Examining Budget Credibility in Côte d’Ivoire’s Education Sector

Julien TINGAIN, Social Justice
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Introduction

In Côte d'Ivoire, since 2015, the Ministry of Planning and Development—the lead agency monitoring progress against the Sustainable Development Goals (SDGs)—has accommodated the 17 SDGs into its five-year plans (for the periods 2016-2020 and 2021-2025).¹ Significant budgetary efforts have been made to implement those plans through the various Finance Acts. According to the Ministry of Budget and State Portfolio, the country’s total budgets have gradually increased from 6.4 billion CFA francs in 2017 to 9 billion CFA francs in 2021.² The budget execution rates for the years 2017 to 2021, range from budget overspending of 104 percent in 2019, to an underspending of 94, 93, 90 and 96 percent for 2017, 2018, 2020 and 2021, respectively.³

One of the SDG goals accommodated into Côte d’Ivoire’s five-year plans is SDG 4 on quality education which aims to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.”⁴ Since 2015, the Ivorian government has passed a compulsory schooling law with a view to making schooling mandatory. The law made school attendance compulsory for children aged six to 16, regardless of gender. The implementation of the law, which will require additional investment in terms of classroom construction and teacher recruitment, will entail budgetary efforts from the education sector.⁵

As a result, even though budget reports for the years 2017 through 2019 disclosed that all but personnel-related recurrent expenditures, such as office supplies and maintenance, had been almost 100 percent executed by the education sector for the Ministry of National Education, Technical Education and Vocational Training, and the Ministry of Higher Education and Scientific Research, the capital expenditures portion of the education sector’s budget had not been fully implemented from 2017 until 2021.⁶ Capital projects completion rates stood at 81 percent for secondary education and 88 percent for higher education in 2018, for example.⁷ Furthermore, according to the presentation report on

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¹ https://www.plan.gouv.ci/accueil/odd/1
⁴ https://sdgs.un.org/goals/goal4

www.internationalbudget.org
the Ministry of Budget and State Portfolio’s budget execution law for 2020, the Ministry of National Education, Technical Education and Vocational Training implemented 64 percent of its projects per funding source while the Ministry of Higher Education and Scientific Research achieved a 96 percent implementation rate under the same section.

Despite improvements in performance indicators, such as gross enrollment rate and primary completion rate for girls, there are still gaps in girls’ completion of general secondary education. In addition, in 2021, the overall SDG trend in Côte d’Ivoire pointed to SDG 4 being on track, but with performance equal to 50 out of 100. For example, the gross enrollment rate rose from 89 percent in 2011-2012 to 100 percent in 2018-2019, and the primary school completion rate rose from 59 percent in 2010-2011 to 82 percent in 2019-2020. However, the country still reported that only 44 percent of its students in general secondary schools were female as of 2018. This situation calls into question the achievement of the SDG 4 objectives.

This brief aims to understand the reasons for budget underspending in the education sector and to assess its impact on program delivery and SDG 4 on education from 2017 to 2021. Two data collection techniques were used; desk research and interviews with key informants in government entities. The desk research consisted in collecting indicators on the achievement of SDG 4 targets from the archives of the Ministry of National Education, Technical and Vocational Training, and the Ministry of Higher Education and Scientific Research as well as the Ministry of Planning and Development. As for budgetary information, this included approved budgets and actual expenditures by the three technical ministries involved in education. Interviews were conducted with the Ministry of Budget and State Portfolio and the Ministry of National Education officials.

8 This information was published on the official portal of the Ivorian government, https://www.gouv.ci
Budget Credibility of Education Sector Policies Aimed at Children and Adolescents

According to the annual reports of the Cour des Comptes (Court of Auditors), the ministries comprising the education sector generally have high budget execution rates, but their spending rates vary by type of expenditure. In 2021, the Ministry of National Education and Literacy (known by its French acronym MENA) recorded the highest execution rate – 97 percent of the approved budget of 1,096 billion CFA francs, representing 23 percent of the State budget.9 The Ministry of Higher Education and Scientific Research (known by its French acronym MESRS), had a budget of 343 billion CFA francs, representing 7 percent of the general budget, and executed 91 percent of its planned activities. The Ministry of Technical Education, Vocational Training and Apprenticeship (known by its French acronym MENETFP) implemented 84 percent of its budget, spending 125 billion CFA francs, or 3 percent of the total budget.10

Analyzing the credibility trends by expenditure type shows that underspending against the budget is more pronounced for capital budgets between 2017 and 2021. The planned budget for non-staff recurrent expenditure in the education sector was almost consistent with budget plans.11 Under-utilization of investment budgets was observed, with execution rates of 78 percent for the Ministry of National Education, Technical and Vocational Training (MENETFP) and 53 percent for the Ministry of Higher Education and Scientific Research. For instance, the Integrated Program for the Sustainability of School Canteens was underfunded, with budget underspending of 71 percent and 61 percent in 2017 and 2018 respectively due to the absence of funding expected from the World Food Programme.12 Similarly, the National Computing Center also experienced budget under-utilization due to the non-disbursements from external donors in 2018. At the Ministry of National Education, Technical Training and Vocational

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9 Prior to 2021, MENA was known as the Ministry of National Education, Technical Education, and Vocational Training (MENET-FP).
10 The Ministry of National Education and Technical Education is a political body of the Government of Côte d’Ivoire in charge of pre-school, primary and secondary education.
12 Idem, page 50.
Training, out of an approved budget of 31 billion CFA francs for the investment chapter by project and by source of financing, 14 billion CFA francs were spent, representing a 45 percent implementation rate in 2019. Also, the integrated program to sustain school canteens was under-financed since funding expected from the financial partner was not forthcoming.

<table>
<thead>
<tr>
<th>Ministries</th>
<th>Expenditure Type</th>
<th>Approved Budget</th>
<th>Actual Expenditure</th>
<th>Deviations (amount)</th>
<th>Deviation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of National Education, and Technical and Vocational Training (MENETFP)</td>
<td>Recurring exp.</td>
<td>940</td>
<td>940</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Capital exp.</td>
<td>31</td>
<td>14</td>
<td>17</td>
<td>-55%</td>
</tr>
<tr>
<td>Ministry of Higher Education and Scientific Research (MESRS)</td>
<td>Recurring exp.</td>
<td>188</td>
<td>188</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Capital exp.</td>
<td>29</td>
<td>16</td>
<td>13</td>
<td>-45%</td>
</tr>
</tbody>
</table>

Source: Finance Act and Budget Execution Law, 2019

Data for the 2021 fiscal year are taken from the Court of Auditors’ final report on the performance audit of programs for 2021—and not from the report presenting the budget execution bill. Indeed, at the time of writing this brief, the 2021 document, like those for 2019 and 2020, was not available on the website of the Ministry of Budget and State Portfolio. Thus, the budget data available in that document are inadequate in terms of disaggregated data on budget expenditure. As a result, data on the expenditure of the technical ministries of education was not available with the same level of detail as in the report presenting the budget execution law. However, according to the final report on the performance audit of programs for the year 2021 by the Court of Auditors (see table 2): State expenditure under the total budget was 93 percent executed (6,824 billion CFA francs out of 7,302 billion CFA francs). Current

14 http://www.courdescomptes.ci/files/1680284298EXPEDITION%20RELFP%20%202021.pdf
transfer expenditure and finance charges on domestic debt were fully utilized, unlike capital expenditure, which was not fully executed. Expenditure on external financing of projects reached 69 percent of the planned amount (933 billion CFA francs out of 1,344 billion CFA francs), reflecting a 31 percent underspending of the investment budget.

<table>
<thead>
<tr>
<th>Nature of the Budget</th>
<th>Approved Budgets</th>
<th>Actual Expenditure</th>
<th>Execution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Budget</td>
<td>7,302</td>
<td>6,824</td>
<td>93%</td>
</tr>
<tr>
<td>External Financing of Projects</td>
<td>1,344</td>
<td>993</td>
<td>69%</td>
</tr>
</tbody>
</table>

Source: Final report on the 2021 program performance audit by the Court of Auditors
Causes and Impact of Budget Credibility Trends in the Education Sector

Recurrent expenditure, such as salaries and purchases of goods and services, is generally well executed (at more than 90 percent) while capital expenditure is less so (80 percent) for MESRS and 63 percent for MENETFP between 2018 and 2020 (see table 3). Investments are mainly financed by loans or grants, with a significantly low contribution from the federal government. This leads to low utilization of resources allocated to planned investments due to the complex procedures for the disbursement of external resources. Indeed, according to the report presenting the 2020 budget execution bill, the approved budget amounted to 8.8 billion CFA francs, divided between the federal government and the external partner at 2.3 billion CFA francs and 6.5 billion CFA francs, respectively. According to the report, however, the partner was unable to meet their commitments. As a result, many investment projects in the education sector, such as the construction of classrooms and the school canteen sustainability program, cannot be fully implemented on schedule. Concrete examples in 2020, such as the school canteen sustainability program (27 percent implementation), the project to equip the national computing center (12 percent implementation) and the construction of the Lycée d’Excellence de Grand-Bassam (50 percent implementation), are there to illustrate budget under-spending. In short, budget credibility too often hinges on co-financing from financial partners.

| Table 3: Education Sector Recurrent and Capital Expenditure Execution Rates, 2018-2020 |
|-------------------------------------------------|---------|---------|---------|---------|
| Ministry | Recurrent Expenditure | 2018 | 2019 | 2020 | Average |
| MENETFP  | 99% | 100% | 99% | 99% | 99% |
| MESRS    | 99% | 91% | 99% | 96% | 96% |
| Capital Expenditure | 81% | 45% | 64% | 63% | 63% |
| MENETFP  | 81% | 45% | 64% | 63% | 63% |
| MESRS    | 88% | 57% | 96% | 80% | 80% |

Source: Data from the Amending Finance Law for 2019, 2020 and the report presenting the Budget Execution Bill for the years 2017-2020
This means that there are governmental actions, including for SDG 4, which have not been carried out due to the lack of financial resources. Since the performance of a sector is closely linked to the achievement of its planned activities, what is the impact of budget credibility on the education sector? As noted, capital expenditure on the integrated school canteen program and the National Computing Centre was under-utilized. This implies that those programs have not been effective in benefiting the population because some of the activities contributing to the program objectives could not be carried out. As a result, the under-performance of ministry programs, especially in the education sector, has a negative impact on the achievement of SDG 4 targets. According to the Court of Auditors’ report, the program performance measures the level of execution of all programmed activities in relation to the budget of each ministry or institution. Based on this assertion by the Court of Auditors, program performance informs the impact of budget credibility. Programs are the set of actions to be carried out by government departments in line with public policy. Therefore, the higher the program performance, the more credible the program.

Figure 1 below shows the level of performance of the ministries that are related to the education sector in 2020 and 2021 in terms of execution rates, according to the Court of Auditors. The Court of Auditors does not consider the performance of ministries in the education sector, since prior to the adoption of program-based budgeting in 2020, ministries were not measuring the performance of their programs. Moreover, the final budget audit reports of the Court of Auditors made no mention of program performance.
The technical ministries of the education system achieved an execution rate of 64 and 84 percent in 2020 and 2021 respectively. According to the Court of Auditors, this level of execution is relative to the level of achievement of indicators whose targets have been defined by the ministries themselves. Indeed, the programs carried out by the ministries reflect public policies. This means that the program of each ministry should improve the living conditions of the population. Indeed, program performance is nothing other than meeting people's needs in terms of goods and services and raising their standard of living. Consequently, when budgets are underspent or programs are implemented partially, the expected outcomes from planned programs will likely not be achieved.
Conclusions and Recommendations

The effective implementation of government programs is becoming even more necessary in view of the imminent deadline for the SDGs by 2030. When it comes to Côte d’Ivoire’s progress toward SDG4, budget documents such as the Finance Act, budget execution bill presentation reports, budget execution laws, and performance reports from the Court of Auditors reveal numerous cases of under-utilized education sector budgets. The Court of Auditors’ final reports for 2017 through 2021 also highlighted several cases of underspending on government program budgets, with a national budget execution rate of 86 percent and underspending of 14 percent. In 2021, across all programs, the general budget was 89 percent implemented (4.3 billion CFA francs out of a forecasted amount of 4.8 billion CFA francs). This funding shortfall represents a significant funding opportunity for the construction of school infrastructure contributing to the achievement of the SDG targets.

Reviewing budget execution from the budget credibility angle is an effective way of verifying actual expenditure on public programs. The reports presenting the budget execution bill reveal that budget underspending is more frequent in investments, particularly those financed by external partners. For example, funds allocated to the Integrated School Canteen Sustainability Program have been underutilized for more than three years due to a lack of contribution from a key partner. This situation jeopardizes the retention of students in the school system in rural areas. These findings are consistent with the conclusions of a report on SDG 4, which highlighted the urgent need for funding in the education sector. Thus, the findings on education sector budget credibility contained in this brief offer a potential solution to funding needs if reforms are undertaken to close the identified underutilization gaps.

Côte d’Ivoire’s education sector has persistently underspent its budget. The budget gaps are concretely reflected in planned actions not being implemented by government in the sector during the study period (2017-2021). These findings demonstrate the urgent need to have in place budgetary provisions and mechanisms to attain planned expenditure for the achievement of SDG 4 targets in the education sector.

The study recommends the following to improve execution of the Education sector budget:

- Government should enhance disaggregated reporting on education sector budget execution compared with original and revised allocations and how deviations impact the delivery of planned sector programs, while providing adequate reasons and justifications for deviations in published education sector performance reports.

- Build the capacity of program/grant and mission managers to enhance their competence in complying with donor procedures for projects co-financed by the State and development partners.
• Strengthen the capacity of the Ministry of Planning and Development to develop a data collection tool to have reliable and up-to-date statistics on SDG implementation.

• Parliament must exercise their oversight of in-year budget implementation through its education committee and demand better published explanations from the executive for budget deviations. Audits of budget credibility in the education sector by the Supreme Audit Institution can put pressure on the Executive branch to press for improved budget execution in the sector.

• Civil society should dialogue with government on how underspending of the sector budget is impeding the delivery of planned programs and efforts to achieve SDG 4 on education.
References

The International Budget Partnership (IBP) headquarters:
750 First Street NE, Suite 700
Washington, D.C. 20002
Tel: +1 202 792 6833

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info@internationalbudget.org or visit
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