a lot still remains to be done. A sizeable number of school-going age children are still out of school in Pakistan and there are serious concerns on the quality of education being offered in the public schools. While the international community has adopted a post-2015 agenda of provision of universal primary and secondary 'quality' education to all the children, the challenges faced by developing countries are huge in terms of access and quality of education. It goes without saying that lack of public education finance and ensuring its effectiveness remains a big hurdle in achieving the targets like gender parity and universal primary and secondary education in Pakistan.

In order to provide free and compulsory quality education to all the children of five to sixteen years’ age in Pakistan, not only there is a need to allocate sufficient funds for the education sector but also effective utilization of available resources is necessary. In the last one decade there has been significant improvement in the allocations and utilization trends of resources being allocated for the education sector across Pakistan. Nonetheless, there is a need for additional resource allocations at federal and provincial tiers annually for address the challenge of bringing out-of-school children into the education system and then more importantly retaining them by providing a facilitated education environment. Although fundamental, the challenge faced by Pakistan is not only limited to the lack of budget for the education sector but is fundamentally linked with with the way the resources are planned, managed and monitored.

An analysis of previous federal and provincial education budgets reveals some encouraging facts. It is heartening to see a visible increase in education budgets for all the provinces in 2015-16, with Balochistan registering an increase of 19 percent, followed by Khyber Pakhtunkhwa with 12 percent, Punjab with 10 percent and Sindh with an increased allocation of 7 percent compared with previous year’s budgets. Despite the improvements in allocations and expenditures in the education budgets, there is a need for improved utilization of the allocated budgets. Analysis of the education budgets has shown that the budgetary allocations are generally not leveraged against the major challenges like access and quality of education, showing a sharp disconnect between the two. Some of the considerable issues in this context include inadequate engagement of legislature in the budget-making process, insufficient allocations compared with the actual needs, untimely fiscal flow, corruption, huge administrative expenditure, lack of transparency etc. Also there is a weak link between policy provisos, education data and the budgetary allocations.
Keeping the above in view, Institute of Social and Policy Sciences (I-SAPS), with its aim to establish a dedicated and informed link between education data, policy provisos and the budgetary allocations, has been reporting and comparing the public expenditure of federal and provincial governments since 2007-08. In this regard, *Public Financing of Education in Pakistan (2010-11 to 2015-16)* is the seventh in a series of publications that seek to analyze education expenditure of the federal, provincial and district governments. It focuses both on issues of quantity and composition of education expenditure. The study examines the patterns of allocation and expenditure at the aggregate and sub-sector level at the federal, provincial and district levels over the past six years.

In order to inform the debate on forthcoming budgets for 2016-17, I-SAPS has formulated proposals/recommendations for education budget 2016-17. The proposals are a result of an exhaustive consultative process which was initiated in August 2015. The process included All Parties Conferences (APCs), post-budget dialogues with the stakeholders, discussions with the relevant government officials, political representatives, experts in the field of budget making and international partners. The aim of this exercise is to articulate a set of proposals and recommendations which conform to the needs of the system, are equitable, balanced and geared towards improving the learning outcomes.

2. **Aim and Objective:**

   The key objective of this event is two-fold:

   - To share the key findings of the analysis of the Federal and Provincial Education Budgets for FY 2015-16;
   - To present evidence-based education budget proposals for financial year 2016-17.

3. **Participants:**

   The participants will include the Parliamentarians, government officials, representatives of international development partners working in the Education sector, academics and media.