

Rwanda Education Sector:

Long-term strategy and
financing framework 2006 -
2015 (LTSFF)

Ministry of Education, Rwanda

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1 Introduction

Overview: Rwanda has a Ten Year Long Term Strategy and Financing Framework (LTSFF 2006-2015) and a five year Education Sector Strategic Plan (ESSP 2006-2010). Rwanda has one of the highest primary net enrolment ratios (92% in 2004) in the region, with gender equitable enrolment at primary and secondary. Primary education is fee free. Key 2015 targets in the ten year strategy include increasing the primary completion from 51% (2004) to 112% (2015) and improving the lower secondary gross enrolment rate from 16% (2004) to 47% (2015). Ambitious targets for improving the quality of primary education include reducing double shifting from 31% (2004) to 6% by 2015, and drastically reducing drop out and repetition. In order to achieve these targets the GoR will introduce strategies to address the deficit in primary teachers and fund the purchase of teaching and learning materials. These quality enhanced scenarios to accelerate progress assume additional external financing and a concerted effort to rebalance inequities and inefficiencies in overall sector financing. Rwanda has adopted a sector wide approach to education (SWAp), and developed modalities for harmonising external financing. However, few of Rwanda's development partners are supporting education and the plan has a significant financing gap. Rwanda is currently seeking endorsement of its ten year financing strategy through the Education for All - Fast Track Initiative.

The Challenge

Rwanda has a total population of 8.9 million, an estimated 60% of whom live below the poverty line of US \$1 a day. The majority (98%) of the poor live in rural areas. Land scarcity, HIV/AIDS, poor health, low levels of education and an increasingly young population (44% of the population is under the age of 14) pose serious challenges if Rwanda is to meet its Vision 2020 goals of halving poverty and increasing economic growth. Despite the low base in 1994 due to the genocide and its legacy in the subsequent years Rwanda has made remarkable progress in education indicators. Improved human development is a key strategy in the GoR's vision 2020 for transforming Rwanda into a knowledge based and technology led society.

Access to education has improved at all levels of the system, but quality and student learning outcomes need greater attention. Primary net enrolment has reached 92% and the percentage of girl students is over 50%. The removal of fees at primary, and the provision of a capitation grant to schools are enabling a greater number of children to attend primary school. But the costs of schooling are still too high for poor families, and the percentage of children who actually complete a full cycle of primary school (51% in 2004) is below the Sub-Saharan average. Key challenges include reducing double shifting, drop out and repetition, increasing the primary completion rate and improving girls' performance. There is also evidence of 'access shock' and declining quality. Investments in teachers, textbooks and classrooms have not matched expansion in enrolment numbers. There is need for improvement in girl's examination performance.

Access to secondary and tertiary education is improving but still limited and inequitable. The gross enrolment rate secondary stands at 16%, compared to a SSA average of 28%. In 2000 about 19% of school aged children in the

highest consumption quintile attended secondary school with only 1% in the lowest income quintile. The ratio worsens at higher education, with 6.1% of adults in the highest income quintile attending compared to 0.2% of the two lowest income quintiles (MINECOFIN 2002). One other challenge that is faced is an education system that is not aligned to labour market demand. There is a need to review education system particularly in vocational, technical and higher education to ensure greater efficiency and targeting resources to priority areas.

The GoR is well aware of these challenges and has set ambitious targets to achieve universal completion of primary education in its Education Policy, Long Term Strategy and Financing Framework (2006-2015) and Education sector Strategic Plan (2006 – 2010).

Rwanda's Ten Year Plan

Rwanda has developed a five year rolling Education Sector Strategic Plan (2006 – 2010) nested within a ten year financing strategy for meeting the Millennium Development Goals – the Long Term Strategy and Financing Framework (LTSFF). Both the ESSP and LTSFF are also guided by GoR's Vision 2020, PRSP, and Education for All initiatives. The main policy directions are:

- Achieve universal primary completion of quality primary education by 2015, and expand opportunities for all Rwandans to achieve nine years of basic education
- The teaching of science and technology with a special focus on ICT for a more adaptable labour force. In particular the participation of girls in upper secondary and higher education is to be encouraged. Incentives are to be developed for science and technology teachers.
- Provide increased opportunities for early childhood development, adult literacy, secondary and tertiary education, and children with special needs
- Improve quality, efficiency and cost-effectiveness at all levels
- Integrate cross cutting issues such as respect for human rights, HiV/AIDS prevention, gender equality, environment, hygiene, health across the education system
- Improve planning, management, administration capacities based on reliable data, governance and transparency
- Promote research for national development in partnership with the private sector.

The Long Term Strategy and Financing Framework (the ten year plan) has recently been improved in order to include more ambitious targets for achieving universal primary education. Key targets include:

- Primary completion from 51% to 112% by 2015¹
- Drop out rate from 14% to 5% by 2010 and 2% by 2015
- Repetition rate from 19% to 8% by 2010 and 3% by 2015
- Double shifting reduced from 31% in 2004 to 20% by 2010 and 6% by 2015.

¹ Completion rate exceeds 100% because of the large numbers of overage children in the schooling system which also means that the gross enrolment rate has been above 100%.

- A textbook ratio of 1:1 in core subjects by 2008
- Transition rate from primary to lower secondary of 75% is achieved by 2015 as a major move towards nine year basic education
- GER at secondary from 16% to 43% by 2015.

In order to achieve the above targets the GoR plans to increase the number of teachers trained in order to fill the anticipated deficit and attain a target pupil teacher ratio of 1:45. A similar strategy will be employed to manage the increased demand for secondary school teachers. The GoR will also accelerate the purchase of textbooks. GoR also aims to reduce overall public expenditure on higher education through better targeting of government subsidies, and regulation of the rapidly expanding private sector.

Education Financing

GoR's financial commitment to education has steadily improved over the last few years, although there are some areas for improvement. Positive trends include the following:

- Recurrent expenditure on education has averaged about 27% of total public recurrent expenditure over the period 2003-06
- Primary education's share of education recurrent expenditure rose from 40 to 45 percent between 2003- 2006. However, this is still low compared to other SSA and low-income countries and is projected to increase towards 50%.
- Recurrent non-salary expenditure increased from 16 to 43 percent over the period, raising nominal recurrent expenditure per student from US\$ 28 to US\$ 40. The increase is mainly due to the capitation grant.
- Current salary expenditure per staff is around 3.3 times GDP per capita at primary level and 6 times GDP per capita at secondary level.
- The share of the education recurrent budget allocated to secondary education has increased from 18% in 2003 to a budgeted 20% in 2006.

Of the recurrent budget, expenditure on higher education has been falling (31% in 2006, down from 35% in 2003), most of which (42%) supports student subsidies. Targets for gradually scaling down the extent to which students are supported by the state in higher education are being introduced. Therefore cost savings are expected from cost-sharing, payback of student financing agency for Rwanda (SFAR) loans, and improvements in internal efficiencies of higher learning institutions, one of the tasks by the National Council for Higher Education (NCHE) recently passed by the parliament and soon to be operational.

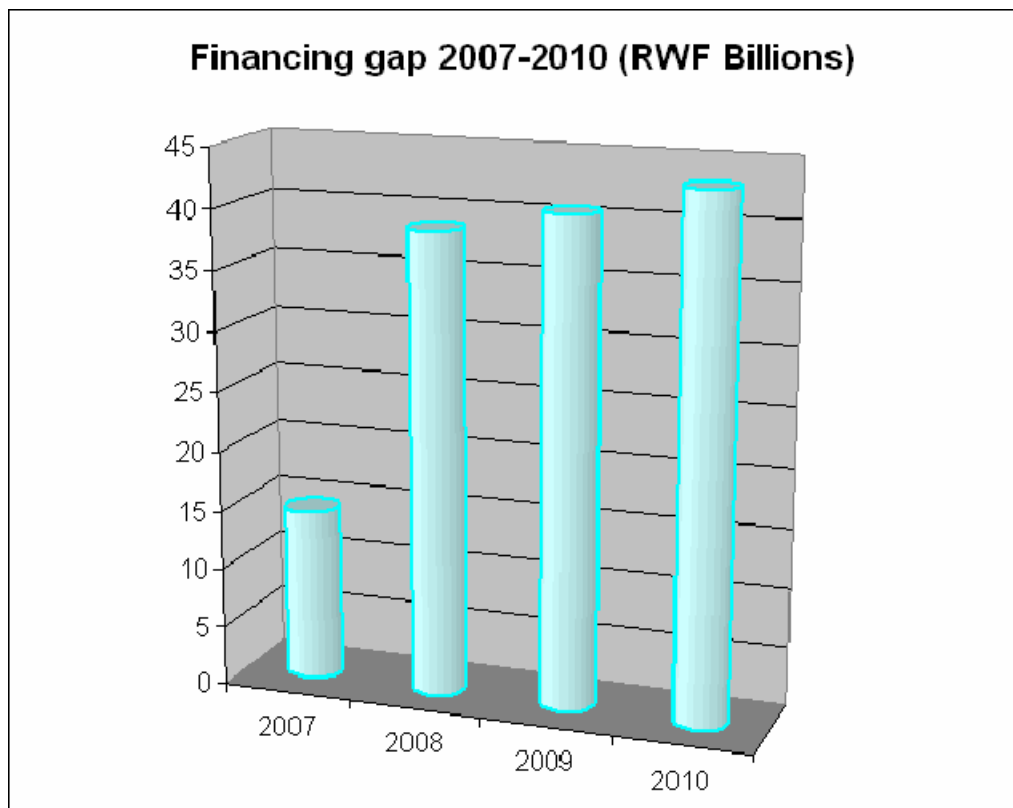
Despite these positive trends, public expenditure on education has fallen as a share of the total Government expenditure (from 19.3% in 2003 to 16.3% in 2006). Development expenditure fell from over 10% of total Government development expenditure in 2003 to 7% in 2005/6.

Future financing needs

The LTSFF assumes total expenditure on education will have to increase from 65 bn RWF in 2006 to 137 bn RWF by 2010 and 204 bn RWF by 2015 (using GoR resources, budget support and additional donor resources). In US dollars

this is estimated to be 117 Mill USD in 2006, compared to 255 Mill USD in 2010 and 400 Mill USD in 2015.² The education sector is expected to retain a minimum of 20% of the overall GoR recurrent budget however a significant financing gap will remain with current resource projections. If the above spending targets are to be met (the financing gap fully filled) education expenditure would reach at least an estimated 25% of the GoR total budget.

In summary, there is a significant financing gap in the medium to long term for the education sector if the MDGs are to be met within the context of Rwanda's overall education plans. Commitments through sector budget support are going some way towards filling this gap but from 2007 onwards the financing gap rises from 15 Bill RWF to 43 Bill RWF in 2010 and 32 Bill RWF by 2015. In USD this is 26 Mill USD in 2007 compared to 81 Mill USD in 2010 and 63 Mill USD in 2015. There is an urgent need to attract longer term more predictable and flexible financing if Rwanda is to meet even its current targets.



² Exchange rates to the USD are assumed at 555 RWF in 2006, 535 RWF in 2010 and 510 RWF in 2015. Source: MINECOFIN

2 Planning Methodology

The long-term strategy and financing framework (LTSFF) for the education sector in Rwanda has been developed in an evolving and consultative process. It takes international commitments and Rwandan education policies as the starting point and aims to provide a framework under which policy choices are considered. This compares projected financial implications of policies with a comparison to likely domestic resources and donor commitments.

The LTSFF incorporates policy targets from the Millennium Development Goals, Vision 2020, and Education for All within the context of the Rwandan educational system. The role of education in the future economic development and poverty reduction in Rwanda has been identified as crucial particularly as the country is poorly endowed in other resources.

The Country Status Report (World Bank, 2003) on the diagnostics of the educational system, along with a range of other studies conducted in various areas of education, demonstrates progress made in the education sector in Rwanda as well as identifying its particular characteristics.

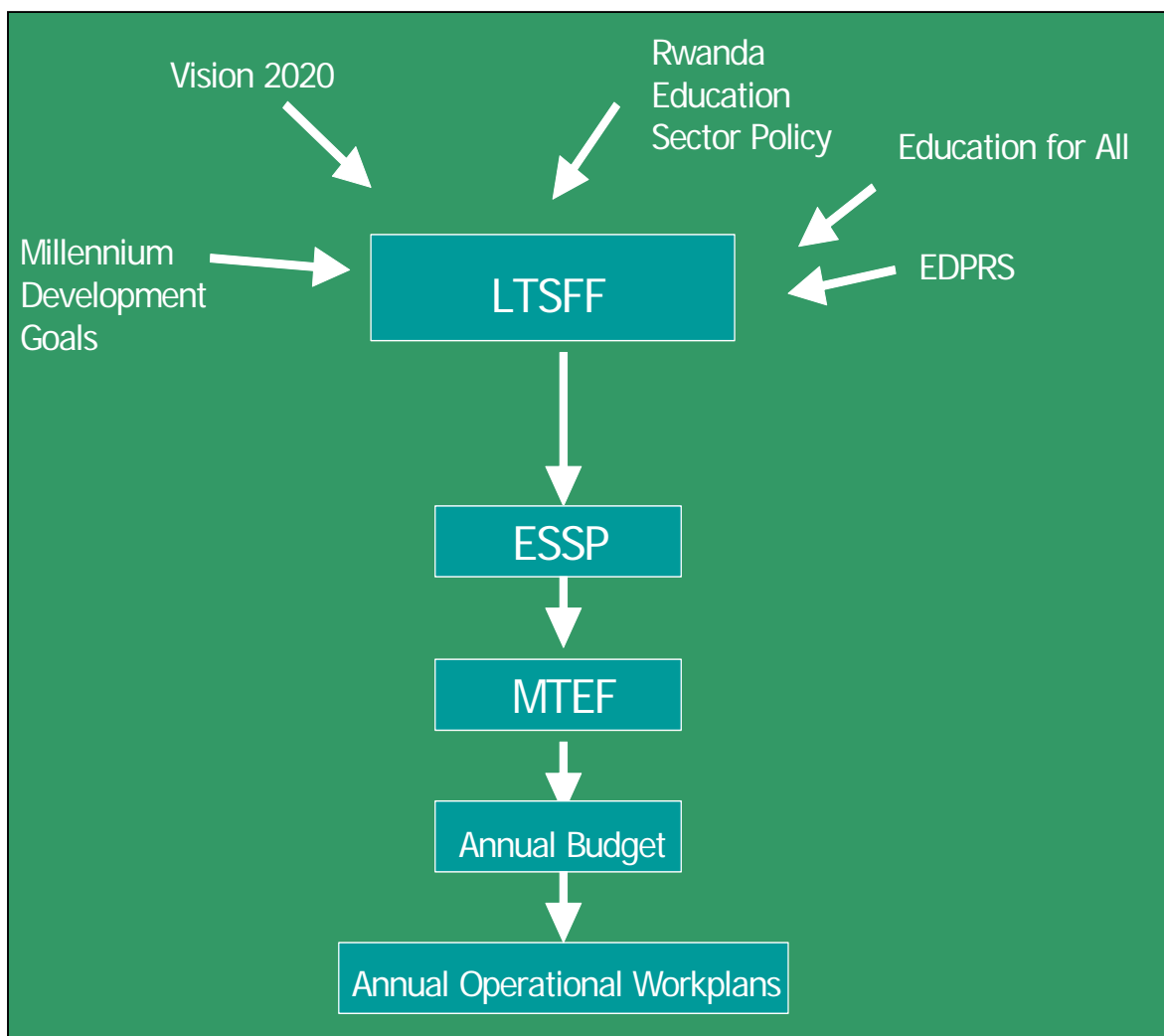
The Ministry of Education has developed an Education Sector Policy (2003), which provides general policy statements for the sector. In order that these policy statements and recommendations from studies be adopted within a realistic resource framework, it has been useful to consider implications as regarding cost and financing of different options of educational policy.

A number of documents have adopted a systematic approach that takes into account implications of these policy choices. Financial simulation models have been set up and scenarios have been presented aiming at instructing political decisions over for a ten-year period.

Originally 6 scenarios were produced within a long-term financial framework. See Annex I for a summary table of the options considered and their implications and assumptions in terms of resource needs. Following this exercise, 4 scenarios were developed specifically in relation to nine year basic education. After discussion with stakeholders, one scenario was presented within the nine year basic education cabinet paper and passed by the Rwandan Cabinet in February 2006.

Figure 2.1.1 gives an overview of the planning process and how it is consistent with all the education sector goals in Rwanda in order to achieve the policy aims of Government.

Figure 2.1.1 Planning Overview



The nine year basic education policy decisions along with other emerging priorities such as science and technology in education have now been integrated into the same financial framework. The use of a sector wide approach (SWAp) has therefore been a key strength in the planning process.

The financial framework has been updated to incorporate all major policy areas within the education sector in Rwanda; pre-primary, primary, tronc commun, upper secondary, teacher training, vocational education, technical education, science and technology in education, ICT and solar panels in schools, higher education, adult literacy, girls education, health, school environment, HIV/AIDS, school sports, curriculum development and textbooks, inspection, examinations, teacher service commission and other institutional support. Costings for both recurrent and capital expenditure are included in the LTSFF.

The chosen scenario found within the LTSFF reflects Government policy choices. The framework of public expenditure for the next ten years is found within the LTSFF, over the next five years within the ESSP, over the next three years within the MTEF, which then guides the Annual Budget and annual operational work-plans.

3 Summary key policy targets

3.1 *Nine Year Basic Education*

Achieving nine year basic education for all is one of the major goals of the Government of Rwanda. It will aim to raise the general level of knowledge and skills in the population. The proposed nine year basic education programme will lead to the universal provision of primary education, specifically with lower repetition and drop out rates. Double-shifting in teaching will also be reduced and Tronc Commun will be substantially expanded. The following statements provide a summary of the overall policy aims.

- Reduce repetition rate at primary school from 19% in 2004 to 3% in 2015
- Reduce drop out rate at primary school from 14% in 2004 to 2% in 2015
- Pupil-teacher ratio at primary school reduced from 67 in 2004 to 45 in 2015
- Pupil-textbook ratio at primary school of 1:1 in the core subjects
- Class size at primary school reduced from 51 in 2004 to 45 in 2015
- Double shifting in primary schools reduced from 31% in 2004 to 6% of teachers in 2015.
- Gross enrolment rate at Tronc Commun to increase from 20% to 69%
- Transition rate to Tronc Commun will reach 75% by 2015
- % of students boarding at Tronc Commun reduced from 58% to 8% by 2015

As part of the nine year basic education policy the introduction of capitation grants is planned from 2007 so that both primary and tronc commun shall be fee free in public schools. Parents and communities participation shall continue to be encouraged and no child will be expelled from school because he/she has not paid whatever parents have agreed to contribute.

MINEDUC shall continue contracting with private schools which have capacity to accommodate children in tronc commun and to subsidize the cost to students in such cases by offering the same amount of capitation grant as that given to public students.

The role of Parent Teacher Association's (PTA's) in schools has been recognised as a key part in the success of our schools and this role is to be strengthened.

3.2 Science and technology education

The teaching of science and technology is at the heart of Education Sector Policy. A national science, technology and innovation policy has been developed. Also a science and technology in education framework has been developed. This plans to:

- Install science corners in all primary schools.
- At the secondary education level, 30 centres of excellence are to be established.
- Plans also include the provision of science labs in secondary and higher education.
- Girl's participation in science and technology is to be encouraged at all levels.
- Explore possibilities for the digitalisation of the curriculum
- Improve motivation of science and technology teachers
- Support to private science and technology institutions
- Explore possibilities for developing common national resource centres

3.3 Teacher training, development and motivation

Nine year basic education policy has major implications in terms of teacher's numbers as well as training, development and motivation.

The number of student teachers being trained is to be increased through teacher training colleges. New colleges of education are to be established from 2007 to provide increased teacher supply to provide for expansion in tronc commun. The total number of trainee teachers enrolled in TTC's and CoE is projected at the following:

	2007	2008	2009	2010	2011	2012	2013	2014	2015
TTC's	6,304	7,798	9,835	11,411	12,046	11,202	9,723	7,779	6,547
COE's	800	2,360	3,920	5,880	6,840	5,814	4,745	4,040	3,601

It is anticipated that even with these large increases in teacher training there may be a teacher deficit before the increased numbers of trainee teacher's start to graduate. For primary the annual deficit disappears in 2010 and the cumulative deficit by 2013. For tronc commun teachers the annual deficit disappears in 2009 and the cumulative deficit by 2013. In the interim, if necessary, qualification regulations will not be strictly enforced until demand for teachers can be met by the increased supply of teachers.

Other options to curb the teacher deficit include local contracting of teachers, and shortened pre-service courses. Policy dialogue is currently underway to develop firm strategies on this range of issues.

The Ministry's aim is to increase teacher numbers as far as possible through the civil service. If current IMF restrictions are upheld, which imply a capped 3% growth rate in teachers within the civil service then other solutions will be

considered; contracting of teachers and/or transferring some of the projected money to districts/schools in order that they hire the teachers directly.

It is planned that there will be an increase in teacher salaries as one measure to tackle teacher retention, motivation and performance. A review of teacher's salaries is underway; including other strategies that could help increase teacher motivation. The current financial framework assumes an increase in the indexed GDP value of teacher's salaries. See page 18 for details; this is subject to change following a final decision on teacher salary reform.

Two major innovations already underway shall be developed further to improve recruitment, retention, motivation and performance of teachers. These are the teacher service commission (TSC) and teacher co-operatives.

3.4 Technical education and vocational training (TEVT)

The TEVT policy is in draft. The main policy aim is to have 12 ETO's in the country by 2015. Some ETO's are also to be upgraded to A1 (2 year post secondary diploma) status.

Approximately 106 Vocational schools (public and private) are to be in operation by 2015. A harmonized and standard curriculum and examination system is also to be developed specifically for vocational training.

3.5 Higher Education

Within higher education, the harmonization of salaries has been developed. The National Council for Higher Education (NCHE) has been passed by the parliament and is soon to be operational to ensure quality assurance and effective planning within the sector. Although spending is projected to rise in this sub-sector, the proportional share of the budget is planned to fall to around 20%.

It is assumed that means testing of grants and loans from SFAR will reduce the subsidy costs of this sector. Specific subjects such as science and technology may also be given preferential subsidies. It is assumed that in 2008 90% of public university students will qualify for a grant/loan, and from 2009 85% of public university students will qualify. SFAR is soon to start loan recovery and this may potentially provide another source of funds to the sector. More cost-savings may be possible and are to be investigated further.

Higher Education Institution strategic plans will be reviewed to reflect national priorities and financial framework.

3.6 Adult Literacy

Under Education for All commitments, the target literacy rate is 80% in Rwanda by 2015. MINEDUC plans to supply necessary books and equipment to help assure the running of literacy centres in order to move towards this target.

3.7 Girls Education

A final draft of the girl's education policy is in place. It aims to improve examination performance of girls at all levels of the education system and encourage participation of girls in science and technology subjects. There is also an aim to increase enrolment levels of girls in higher education.

3.8 Orphans and vulnerable children

Policy is to be drafted in 2007. Under nine year basic education for ALL, it is the aim of Government that even the most vulnerable children not be excluded from basic education. The child friendly school programme is to be promoted and this will assist orphans and vulnerable children.

3.9 Health, School environment and HIV/Aids

Policy is to be drafted in 2007. Minimum quality standards are to be distributed to all schools giving guidelines on all education issues including health, HIV/Aids and construction standards. Voluntary HIV/Aids testing is to be introduced for all teachers and the Government will assist with treatment.

3.10 Planning, management and administration

A capacity building programme is planned to tackle absorption issues in the sector and to improve efficiency and cost-effectiveness at all levels of education, especially at the school and district level. An improved education management and information system (EMIS) is currently being developed to help improve data analysis and inform policy decisions and better planning at all levels of education.

4 Financial Framework

The following graph gives a summary of the increases in recurrent expenditure required under the financial framework projections.

Figure 4.1.2 Recurrent expenditure by programme (RWF Millions)

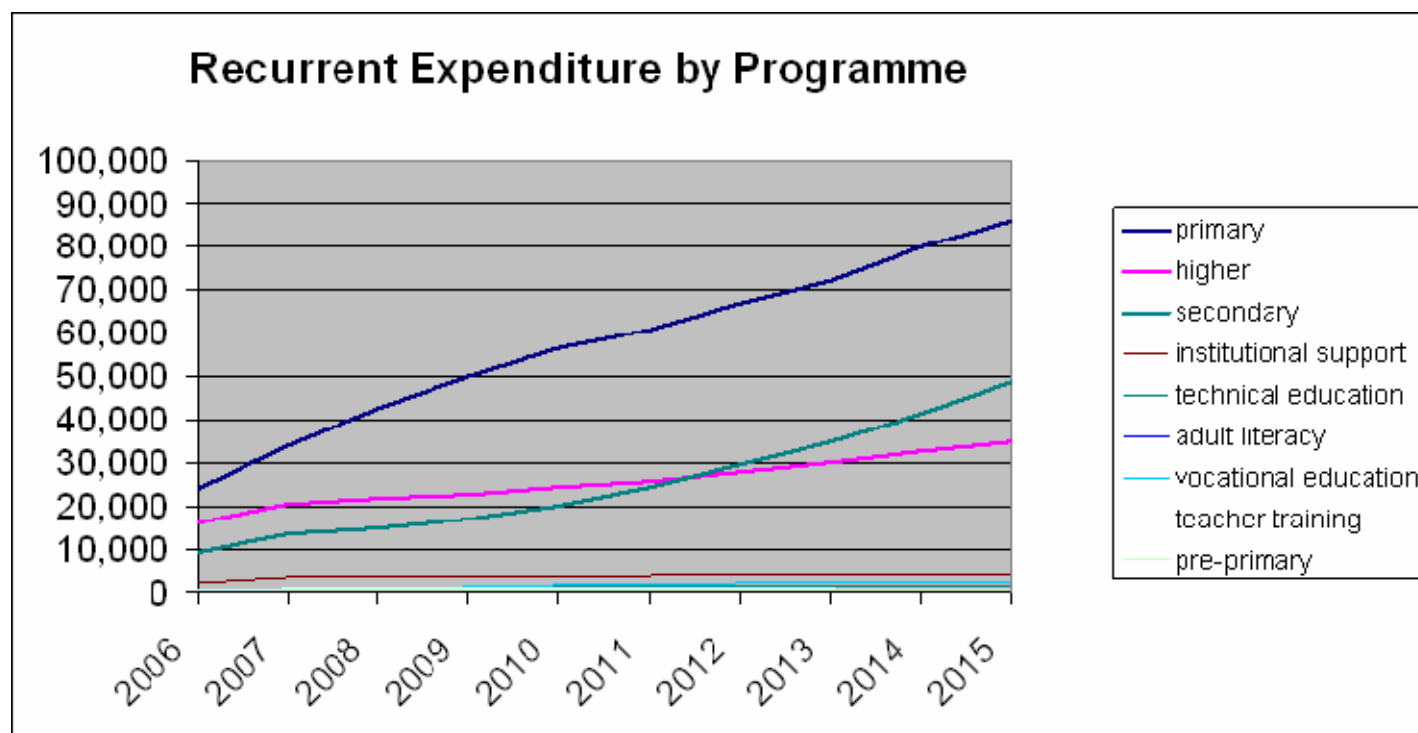
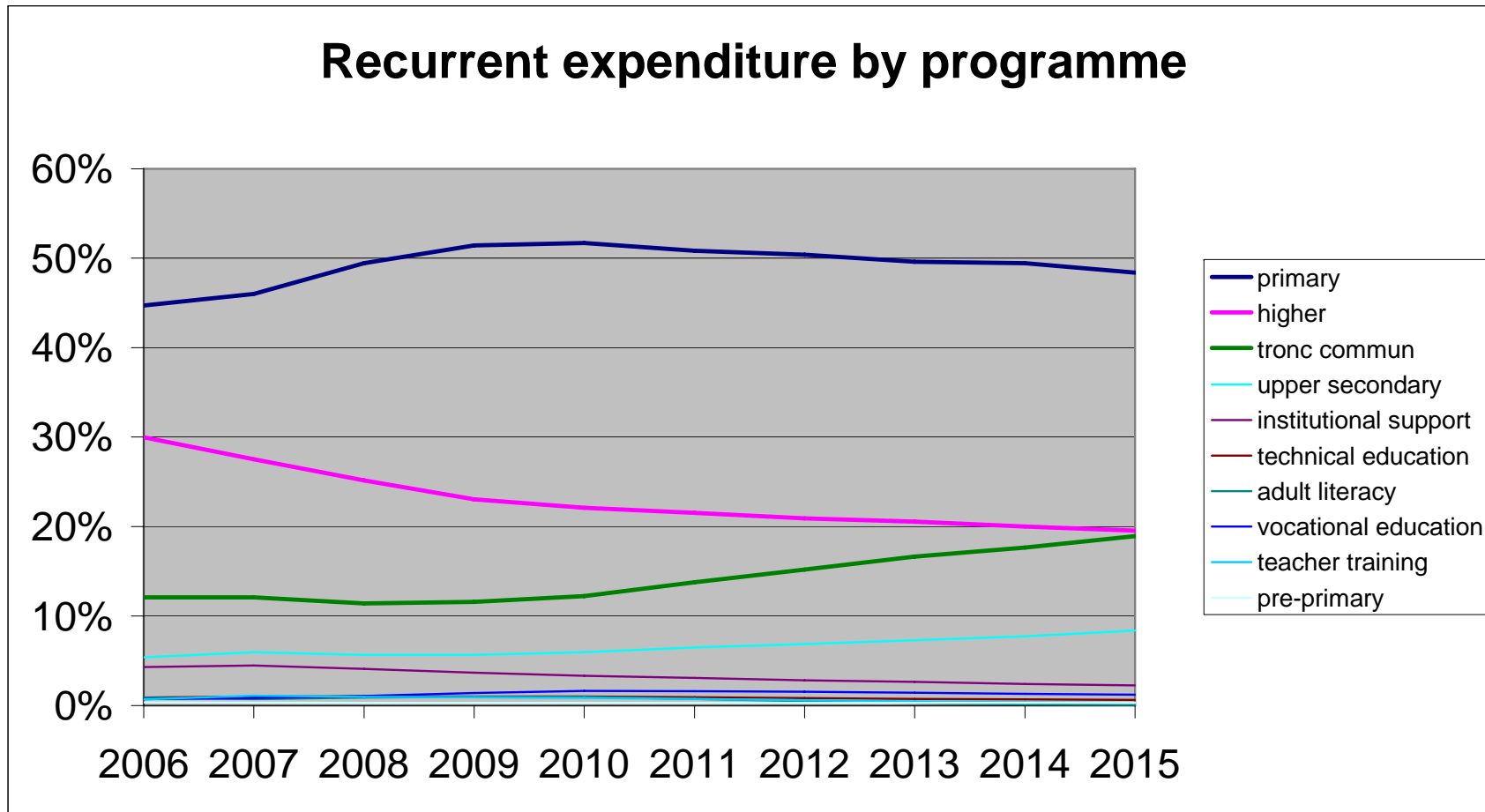


Figure 4.1.3 Recurrent expenditure by programme (%)



The following tables give an overview of the financial projections associated with the policy commitments outlined in preceding sections of this report.

Figure 4.1.4 LTSFF Financial Projection Tables

LTSFF Financial Projection Tables	2007	2008	2009	2010	2011	2012	2013	2014	2015
expenditure, resources and financing gap	estimate	<	projection						
expenditure	97,110	110,458	122,553	136,670	150,188	162,619	170,555	189,430	203,947
recurrent (MTEF)	74,030	86,089	97,226	109,582	120,094	133,078	145,816	162,193	177,558
development budget (capital construction)	20,080	21,368	22,326	24,088	27,093	26,542	21,740	24,237	23,390
development budget (TA, expat salaries, other projects)	2,850	2,708	2,572	2,444	2,321	2,205	2,095	1,990	1,891
resources	82,581	71,744	81,912	93,461	104,799	119,908	137,345	156,636	172,067
recurrent budget ceiling (= domestic + budget support)	69,612	57,923	66,333	76,170	86,454	99,536	114,632	132,045	145,463
development budget (capital construction)	9,969	10,820	12,580	14,291	15,345	17,373	19,713	21,592	23,605
development budget (TA, expat salaries, other projects)	2,850	2,708	2,572	2,444	2,321	2,205	2,095	1,990	1,891
financing gap (expenditure-resources)	14,529	38,714	40,640	43,209	45,389	42,711	33,210	32,794	31,880
financing gap <u>recurrent</u> (MTEF)	4,418	28,166	30,893	33,413	33,640	33,542	31,183	30,148	32,095
financing gap <u>capital</u> construction (Development Budget)	10,111	10,548	9,747	9,796	11,748	9,169	2,027	2,645	-215

Costs -- recurrent (RwF millions)	2007	2008	2009	2010	2011	2012	2013	2014	2015
pre-primary	234	255	300	340	366	402	434	481	516
primary	34,066	42,576	50,015	56,642	61,054	67,057	72,319	80,201	85,935
tronc commun	8,952	9,820	11,261	13,420	16,547	20,243	24,294	28,622	33,609
upper secondary	4,400	4,872	5,510	6,516	7,788	9,150	10,649	12,537	14,914
teacher education	817	837	883	926	873	799	699	595	529
technical education	737	900	990	1,089	1,089	1,089	1,089	1,089	1,089
vocational education	615	915	1,353	1,776	1,920	2,064	2,088	2,112	2,136
higher	20,377	21,645	22,403	24,214	25,865	27,840	29,995	32,446	34,733
adult literacy	516	758	940	1,027	895	670	418	209	125
institutional support	3,317	3,510	3,571	3,633	3,697	3,763	3,830	3,900	3,972
total recurrent costs	74,030	86,089	97,226	109,582	120,094	133,078	145,816	162,193	177,558
sub-sector shares									
<i>pre-primary</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>primary</i>	46%	49%	51%	52%	51%	50%	50%	49%	48%
<i>tronc commun</i>	12%	11%	12%	12%	14%	15%	17%	18%	19%
<i>upper secondary</i>	6%	6%	6%	6%	6%	7%	7%	8%	8%
<i>teacher education</i>	1%	1%	1%	1%	1%	1%	0%	0%	0%
<i>technical education</i>	1%	1%	1%	1%	1%	1%	1%	1%	1%
<i>vocational education</i>	1%	1%	1%	2%	2%	2%	1%	1%	1%
<i>higher</i>	28%	25%	23%	22%	22%	21%	21%	20%	20%
<i>adult literacy</i>	1%	1%	1%	1%	1%	1%	0%	0%	0%
<i>institutional support</i>	4%	4%	4%	3%	3%	3%	3%	2%	2%

capital costs construction (RwF millions)	2007	2008	2009	2010	2011	2012	2013	2014	2015
pre-primary	-	-	-	-	-	-	-	-	-
primary	7,987	8,306	8,639	8,984	9,344	9,717	5,901	6,137	6,382
tronc commun	4,609	4,851	5,521	6,317	8,498	8,190	8,193	8,329	8,597
upper secondary	1,333	1,444	1,977	2,632	2,689	2,149	1,911	4,719	4,843
teacher education (primary & tronc commun)	1,500	1,200	500	500	200	100	100	50	50
technical education	520	541	562	585	608	633	658	684	712
vocational education	125	260	675	702	1,460	1,518	790	164	171
higher (expatriate salaries)	1,628	1,623	1,568	1,574	1,552	1,531	1,570	1,336	1,042
higher (construction and labs)	1,156	2,059	1,881	1,924	1,973	2,030	2,093	2,164	744
adult literacy									
institutional support	-	-	-	-	-	-	-	-	-
estimated other off plan projects	2,850	2,708	2,572	2,444	2,321	2,205	2,095	1,990	1,891
total capital expenditure	21,708	22,992	23,895	25,662	28,645	28,073	23,310	25,573	24,432
sub-sector shares									
<i>pre-primary</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>primary</i>	37%	36%	36%	35%	33%	35%	25%	24%	26%
<i>tronc commun</i>	21%	21%	23%	25%	30%	29%	35%	33%	35%
<i>upper secondary</i>	6%	6%	8%	10%	9%	8%	8%	18%	20%
<i>teacher education</i>	7%	5%	2%	2%	1%	0%	0%	0%	0%
<i>technical education</i>	2%	2%	2%	2%	2%	2%	3%	3%	3%
<i>vocational education</i>	1%	1%	3%	3%	5%	5%	3%	1%	1%
<i>higher (expatriate salaries)</i>	7%	7%	7%	6%	5%	5%	7%	5%	4%
<i>higher (construction and labs)</i>	5%	9%	8%	7%	7%	7%	9%	8%	3%
<i>non-formal</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>institutional support</i>	0%	0%	0%	0%	0%	0%	0%	0%	0%
estimated other off plan projects	13%	12%	11%	10%	8%	8%	9%	8%	8%

Resource Assumptions	2007	2008	2009	2010	2011	2012	2013	2014	2015
GDP (RwF millions)	1,521,450	1,716,196	1,990,787	2,301,350	2,586,717	2,912,643	3,279,636	3,692,871	4,158,172
GDP growth (nominal)	12.8%	16.0%	15.6%	12.4%	12.6%	12.6%	12.6%	12.6%	12.6%
population (in millions)	9.3	9.6	9.8	10.1	10.4	10.6	10.9	11.2	11.5
population growth	2.8%	2.8%	2.8%	2.8%	2.6%	2.6%	2.6%	2.6%	2.6%
GDP per capita (RwF)	163,455	179,423	202,570	227,969	249,532	273,733	300,423	329,892	362,463
domestic revenue (RwF millions)	219,089	252,281	298,618	352,106	403,528	468,936	544,420	631,481	698,573
domestic revenue as % of GDP	14%	15%	15%	15%	16%	16%	17%	17%	17%
external resources	204,153	191,799	195,516	194,606	194,606	194,606	194,606	194,606	194,606
external resources as % of total government budget	48%	43%	40%	36%	33%	29%	26%	24%	22%
Total GoR budget	405,286	431,886	486,862	540,350	591,772	657,179	732,663	819,725	886,817
total recurrent budget	278,613	296,899	334,692	371,462	406,812	451,776	503,667	563,518	609,640
total development budget	126,673	134,987	152,170	168,888	184,960	205,403	228,996	256,207	277,177
Total estimated resources for education (RwF millions)	82,581	71,744	81,912	93,461	104,799	119,908	137,345	156,636	172,067
recurrent resources for education (RwF millions)	69,612	57,923	66,333	76,170	86,454	99,536	114,632	132,045	145,463
development resources for education (RwF millions)	12,969	13,820	15,580	17,291	18,345	20,373	22,713	24,592	26,605
recurrent resources as % of total recurrent budget	25.0%	19.5%	19.8%	20.5%	21.3%	22.0%	22.8%	23.4%	23.9%
recurrent resources as % of total GoR budget	17.2%	13.4%	13.6%	14.1%	14.6%	15.1%	15.6%	16.1%	16.4%
education development budget as % of total development	10.2%	10.2%	10.2%	10.2%	9.9%	9.9%	9.9%	9.6%	9.6%
educ dev budget as % of total GoR budget	3.2%	3.2%	3.2%	3.2%	3.1%	3.1%	3.1%	3.0%	3.0%
Education as % of GDP	5.4%	4.2%	4.1%	4.1%	4.1%	4.1%	4.2%	4.2%	4.1%
Education as % of GDP (if financing gap filled)	6.3%	6.4%	6.1%	5.9%	5.8%	5.5%	5.2%	5.1%	4.9%
Education as % of GoR budget	20.4%	16.6%	16.8%	17.3%	17.7%	18.2%	18.7%	19.1%	19.4%
Education as % of GoR budget (if financing gap filled)	23.6%	25.3%	24.9%	25.0%	25.1%	24.5%	23.1%	22.9%	22.8%

Note: External resources are estimated from actual donor commitments. As these are in most cases short-term, expected external resources fall compared to 2007. Education as a % of GDP also falls due to falling donor commitments unless the financing gap is filled.

student & teacher projections

primary	2007	2008	2009	2010	2011	2012	2013	2014	2015
total enrolment	2,000,921	2,051,151	2,096,183	2,079,126	2,029,999	1,976,243	1,929,576	1,894,720	1,868,749
repetition rate	13%	11%	10%	8%	7%	6%	5%	4%	3%
drop-out rate	10%	8%	5%	5%	5%	4%	3%	2%	2%
gross enrolment ratio	141%	142%	142%	137%	130%	123%	117%	111%	107%
completion rate	84%	94%	119%	133%	134%	130%	125%	119%	112%
cohort survival rate to reach grade 6			75%						
number of teachers	34,198	35,809	37,382	39,274	40,617	41,883	43,316	45,052	44,435
number of new teachers needed	2,638	2,647	3,013	2,521	2,485	2,689	3,036	734	1,033
student teacher ratio	59	57	56	53	50	47	45	42	42
class size	50	50	50	49	48	47	46	45	45
% double shifting teachers			20%					6%	
tronc commun									
transition rate (primary to TC)	49%	44%	45%	48%	53%	57%	63%	69%	75%
total enrolment (including private)	189,144	213,473	247,367	287,971	334,716	384,252	434,607	483,110	525,499
repetition rate	8%	7%	6%	4%	3%	2%	2%	1%	1%
gross enrolment ratio	29%	32%	37%	42%	49%	55%	60%	65%	69%
completion rate (std method)	23%	25%	29%	33%	39%	46%	53%	59%	64%
% private	37%	35%	32%	30%	27%	26%	24%	23%	23%
% boarding in public schools	35%	30%	25%	21%	17%	14%	12%	10%	8%
number of teachers	5,929	6,541	7,394	8,504	9,765	11,080	12,394	13,637	14,999
number of new teachers needed	909	1,180	1,480	1,686	1,803	1,868	1,863	2,044	2,118
student teacher ratio	32	33	33	34	34	35	35	35	35
class size (public schools)	46	46	46	46	46	45	45	45	45
upper secondary									
transition rate (TC to US)	67%	65%	61%	56%	51%	47%	44%	42%	42%
total enrolment (including private)	88,685	93,449	99,402	106,675	115,420	125,475	137,280	151,111	165,282
repetition rate	5%	5%	5%	4%	3%	2%	2%	2%	1%
gross enrolment ratio	14%	14%	15%	16%	18%	19%	20%	22%	24%
completion rate (std method)	12%	12%	13%	14%	15%	17%	18%	20%	22%
% private	51%	49%	47%	44%	41%	38%	36%	33%	30%
% boarding in public schools	66%	62%	60%	55%	51%	47%	43%	40%	40%

recurrent expenditure									
pre-primary	2007	2008	2009	2010	2011	2012	2013	2014	2015
% of primary recurrent expenditure	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
total recurrent expenditure (RwF millions)	234	255	300	340	366	402	434	481	516
primary									
teacher's salary as multiple of GDP/capita	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8
salary exp. per student (RwF)	10,616	11,903	13,727	16,364	18,972	22,045	25,627	29,808	32,751
non-salary exp. per student (RwF)	6,410	8,854	10,132	10,880	11,104	11,887	11,852	12,521	13,235
total recurrent expenditure (RwF millions)	34,066	42,576	50,015	56,642	61,054	67,057	72,319	80,201	85,935
tronc commun									
teacher's salary as multiple of GDP/capita	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
salary exp. per student (RwF)	30,596	32,494	35,494	39,483	42,719	46,321	50,250	54,542	60,894
non-salary exp. per student (RwF)	44,163	37,906	31,585	26,697	25,280	24,401	23,507	22,801	22,348
total recurrent expenditure (RwF millions)	8,952	9,820	11,261	13,420	16,547	20,243	24,294	28,622	33,609
upper secondary									
teacher's salary as multiple of GDP/capita	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
salary exp. per student (RwF)	49,567	55,646	64,078	73,984	80,224	83,624	87,111	91,378	97,565
non-salary exp. per student (RwF)	52,532	47,094	40,002	35,188	34,679	34,868	33,429	32,240	31,823
total recurrent expenditure (RwF millions)	4,400	4,872	5,510	6,516	7,788	9,150	10,649	12,537	14,914
teacher education (primary & tronc commun)									
teacher's salary as multiple of GDP/capita (see U.Sec)	-	-	-	-	-	-	-	-	-
salary exp. per student (RwF)	-	-	-	-	-	-	-	-	-
non-salary exp. per student (RwF)	114,964	82,368	64,213	53,538	46,215	46,974	48,317	50,327	52,136
total recurrent expenditure (RwF millions)	817	837	883	926	873	799	699	595	529
higher									
HLI SFAR exp per public student (RWF)	461,769	512,316	555,172	598,418	655,022	718,548	788,611	865,966	951,464
HLI salary exp per public student (RWF)	621,274	688,954	729,480	775,073	775,073	775,073	775,073	775,073	775,073
HLI operational exp. per public student (RwF)	201,754	294,938	318,421	398,945	436,681	479,032	525,741	577,311	634,310
total recurrent expenditure (RwF millions)	20,377	21,645	22,403	24,214	25,865	27,840	29,995	32,446	34,733
non-formal									
exp. per literacy student (RwF)	1,324	1,483	1,641	1,800	1,800	1,800	1,800	1,800	1,800
exp. per YTC student (RwF)	24,325	32,883	41,442	50,000	50,000	50,000	50,000	50,000	50,000
total recurrent expenditure (RwF millions)	1,131	1,674	2,282	2,802	2,815	2,724	2,506	2,321	2,261

capital expenditure	2007	2008	2009	2010	2011	2012	2013	2014	2015
primary									
classrooms	33,166	34,380	35,529	36,770	37,461	38,053	38,768	39,722	39,636
new classrooms needed (smoothed to 2015)	1,396	1,396	1,396	1,396	1,396	1,396	815	815	815
rehabilitation needed (smoothed to 2015)	668	668	668	668	364	364	364	364	364
student classroom ratio	60	60	59	57	54	52	50	48	47
class size	50	50	50	49	48	47	46	45	45
% double shifting classrooms			18%						
cost per classroom (RwF millions)	5.7	5.9	6.2	6.4	6.7	7.0	7.2	7.5	7.8
total capital expenditure (RwF millions)	7,987	8,306	8,639	8,984	9,344	9,717	5,901	6,137	6,382
tronc commun									
classrooms (public only)	2,583	3,021	3,650	4,428	5,337	6,305	7,287	8,224	8,972
new public classrooms needed (smoothed to 2015)	663	663	663	663	909	909	909	909	909
public rehabilitation needed (smoothed to 2015)	79	79	79	79	79	79	79	79	70
student classroom ratio (public)	46	46	46	46	46	45	45	45	45
class size (public)	46	46	46	46	46	45	45	45	45
cost per classroom (RwF millions)	6.9	7.1	7.4	7.7	8.0	8.4	8.7	9.0	9.4
total capital expenditure (RwF millions)	4,549	4,731	4,921	5,117	7,298	7,590	7,893	8,209	8,537
upper secondary									
classrooms (public)	1,075	1,184	1,324	1,492	1,694	1,930	2,209	2,535	2,882
new public classrooms needed (smoothed to 2015)	185	185	185	185	185	185	185	509	509
public rehabilitation needed (smoothed to 2015)	28	28	28	28	28	28	28	28	25
student classroom ratio (public)	40	40	40	40	40	40	40	40	40
class size (public)	40	40	40	40	40	40	40	40	40
cost per classroom (RwF millions)	6.9	7.1	7.4	7.7	8.0	8.4	8.7	9.0	9.4
total capital expenditure (RwF millions)	2,862	1,324	3,095	1,432	3,348	3,482	3,621	6,690	6,957
higher education									
expatriate salaries (RwF millions)	1,628	1,623	1,568	1,574	1,552	1,531	1,570	1,336	1,042
infrastructure (RwF millions)	156	1,059	881	424	473	530	593	664	744
total capital expenditure (RwF millions)	2,784	3,682	3,449	3,498	3,525	3,561	3,663	3,500	1,786
non-formal education									
YTCs (public)	33	35	37	39	41	43	45	47	49
new YTCs	10	20	50	50	100	100	50	10	10

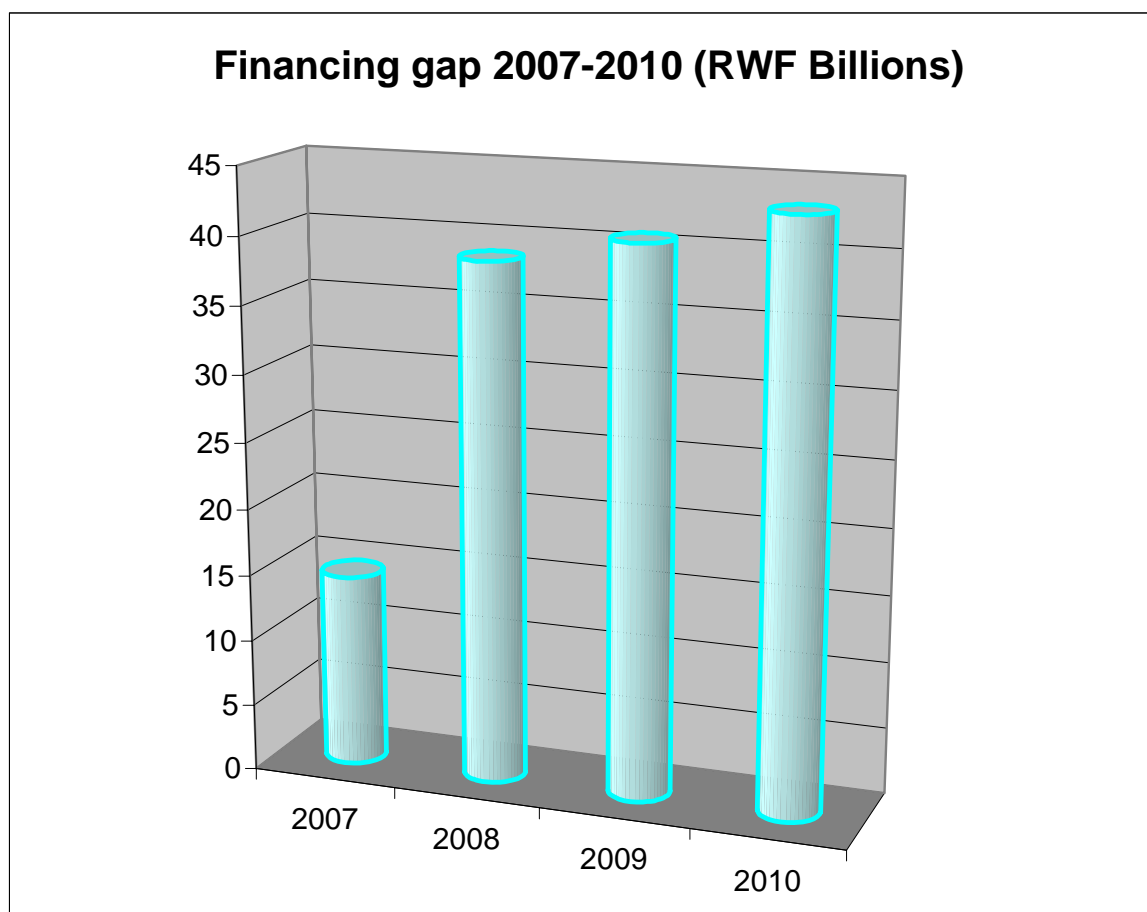
5 Financing gap

The following table and graph summarizes the anticipated financing gap over the next four years. This is based on expected domestic resources, and donor commitments on general budget support, sector budget support, and projects. It is assumed that 30% of the required classroom construction will be met by off-budget activities, for example through local communities and faith based organisations and so this proportion is not included in the financing gap.

Figure 5.1.5 Summary Financing Gap - Table

RWF (Billions)	2007	2008	2009	2010	Total
Recurrent financing gap	4	28	31	33	97
Construction financing gap	10	11	10	10	40
Total financing gap	15	39	41	43	137

Figure 5.1.6 Summary Financing Gap - Graph



Note: The financing gap is based on domestic resources and donor commitments. As donor commitments are not always long-term or predictable, the financing gap jumps to high levels as shown.

6 Resource Mobilisation

The following are areas that have been identified as possible mobilization for additional resources to bridge the identified financing gap:

1. increase in the share of government recurrent budget to education by 2015 above the projected value of 21%.
2. increased support from development partners through Sector support - General support (GBS) and Joint education sector support (JESS). Another potential source is the Fast track initiative (FTI).
3. district and community participation
4. Contributions from Non Governmental Organisations (NGOs)
5. Contributions from Faith Based Organisations (FBOs)
6. Workers contribution
7. Private sector contribution
8. Schools contribution

7 Political endorsement and identification of structural medium-term choices

As mentioned previously, universal primary education by 2015 and reaching a literacy level of 80% by 2015 are two non-negotiable areas as per MDGs and EFA. However, it is important to recognise Rwanda's specificities. In Rwanda, Human Resources Development is one of the major if not the most important pillar within the PRSP and indeed the only major resource Rwanda can reckon with.

Education and training in Rwanda must provide the required knowledge and development skills to meet the economy of the future. The policy of moving from 6 to 9 years of basic education; strengthening a rather young higher education system (especially through training of local lecturers to replace the expensive expatriate lectures); promotion of girls education especially in science and technology areas; extensive use of ICT in Education, are just some of the areas also to be considered in the long terms strategy and financial framework (LTSFF) and sector strategic plan (ESSP).

The education MTEF and annual plans shall continue to be consistent with the ESSP and LTSFF. The percentage of funds to basic education (primary education programme) is increasing over the three MTEF years towards the best practices figure of 50%.

First cycle of secondary shall be expanded. Also as mentioned, the higher education budget as a percentage of the overall government education budget will be reduced.

All these are some of the measures to ensure set targets in LTSFF are met.

Annex I: Original 6 scenarios from Long-term financing framework, World Bank

NOTE: LTSFF structural model, projections and chosen scenario have now been updated as outlined in the main body of this report. This Annex is for reference only to the original considerations.

Table 3 : Current public expenditure in the area of education * by the year 2015 according to various scenarios

Scenario	Situation 2003	0	1	2	3	4	5	6	Choice
Preschool (4-5 years)									
Proportion of expenditure for primary school (%)	1.4	5.0	5.0	5.0	5.0	5.0	5.0	5.0	
Current expenditure	0.2	2.2	2.2	1.6	1.4	1.4	1.4	1.6	
Primary									
Completion rate (%)	42	100	100	100	100	100	100	100	
Repetition rates (%)	27	10	10	5	5	5	5	5	
P1-P3Proportion of double shifting (%)	86	0	0	86	86	86	86	86	
Average class size	46	40	40	40	45	45	45	40	
Teachers' remuneration (GDP/head)	3.8	3.9	3.9	3.8	3.8	3.8	3.8	3.8	
Number of teachers	24 945	48 691	48 691	35 835	31 854	31 854	31 854	35 835	
Expenditure excluding teachers' salaries (%)	28	33	33	33	33	33	33	33	
Current expenditure	14.9	44.2	44.2	31.4	28.0	28.0	28.0	31.4	
Tronc commun									
Number of pupils(pub + Priv), 000	114	847	847	508	474	339	313	593	
Number of pupils in private schools. 000	51	0	0	102	95	68	94	119	
Number of pupils in boarding schools. 000	56	56	56	20	20	20	20	20	
P6-S1 transition rate (%)	42	100	100	60	56	40	37	70	
Completion rate in S3 (Pub + Priv. %)	15	100	100	54	50	36	33	63	
Survival rate (%)	85	90	90	90	90	90	90	90	
Average class size	47	40	40	45	45	45	45	42	
Number of teachers in public schools	2 181	34 369	34 369	14 664	13 686	9 776	7 912	18 330	
Teachers' remuneration (GDP/head)	4.5	5.4	5.4	5.0	5.0	5.1	5.0	4.9	
Current expenditure	3.5	59.0	59.0	23.7	22.3	16.6	13.3	30.3	
Second cycle of secondary school									
Number of pupils (pub + Priv), 000	65	570	110	110	110	110	90	110	
Number of pupils in private schools. 000	33	86	44	44	44	44	44	44	
Number of pupils in boarding schools. 000	30	30	30	30	30	30	30	30	
S3-S4 transition rate (%)	77	77	15	25	26	37	33	25	
Completion rate in S6 (Pub + Priv. %)	8	62	12	12	12	12	10	12	
Survival rate (%)	68	90	90	90	90	90	90	90	
Average class size	40	40	40	40	40	40	40	40	
Number of teachers in public schools	1 516	18 169	2 475	2 475	2 475	2475	1 721	2 475	
Teachers' remuneration (GDP/head)	5.2	7.2	5.5	5.5	5.5	5.5	5.8	5.5	
Expenditure with the exception of teachers' salaries (%)	46	70	60	60	60	60	60	60	
Current expenditure	2.4	69.3	6.4	6.4	6.4	6.4	4.9	6.4	
Informal									
Literacy rate for adults									

Number of pupils in 1 st cycle	20	40	40	40	40	40	40	40	
% of 1 st cycle pupils who move to 2 nd Cycle	15	40	40	30	30	30	20	30	
Current expenditure	0.3	2.3	2.4	2.0	2.0	2.0	1.8	2.0	
Science and Technology									
Current expenditure	0.6	2.5	1.3	1.3	1.2	1.2	1.1	1.3	
Higher education									
Number of students in publ. institut. 000	12	20	18	18	18	18	18	18	
Pedagogical unit cost (GDP/head)	5.4	5.4	3.0	3.0	2.5	2.5	2.5	3.0	
Social unit cost I (GDP/head)	2.1	2.1	1.5	1.5	1.5	1.5	1.0	1.0	
Number of students in private instit., 000	8	25	18	18	18	18	18	18	
Unit subvention to private instit. (UC%-public)	0	20	15	15	10	10	10	15	
Expenditure for studies abroad	1.5	1.5	0.5	0.5	0.5	0.5	0.5	0.5	
Current expenditure	11.9	29.2	14.4	14.4	12.5	12.5	11.0	13.0	
Total for current expenditure.	33.9	208.6	129.8	80.9	73.7	68.0	61.4	85.9	

*All these expenses are expressed in billions of Rwf as of the year 2003.