

Report of the Provisional Independent Technical Advisory Panel¹ Final Report for GPE Board December 17, 2021

GPE 2025 Operating Model Enabling Factors Assessment El Salvador

Background

In line with the pilot of the GPE 2025 operating model, government and country partners in El Salvador have analyzed country progress in four enabling factors. The country analysis and supporting documentation were shared with the Independent Technical Advisory Panel (ITAP), which is tasked by the GPE Board with providing an independent assessment of country status vis-à-vis the enabling factors.

The ITAP assessment seeks to contribute to country policy dialogue, and also considers the extent to which challenges in specific enabling factors act as bottlenecks to country system transformation goals. Based on its assessment, the ITAP classifies each factor as having a low, medium, or high priority for action. A designation of ‘high’ priority indicates that challenges in the factor may act as a significant bottleneck to country system transformation priorities.

This report has been shared with government and country partners for comment. Comments received have been considered in the preparation of this final ITAP report to inform Board decision-making on the STG allocation.

¹ The ITAP operates as an independent advisory body to the GPE Board. ITAP country panel members for this report: Desmond Bermingham (Chair), Joan DeJaeghere, Sara Poehlman, and Susy Ndaruhutse. The views expressed in this report are solely those of the ITAP country panel. Where ITAP reports lists any specific suggestions or recommendations on how to address gaps identified, these should be regarded as illustrative only and there is no expectation from ITAP or GPE that countries follow these specific actions.

Part A: Main Panel Conclusions

Data and Evidence – High priority

The ITAP concurs with the Grupo Local de Educación (GLE) regarding the need for improvement in the collection, quality and use of data and evidence for policy making in the education sector. The ITAP found that there is a broad array of data gathered through the IT tools and administrative records of the Ministerio de Educación, Ciencia y Tecnología (MINEDUCYT) but there is a need to improve the coherence and use of this data in order to have a significant impact on system transformation. Population data are estimates based on the last census (2007) and there are likely to be inaccuracies in projected educational indicators, particularly with regards to the impact of migration and forced mobility. Data are collected at the student and school level for learning outcomes of the final year of secondary (bachillerato), through PAES (until 2019) and AVANZO (online test in 2020). There are no other system-wide learning outcomes data collected at primary or middle school years. In an effort to integrate systems of data, MINEDUCYT established El Sistema de Información para la Gestión Educativa Salvadoreña (SIGES) in 2019, but it has not yet been fully deployed. Challenges in each of these areas have persisted over several planning periods. The ITAP considers that addressing these challenges could support transformation in the system by ensuring the credibility of data, integrating data across sectors, and utilizing it for planning purposes. The ITAP concurred with the GLE that this enabling factor area should be a **HIGH PRIORITY**.

Gender-Responsive Sector Planning, Policy and Monitoring – High priority

The ITAP believes that the Plan Estratégico Institucional (PEI) 2019–2024 lays out a rights-based strategic vision to transform education in the context of a pandemic and ambitious plans for system reform to meet the national vision of a just and equitable society as reflected in the social policies from the Constitution. Education plans have begun to incorporate gender-responsive strategies. However, past discourse on social exclusion has not translated into significant results or reduction of inequities. Challenges remain and there is a need for clear policies to ensure the right to education for an estimated 500,000 children and youth aged 12 to 24 years old who were out of school in 2017. Government estimates that 68 students a day drop out of school due to violence.ⁱ Education strategies focus on the institutional or school level but do not appear to adequately address issues outside of school, and they should. The ministry's gender policy, Política de Equidad e Igualdad de Género (PEIG), will need to be supported by strong accountability and monitoring mechanisms in order to reduce equity gaps between female and male students in the face of deeply entrenched cultural norms. Gender inequality is compounded by other factors that promote exclusion, including high seismic risk, climate risk, zones of violence and inequities between rural and urban communities. The ITAP considers that these factors should be analyzed in a coordinated way in the sector planning process to ensure more equitable targeting of technical and financial resources. The ITAP also believes that improved operational tools and reliable data will be required in order for policies and investments to achieve national goals. The ITAP concurs with

the country assessment that gender-responsive sector planning, policies and monitoring should be an area of **HIGH PRIORITY**.

Sector Coordination: Inclusive Sector Dialogue and Coordinated Action and Coordinated Financing and Funding – High priority

The ITAP concurs with the GLE's assessment of the importance of promoting inclusive sector dialogue, coordinating action and finance across sectors in order to achieve meaningful and lasting progress in the education sector. The PEI includes strong statements of commitment to working across sectors and including representatives from a wide range of stakeholders as well as international organizations. The GLE is relatively new – having been established in 2019 in part as a response to the requirements of the GPE. The GLE has clear terms of reference which demonstrate a good understanding of the principles underlying the GPE strategic framework as well as the role of the local education group as a platform for a wide range of stakeholders to contribute to the development of the education sector plan and to coordinate support for its implementation. The country has not completed a recent joint sector review (JSR) but there are plans to conduct JSRs for the next four years with World Bank technical support. It will be important to use the first review to establish a clear set of measurable indicators to measure progress towards the agreed strategic objectives in the PEI. This will help to increase the likelihood that the sector plans and coordinating mechanisms have a real impact on the quality of education. The ITAP concurs with the assessment of the GLE that ensuring inclusive sector dialogue and coordinated action should be a **HIGH PRIORITY** as this is likely to bring significant benefits and support system transformation.

Volume, equity and efficiency of domestic public expenditure on education – Medium priority

The ITAP concurs with the GLE assessment that the government could give a higher priority to education spending as a share of overall domestic spending. The ITAP positively notes the plan to dedicate 5.5% of GDP to education in 2021 but is concerned whether this is realistic given it is a significant jump from previous years at the same time as the economy is experiencing negative impacts of COVID-19. The share of government expenditure on education is relatively low (15–17%) compared to the GPE benchmark 20%, although this may be off-set by education-related expenditure in other sectors which are not captured in the education budget. The ITAP believes that there are potential opportunities for improving the efficiency and equity of domestic resources for education (particularly in addressing internal inefficiency due to low levels of learning and in targeting subsidies towards poorest and most disadvantaged students); and ensuring that the mechanisms in place for monitoring the link between planning, budgeting and results-based expenditure are used, e.g., ensuring funds are allocated and spent on each of the priorities in the plan. The ITAP notes that there has been improvement in recent years in developing costed sector plans and annual reporting on progress against targets from the plan. A gap identified by the ITAP is the absence of a recent

public expenditure review which would help to produce a more up-to-date analysis of the equity, efficiency and effectiveness of public expenditure. The ITAP concurs with the GLE's assessment of this enabling factor area as **MEDIUM PRIORITY**.

Part B: Assessment of Enabling Factor Areas

1. Data and Evidence

The ITAP noted recent progress in the area of collecting relevant, reliable and systematic data and evidence. **An EMIS system – Sistema de Información para la Gestión Educativa Salvadoreña (SIGES) – has been designed in line with international standards of educational indicators and data.** In particular, the SIGES includes the collection and analysis of data by sex as well as disability. The system also plans to collect data on students' identities, including indigenous students. However, to date, reports generated from the available data do not present an integrated analysis of educational indicators by key demographic variables, such as locality (rural/urban), race/ethnicity, socio-economic status, or languages used.

Another key area of progress has been Ministerio de Educación, Ciencia y Tecnología **(MINEDUCYT) participation in Estudio Regional Comparativo y Explicativo (ERCE) in 2019, that compares the education system in 18 Latin American countries, and PISA (2021).** Analysis of the data from El Salvador has not yet been reported for either of these assessments. Participation in these regional and international assessments can build capacity among ministerial staff responsible for the development, gathering and analysis of assessment data. These studies also provide a baseline on learning outcomes, which has been only partial from small-scale studies in the past. The ERCE 2019 study analyzed the curriculum in three subject areas for grades 3 and 6, mathematics, language and natural sciences. This study found that skills, knowledge and comprehension in the language curriculum are emphasized while reflection and evaluation were nearly absent. They also found no mention of gender equity within these subject areas.

There are persistent challenges in the collection, verification, and use of data for policy making in the education system. The data gathered to date through the school census and other tools has focused on some key indicators, drop-outs, repeaters, and over-age enrollment, but a broader set of indicators, their analysis and use is necessary to understand the challenges within the system. These indicators show some potentially troubling patterns in school participation. Since 2014, the data show declining enrollment rates for basic education (from 88% net enrolment rate (NER) in 2014 to 80% NER in 2018). The out-of-school data show increases among primary and secondary school age children over the last five years. While there has been a decrease in the population for these age groups over these years, these rates are calculated based on adjusted projections. There is a need for a current census to ensure more accurate calculations of enrollment and out-of-school numbers, though this would require support from other institutional agencies, DIGESTYC and CAPRES.

Consistent and reliable data could contribute to understanding the challenges in the education system. These include: learning outcome data at each level; and demographic data on sex (and other gender indicators), language use, location, migration, and violence.

Learning outcome data has not been systematically collected since 2007 at any level other than the final year of secondary school. Learning data at pre-primary, a key priority, could be useful to understand the preparedness of students entering primary school, including an analysis of those who attend pre-primary education or community-based learning circles and those who do not. Learning outcomes should also be gathered at key primary grades, e.g., 3 and 6. Studies undertaken by the World Bank, for example, show that age 10 students are 4% below the average in reading compared with other students in Latin America, and a greater percentage of age 10 girls are unable to read and write. **Having learning outcomes data at these primary grades could help to identify problems in the curriculum as well as teaching and could help inform policies and practice to address causes of drop-out and low learning outcomes in the secondary years.** Furthermore, the tests used to assess learning outcomes at the completion of secondary school (bachillerato) was changed in 2019 due to technical concerns, and a new test, AVANZO, given online during COVID-19. **The psychometric properties of these tests (or any tests developed for future use) need to be further analyzed, and the capacity of the ministry to develop reliable and valid tests should be supported.**

Gathering additional demographic data on home language use and/or indigenous status, rural/urban as well as migration, and on violence are all critical for analyzing causes of poor educational retention and learning throughout the system and levels. For example, the data gathered for the Observatorio MINED show that two-thirds of education centers are rural; but the various educational indicators are not analyzed by rural/urban to identify where problems might exist in the system. Migration may be another indicator to gather as considerable movement of students seems to happen between schools and regions.

Gender equality has been identified as a top priority within the education system but reports state that while key educational indicators (e.g., enrollment, completion, etc.) are sex-disaggregated, these data do not show the gender inequalities in the system. Data on reasons for drop-out, such as pregnancy or gender-based violence, would be important to gather and analyze systematically. The Ministry of Education's participation with the Ministry of Health's strategy on the prevention of pregnancy is critical in the collection and use of these data. An intersectoral strategy on the prevention of pregnancy is led by the CONNA, and the collaboration with the Ministry of Education in the collection and use of this data is part of its strategic objectives with different actions as well as the submission of necessary information. Additionally, and as discussed above in the ERCE study, gender equity is not consistently addressed in the curriculum nor in school policies and practices. Related to gender equity are data on violence, particularly school related gender-based violence. The Ministry of Justice and Public survey on Safety on Violence against Children (2017) provides very important data that could be integrated into SIGES. The SIGES, when fully implemented, includes data to identify and report cases of violence, including gender-based violence, sexual harassment, as well as school violence and bullying. These data, when collected, need to be used at all levels to address underlying issues.

Finally, the lack of integration of data about the education system with data from related sectors (e.g., health, safety) has resulted in disparate reports and use of data. Data are reported in Boletines by the Observatorio MINED, often by municipalities or schools, seemingly used for descriptive purposes of tracking basic educational indicators. There is a need for data to be verified and analyzed in ways that can support more nuanced policy making, especially linked to the key priorities areas of learning outcomes, gender equality and early childhood education. In sum, the use of select high quality data for policy discussions and planning is more important than the gathering and analyzing of too many data points that are not used.

Given the progress made and the challenges identified by the GLE and the ITAP assessment, the following areas for emphasis or attention have been identified.

The GLE has identified the need for support to develop capacity to gather, verify and use data within the SIGES system. Indicators mentioned above should be included within SIGES to not only align with international standards, such as those used by UNESCO, but also for analyzing key problems within the system. Capacity development of staff at all levels, within the Ministry, as well as at municipal and school levels, is important for gathering valid data, and analyzing and using it to improve educational policy and practice. World Bank analysis has also identified that capacity for gathering and using data is low at all levels.ⁱⁱ

The ITAP also identified the need for enhancing capacity for test development and standardization and use of learning outcomes data. Because learning outcome data have not been collected since 2007 at all levels, there is a need to develop the capacity for test development, aligned with curricular objectives and content, as well as with international and regional practices and standards for developing questions and analyzing and comparing results. Participation in PISA and ERCE may support this and further capacity in psychometric testing and analysis would be important.

Conclusion

The ITAP agrees with the GLE that data and evidence should be a **high priority**. While steps have been made to develop an EMIS (SIGES), support and capacity should now be utilized to implement and integrate it with the priorities of learning outcomes, gender equality and early childhood so that data can be systematically collected to inform the policies and programs affecting these priorities areas.

2. Gender-Responsive Sector Planning, Policy and Monitoring

The Plan Estratégico Institucional (PEI) 2019–2024 lays out a rights-based strategic vision to transform education in the context of a pandemic and includes ambitious plans for system reform to meet the national vision of a just and equitable society laid out in layers of social policies from the Constitution. Current policy frameworks, such as Crecer Juntos, take a long-term approach to improve the development of children and level the playing field for vulnerable children and youth. The Growing Up and Learning Together Project expects benefits will materialize over the life cycle, from enhanced school readiness at entry to primary school, onward to improved learning and labor market outcomes, with an expected benefit-to-cost ratio of 8 percent or more.

Education plans have begun only recently to incorporate gender-responsive strategies. Plan Social Educativo 2009–2014 included the right to education aiming to improve access and retention for students coming from the most vulnerable sectors of society. While giving a focus to social, economic and geographical inequities, it did not include specific targets or indicators, nor a focus on gender, which subsequently became a pillar of the Plan de Desarrollo, Inclusión y Protección Social 2014–2019.

But many challenges remain to address inefficiencies and inequities in the education system. Primary school net enrollment rates dropped from 94% in 2009 to 82% in 2018, with high repetition in Grade 1 (7.3%) and half of children in Grade 2 below the minimum literacy levels.ⁱⁱⁱ The rural-urban gap widens throughout the basic cycle of education, starting with more rural students nationally in Grade 1 (53.9% rural versus 46.1% urban) and far more urban students by Grade 9 (41.9% rural versus 58.1% urban).^{iv} Gender gaps also widen throughout the education cycle.

The Política de Equidad e Igualdad de Género (PEIG) establishes priorities around gender and social inclusion that appear not to have been fully implemented at the school or institutional level despite past discourse on improved equity. This policy, in line with the wider education and social sectors, lays out ambitious plans to address deeply rooted issues in a relatively short time period and asserts that sexist foundations and deeply entrenched challenges have rendered the education system a public service that replicates and exacerbates existing inequalities.

In addition to gender, other human-rights related issues remain unaddressed in the education system. Education Sector Analysis in 2017 estimated 500,000 children and youth aged 12 to 24 years old were out of school^v, without a clear policy on how to reach them; no further age-disaggregated information or updated out of school data is available and donors have raised challenges in getting **reliable data to inform decision-making on out of school children without being politicized.**

The USAID 2017 educator sector evaluation raised concerns about prejudicial attitudes and discriminatory practices against indigenous children and families, that were previously raised in a joint Banco Mundial/MINED 2003 report *Perfil de los Pueblos Indígenas en El Salvador* and

in a more recent 2013 study by Oficina del Alto Comisionado de las Naciones Unidas para los Derechos Humanos-Oficina Regional para América Central ; yet issues of indigenous education are inadequately addressed in plans. The lack of services and inclusion of children and youth with disabilities has also been recognized as a challenge although with more enabling plans and structures.

Factors pushing children and youth out of school are recognized in both evaluations and policies, but strategies focus on the institutional or school level without adequately addressing issues outside of the school structure. Governance experts appreciate and lament the role of education in violence and security recognizing that if the education system cannot absorb out of school youth, then the country will never resolve the problem of violence and gangs.

El Salvador has the highest child homicide rate in the world; a school child is killed one in every five days. Community violence and school desertion are strongly linked: 50 municipalities account for 66% of homicides in El Salvador and also 82% percent of school drop-out.^{vi} Students exposed to domestic violence and abuse have lower learning outcomes, and an estimated 68 students drop out of school every day due to violence. Yet there are few specific targeted provisions for the return of these vulnerable children and youth into the education system, with exception of the 2018 protocol for adolescent mothers and pregnancy.

Weak institutional capacity over time has led to a lack of coordination at a school level where many initiatives collide and create saturation without translating ambitious national policies into concrete outcomes. As noted above, there is a lack of reliable data to inform decision-making at central or local level. The Implementation Plan (2020-2025) of the Política de Equidad e Igualdad de Género (PEIG) MINEDUCYT is nascent and will need strong accountability and monitoring mechanisms to translate into reduced gaps between female and male students in the face of deeply entrenched sexist cultural norms.

For sustained results, more equitable systemic investments are required across different age groups and cycles of education. The cost of education for each child age 0-6 was US\$84 in 2018, while the amount for each primary student reached almost US\$458. Crecer Juntos is expected to have positive social impacts from increased quality of early childhood service delivery, but the project also cites risks exacerbating existing inequalities if potential impacts and barriers to access are not properly addressed for certain populations including: girls, children with disabilities, indigenous peoples, Afro-descendants, children living in poverty or geographical isolation, and other vulnerable and disadvantaged individuals or groups. Implementation of past education plans has not necessarily improved equity or targeting of resources to reduce exclusion from school and learning inequities. Gender is rightfully recognized as a major factor of exclusion along with other compounding factors.

A more integrated analysis of vulnerability and coordinated targeting of technical and financial resources will be required to overcome the entrenched challenges and achieve national priorities in education access, learning and equity. A gender gap analysis linked to other factors of exclusion, including high seismic risk, climate risk, rural-urban divide and zones of violence, will be essential to inform the next stage of sector planning and monitoring.

The pervasiveness of violence in schools is highlighted in national development plans. Yet the needs of at-risk youth – particularly those who are involved in gangs – do not appear to be adequately addressed in the education plans. PEI 2019–2024 aims to build better systems of accountability and monitoring of violence in schools but does not address some of the most influential factors outside the school nor apply prevention and early warning mechanisms to build resilience in the face of violence, along with disasters and climate change.

Policies recognize the issues students face outside school but without clear strategies or structures for engagement with communities and families, nor educational support mechanisms for children when family structures fall apart. Migratory flow out of the country has fragmented families and deepened the vulnerability of children. For students, especially boys, this presents greater risk for school drop-out and joining gangs.

The ITAP concurs with the GLE analysis that procedures, tools and mechanisms must be strengthened to incorporate cross-cutting issues of gender, along with other vulnerabilities, to reach national goals. Responsibilities for planning and monitoring social services for improved inclusion relies on multiple institutional layers and overlapping mandates. The complex inter-sectoral nature of the PEI 2019–2024 requires operational planning tools that link activities to accountability elements, such as defined roles and responsibilities, and harmonization between school and central level. To correct sector policies and budgets that have reinforced existing gender inequalities, program budgeting and monitoring must systematize tools that enable improved distribution of benefits to marginalized groups.

Conclusion

The ITAP concurs with the country assessment as this being an area of **high priority**. As past policies have not recognized inequality between genders, they have reproduced educational structures that excluded women and girls from the resources and benefits.

3. Sector Coordination: Inclusive Sector Dialogue and Coordinated Action and Coordinated Financing and Funding

The ITAP concurs with the GLE’s assessment of the importance of promoting inclusive sector dialogue, coordinating action and finance across sectors in order to achieve meaningful and lasting progress in the education sector. The PEI includes strong statements of commitment to working across sectors and including representatives from a wide range of stakeholders as well as international organizations. The Plan acknowledges that many of the challenges faced by the education sector can only be addressed through coordinated action involving families, schools, non-government organizations (NGOs) and private sector organizations. In particular, the strategic priorities to expand access to pre-primary education and to reduce the impact of gang violence in schools will only be achieved through partnership with local and national organizations from outside the education sector. The ITAP also endorses the GLE’s analysis of the enabling factor areas to integrate different sectors and ensure broad participation in the development and implementation of the education sector plan.

The country has established a high level Gabinete de Bienestar Social which includes the participation of seventeen public institutions and works under the strategic direction of the Office of the First Lady with cross-sector coordination led by the Comisionada Presidencial para Operaciones y Gabinete de Gobierno. This is evidence of a high-level political commitment to coordinated action across government and will be particularly valuable in bringing together interventions in the health, social protection and security sectors to increase the likelihood of making progress in overcoming the many challenges preventing children and young people from accessing and learning in the education system in El Salvador. As noted in the previous section, it will be essential to match this policy commitment with targeted actions and regular monitoring in order to achieve transformative change.

The GLE has clear terms of reference which demonstrate a good understanding of the principles underlying the GPE strategic framework as well as the role of the GLE as a platform for a wide range of stakeholders to contribute to the development of the education sector plan and to coordinate support for its implementation. **The Group is relatively new having been established in 2019 in part as a response to the requirements of the GPE.** The first meeting was convened in August 2020 by UNICEF in its capacity as coordinating agency under the leadership of the MINEDUCYT. The minutes of the meeting show a wide range of participants including from other government departments, national and international NGOs, UN agencies as well as the World Bank, IADB and GPE. Bilateral donor agencies were represented by Canada (embassy) and Germany (GIZ). The GLE also provides a clear analysis of the priority requirements in this area including the lack of compliance with national and international commitments on gender and equality issues and the need to establish a baseline for gender equity and equality. It is too soon to judge the effectiveness of the GLE in enhancing sector coordination but there is evidence of a strong foundation.

The ITAP would suggest that the GLE consider the practice of other local education groups who have introduced a self-assessment / peer review process to monitor the success of the Group in improving dialogue, coordination and collaboration among a wide range of stakeholders.

The country has not completed a recent joint sector review (JSR) but there are plans to conduct JSRs for the next four years with World Bank technical support. It will be important to use the first review to establish a clear set of measurable indicators to measure progress towards the agreed strategic objectives in the PEI. This will help to increase the likelihood that the sector plans and coordinating mechanisms have a real impact on the quality of education.

Bilateral donor financing is a relatively small share of the total investment in the education sector in El Salvador – GLE estimates less than 1% in 2019–20. The country has recently secured substantial loans from the World Bank and the IADB (US\$200M and US\$100M, respectively). These loans will be managed and executed by the MINEDUCYT using government systems and following the procedures of the banks. The ITAP noted that both projects will be implemented through a project implementation unit with the Ministry. This will reduce transaction costs and the risk of creating parallel and cumbersome systems. The issue of coordination of external financing was therefore judged to be less of an urgent priority. The ITAP agrees with this assessment.

Conclusion

The ITAP concurs with the assessment of the GLE that ensuring inclusive sector dialogue and coordinated action should be a **high priority** as this is likely to bring significant benefits and support system transformation.

4. Volume, Equity, and Efficiency of Domestic Public Expenditure on Education

Volume of domestic financing: The ITAP notes that government education spending in El Salvador as a percentage of GDP has consistently exceeded 4% in recent years and there is a commitment to 5.5% for 2021 and beyond. However, there is a concern about whether this significant increase on previous years is realistic, particularly given the economic impact of COVID-19. As well as investment in the public health system, the government invested significantly to limit the impact of COVID-19 on households and businesses including through the provision of cash transfers to around 60% of households as well as payment deferrals for taxes, loans and mortgages. As a result, El Salvador's GDP was predicted to drop by 8.7% in 2020 and then increase by 4.9% in 2021. Around 20% of GDP is financed through remittances from Salvadoran migrants working in the USA, which creates some uncertainty around the short-term sustainability of this level of remittances as it will depend on the USA's economic recovery.

There may be some scope for an increase in recurrent education expenditure as a share of public recurrent expenditure given levels have averaged around 15% in recent years, and education as a share of GDP in El Salvador is lower than other countries in the region. However, as there are a number of integrated programs such as *Creceer Juntos* and other social transfers, it may well be that some education/child spending occurs through health and social welfare budgets, meaning education's share of public recurrent spending is understated in these figures.

Table 1: Share of education expenditure in GDP and in total government expenditure

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|-------|-------|-------|-------|-------|-------|-------|
| Education as % of GDP | 4.0% | 4.4% | 4.4% | 5.5% | 5.5% | 5.4% | 5.4% |
| Education as % of government expenditure (excluding debt service) | 16.3% | 16.8% | 13.0% | 15.5% | 17.0% | 15.3% | 16.7% |
| Recurrent education expenditure as % of public recurrent expenditure (excluding debt service) | 18.5% | 18.8% | 13.9% | 15.6% | 15.4% | 15.3% | 15.1% |

Source: Computed from "Domestic financing requirement matrix"

The ITAP also notes that while government reports show that El Salvador has disbursed its 2020 and 2021 budget at close to 100%, other data from earlier years comparing the voted and executed budgets indicates that recurrent budget disbursement rates have traditionally fluctuated between around 85% and 90% suggesting that there may be some room for improvement. This also points to the need to provide a single reliable source for finance data, including trend data.

Reviews completed in preparation for the PEI 2019–2024 show that the country has a track record of developing policies, plans and programs but without always allocating sufficient resources for them. The PEI does contain a comprehensive costed plan that includes costed outputs and objectives for each for the strategic priorities, but it is not clear whether this is fully covered by domestic resources or whether it includes a financing gap. An annual operating plan (POA) reporting template developed by MINEDUCYT provides a framework for reporting progress against annual targets, a recommendation that was made by CONED in the 2018 report on progress in implementing the previous sector plan, the PESE. The ITAP commends MINEDUCYT on the annual monitoring report for the 2020 operating plan, which was completed in February 2021 and provides a comprehensive traffic lighted report on the progress against annual targets. However, the report does not include a summary of spending against budget for each of the objectives. The ITAP suggests that future reporting templates could be amended to enable MINEDUCYT to monitor how well financial expenditure aligns to planned priorities.

Equity: As noted in previous sections, children from the poorest families (often those in rural areas) have the lowest rates of enrolment and attendance and are at highest risk of drop-out. Some municipalities have particularly high rates of crime and violence resulting in children not attending school. Fifteen municipalities in the country do not offer secondary education, demonstrating geographical inequities at this level, and many schools, especially in rural areas, have a shortage of teachers. There has not been a recent public expenditure review that provides details of the extent to which education spending is pro-poor (overall, by sub-sector and at each level). Social programs are generally aimed at lower-income households, but the education transfers (the School Lunch Program, the Glass of Milk Program and the School Kits Program) appear to be universal for all students in basic education rather than targeted towards students in families in the poorest income quintiles. The ITAP recommends that MINEDUCYT explores options for more effective targeting of subsidies to poorer households as well as measures to increase safety in schools and improve the quality of learning especially for girls.

Efficiency: The ITAP notes that repetition and drop-out are a challenge throughout basic education though there was a slow trajectory of improvement from 2014 to 2018. Repetition is a particular challenge in grade 1 and grade 7, key transition points, pointing to a lack of readiness at these transition points that results in large numbers of overage children as well as high dropout in grades 8 and 9. Four out of ten young people between the ages of 14 and 19 years old have left school before finishing their secondary education. This points to a need to improve quality in order to enable the flow of students through the education system in a more efficient manner. There are 427 rural public schools which only have one multi-grade teacher and 33% of schools in 2018 had three or fewer teachers. Small rural public schools are a response to environmental challenges which have been exacerbated by climate change e.g. rural roads are regularly flooded and can wash away making attendance at schools further away impossible. Small local schools are also a response to parents' concerns about high levels of community and gang violence that puts children at substantial risk if they are travelling longer distances to school. As a result, it may not be feasible to improve the efficiency

of these small schools without any intervention having a detrimental impact on equity and drop-out. Nonetheless, the ITAP would recommend further research on the optimum size, of schools' number of teachers, and funding to small rural schools to ensure a focus on equity and scope for integrating children who are currently out of school.

The ITAP also recommends that MINEDUCYT commission a public expenditure review to review more fully the equity, efficiency and effectiveness of public spending on education.

Conclusion

The ITAP endorses the LEG's assessment of this enabling factor area as **medium priority** as while the government could be giving a higher prioritization to education spending as a share of overall domestic spending, there are also potential opportunities for:

1. Improvement in the efficiency and equity of domestic resources for education (particularly in addressing internal inefficiency due to low levels of learning and in targeting subsidies towards to poorest and most disadvantaged students); and
2. Ensuring that the mechanisms in place for monitoring the link between planning, budgeting and results-based expenditure are used (e.g. ensuring funds are allocated and spent on each of the priorities in the plan).

ⁱ USAID (2017). EVALUACIÓN DEL SECTOR EDUCACIÓN DE EL SALVADOR. USAID/EL SALVADOR. Noviembre de 2017.

ⁱⁱ World Bank (2020). IBRD. PROJECT APPRAISAL DOCUMENT ON A PROPOSED LOAN IN THE AMOUNT OF US\$250 MILLION TO THE REPUBLIC OF EL SALVADOR FOR THE GROWING UP AND LEARNING TOGETHER: COMPREHENSIVE EARLY CHILDHOOD DEVELOPMENT IN EL SALVADOR PROJECT. February 27, 2020. PAD3548.

ⁱⁱⁱ USAID 2017

^{iv} Ibid.

^v Ibid.

^{vi} Ibid.