



VESP

**VANUATU EDUCATION
SUPPORT PROGRAM**

Context Analysis

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GOUVERNEMENT
DE LA REPUBLIQUE
DE VANUATU
MINISTRE DE
L'EDUCATION ET DE LA
FORMATION



GOVERNMENT
OF THE REPUBLIC
OF VANUATU
MINISTRY OF EDUCATION
AND TRAINING



Vanuatu Education Support Program is managed by Tetra Tech International Development – Asia Pacific, on behalf of the Australian Government

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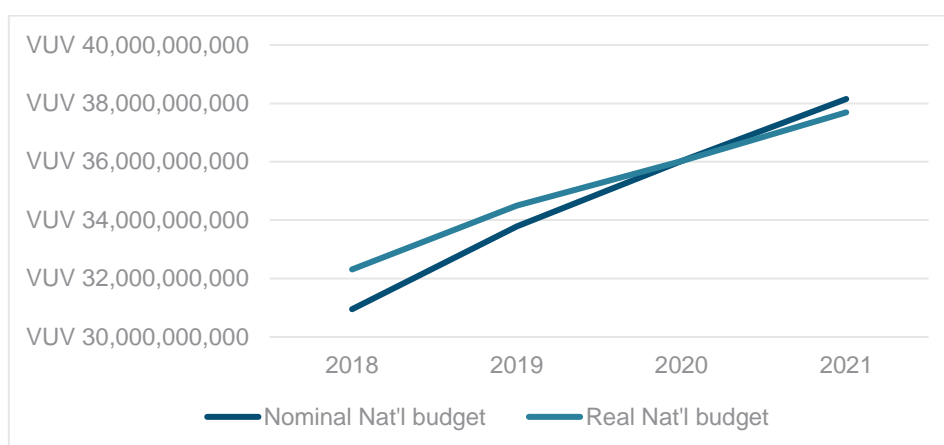
Acronyms

ECCE	Early Childhood Care and Education
ESPIG	Education Sector Program Implementation Grant
GDP	Gross Domestic Product
GPE	Global Partnership for Education
MFEM	Ministry of Finance and Economic Management
MoET	Ministry of Education and Training
NDMO	Vanuatu National Disaster Management Office
NPP	New Policy Proposals
NSDP	National Sustainable Development Plan
SES	Social-Economic Status
VDSP	Vanuatu Development Support Program
OECD	Organization for Economic Cooperation and Development
OVEMIS	Open Vanuatu Education Management Information Systems
VESP	Vanuatu Education Support Program
VETSS	Vanuatu Education and Training Sector Strategy
VIT	Vanuatu Institute of Technology
VITE	Vanuatu Institute of Teacher Education

1 Vanuatu's fiscal effort in education

The Vanuatu National Budget for 2021 increased 6 per cent relative to its 2020 level, from VUV 36,019,616,235 in 2020¹ to VUV 38,148,027,057 in 2021.² Figure 1 shows the national budget trends, in their nominal and real values, set to 2020 prices.

Figure 1 – Vanuatu National Budget (2018-2021)³



The budget appropriated to the Ministry of Education and Training (MoET) increased from VUV 7,298,515,792 in 2020⁴ to VUV 9,139,820,137 in 2021⁵. The budget increase equals VUV 1,841,304,34⁵ or about 25 per cent from its 2020 level.⁶

The 2021 nominal increase in the budget⁷ is made of three additions to the MoET's budget:

- 46 per cent (VUV 838,369,211) is attributable to the reallocation of the higher-education scholarship program from the budget of the Ministry of Economy and Financial Management (MFEM) to MoET's budget.
- 47 per cent (VUV 883,072,610) comes from the New Policy Proposals (NPP)⁸ awarded to MoET, totalling VUV 883,072,610.
- 7 per cent (VUV 119,862,524) from adjustments and variations.

¹ Source: 2020 Volume 1&2 Budget Book, page 170

² Source: Volume 2 Budget Book (draft), page 15

³ Source: Vanuatu National Budget trends - 2018 to 2021 Volumes 1&2 Budget books; 2021 estimates taken from https://parliament.gov.vu/images/Bills/2020/2nd_Ordinary/English/Bill_for_the_Appropriation_2021_Act_No_of_2020.pdf

⁴ Source: 2020 Volume 1&2 Budget Book, page 8, Volume 2

⁵ Source:

https://parliament.gov.vu/images/Bills/2020/2nd_Ordinary/English/Bill_for_the_Appropriation_2021_Act_No_of_2020.pdf - All budget values are from the Parliamentary Appropriation column and do not include the development budget component.

⁶ Adjusting for 2020 inflation rates, the real increase is of VUV 1,731,626,503

⁷ Nominal increase, or nominal value refers to the figures as they appear on the budget books, before being adjusted to a reference year inflation rate.

⁸ National Policy Proposals (NPP) are determined by the fiscal space availability in a given year. In 2021, the fiscal space for MoET is 15 percent, and its precise amount is defined by the difference between the initial budget envelope and additional resources from estimated revenues and expenditures by the end of the fiscal year. For 2021, MoET was awarded five NPPs, totalling VUV 883,072,610.

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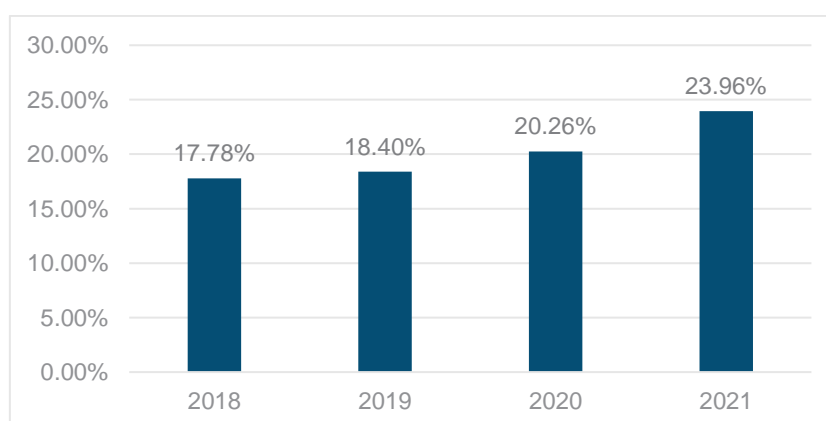
The NPPs awarded to the MoET's budget the 2021 focus on the following strategic priorities:

Table 1 – MoET's New Policy Proposals (NPP) for 2021⁹

Description	Directorate	MBC Allocation
Secondary Curriculum Reform	Education Service	VUV 9,873,000
School Principals & Deputy Principals Remuneration	Education Service	VUV 86,892,000
Government to Phase Payment of Kindergarten Tuition Fee Grant by 25per cent	Education Service	VUV 27,389,250
Strengthening the Vanuatu Qualifications Authority's operations	Education Commissions and Councils	VUV 5,000,000
Teachers Severance Entitlement and Recruitment Plan	Finance & Administration	VUV 753,918,360
Total Ministry of Education & Training NPPs		VUV 883,072,610

The fiscal effort is a valuable measure to understand the prioritization of education when governments allocate their resources across sectors. MoET's 2021 national budget of VUV 9.14bn translates into an education fiscal effort of 24 per cent, almost 5 percentage points above its 2020 fiscal effort (20 per cent). Vanuatu's fiscal effort in education for 2021 is nearly 4 percentage points higher than its 2020 value, and more than 5 percentage points higher than average level in the last three years.

Figure 2: Fiscal effort in education in Vanuatu ¹⁰



⁹ Source: Vanuatu Budget Management System extract provided by MFEM

¹⁰ Source: Vanuatu 2020 Volume 1&2 Budget books, except for 2021, available at

https://parliament.gov.vu/images/Bills/2020/2nd_Ordinary/English/Bill_for_the_Appropriation_2021_Act_No_of_2020.pdf

2 Developments in the education sector context

2.1 Sector priorities

The Government of Vanuatu (GoV) is mandated to publish a budget policy statement each year, outlining “the broad strategic priorities by which the Government will be guided in preparing the estimates for that financial year”.¹¹ Each government agency defines their own policy statement aligned with the national policy statement. The 2021 MoET budget policy statement stated its priority outcome would be the ‘improved education quality, accessibility and training outcomes for children and young people’.¹² Table 2 present’s the MoET’s budget policy statement disaggregated into objectives and target outcomes:

Table 2 – 2021 MoET’s Budget Policy Statement: Objectives and Target Outcomes¹³

Objectives	Target Outcomes
<p>Expanding greater access to education - through accelerating progress made in universal early childhood education and primary education from year 7 to year 12.</p>	<p>Developed and implemented Home Learning Strategies</p> <p>All Schools including private and mission schools must receive the increased School Fee Grant from the Stimulus package</p>
<p>Improving the quality of education - through ensuring teachers are paid and trained, reforming the curriculum in line with NSDP. and upgrading school facilities and resources including those affected by the volcanic disasters in Ambae and Ambrym, TC Hola and TC Harold.</p>	<p>Increased student net enrolment ratio for yr7- yr12</p> <p>Improved support for ECCE</p> <p>Improved training of teachers and learning facilities</p>
<p>Increasing higher education opportunities - through completing revised Vanuatu Education Strategy, implementing National Human Resource Development Plan, supporting early childhood education and life-long learning opportunities within the education system.</p>	<p>Improved teaching materials</p> <p>Student-teacher ratio maintained</p> <p>Improved numeracy and literacy rate</p> <p>Reduced rate of pushouts</p>
<p>Improving opportunities for employability and entrepreneurial skills development - through technical and vocational skills training and increased support for out-of-school youth</p>	<p>Strengthened post-secondary education and training</p> <p>Improved support for training programmes through technical and vocational skills development</p>

¹¹ As per clause 10 of the Public Finance and Economic Management Act

¹² Available at https://doft.gov.vu/images/2020/Budget/Policy_Statement/2021_Budget_Policy_Statement_English.pdf

¹³ Source: Vanuatu Budget Management System extract provided by MFEM

2.2 Education spending to mitigate the effects of TC Harold and COVID-19 crises

Vanuatu's Half Year Economic and Fiscal Update published in July 2020 recognises the impact of COVID-19 and TC Harold in the economy. Their combined effect contributed to the reduction in the GDP growth forecast from 3.8 to 0.6 per cent.¹⁴

However, Vanuatu's "unique strong fiscal position has allowed the Government to implement its historic policy on stimulus uninterrupted".¹⁵ The government has also reported in the first half of 2020 a surplus of more than 20 per cent in receipts, but a small decline in tax revenues. Further analyses are expected to show the impact of prolonged border closures on the economy.

In 2021 schools will receive additional funds in their regular school-grants. This additional amount will be due to the Australian government and GPE one-time grant, to mitigate the economic impact of COVID-19 on local communities. Table 3 presents the amounts and targeted education sectors for these grants.

Table 3 – 2021 school grants

Grant	Expect issuance	ECCE	Primary	Secondary (Years 7 - 14)	Tuition Fee Subsidy (Years 7 - 10)
Tranche 1 Routine Grant	January 2021	VUV 2,700	VUV 2,670	VUV 2,438	VUV 12,600
Vanuatu-Australia School Community	January 2021	-	VUV 5,780	-	-
GPE COVID-19 Replenishment	January 2021	-	VUV 393	-	-
Tranche 2 Routine Grant	April 2021	VUV 2,700	VUV 2,670	VUV 2,438	VUV 12,600
Tranche 3 Routine Grant	July 2021	VUV 3,600	VUV 3,560	VUV 3,250	VUV 16,800
Total (per student)		VUV 9,000	VUV 15,073	VUV 8,125	VUV 42,000

Source: Ministry of Education and Training, DFAT, GPE

2.3 Development partner support to education

In 2021, Save the Children, through Global Partnership for Education (GPE), will become the third largest development partner in the education sector, together with the Australian Government and UNICEF.

Late in December, 2020, GPE approved the Vanuatu's Education Sector Program Implementation Grant (ESPIG) in the amount of VUV 321,364,288 (A\$ 3,881,521).¹⁶ Save the Children was designated as the Grant Agent for this program, and will work with MOET to implement the following program activities:

- ECCE and primary students have improved access to appropriate reading books for the national curriculum,
- ECCE and primary students with disabilities have improved access to inclusive education support, and

¹⁴ Half-Year Economic and Fiscal Update, July 2020 Department of Finance and Treasury.

¹⁵ Ibid

¹⁶ For all USD amounts approved by GPE, USD to AUD uses the currency exchange rate prevalent in February, 2021

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- Pre-service teacher education services are strengthened.

Through Save the Children, GPE contributed additional support to Vanuatu's education sector with two grants that provide critical support to education emergency responses:

- (1) The COVID-19 Vanuatu Accelerated Response in the amount of VUV 82,334,634 (A\$ 982,511¹⁷) supporting:
 - printing standardized home-school packages for preschools and primary schools (10 weeks of activities), including versions for children with disabilities (braille, large print, and audio versions)
 - producing radio and SMS lessons for preschool and primary school to accompany home-schooling packages, focusing on inclusion, psychosocial support, and child protection
 - home-school guidelines for parents and guardians for effective home-schooling for children, including those with disabilities.
- (2) The GPE TC Harold Accelerated Funding Program in the amount of VUV 54,869,009 (A\$ 654,740¹⁸) to procure and distribute tents for Temporary Learning Centres and to replace of teaching and learning materials to damaged primary schools to support the continuity of learning.

MFAT's support to the Vanuatu education sector includes regional and Vanuatu specific programs. Pacific E-learning Program is a regional initiative, involving Vanuatu, Solomon Islands, Samoa, and Cook Islands to improve Year 10 students' science learning outcomes. The activity will be implemented through Catalpa[1] and is expected to commence activities with the hiring of ICT consultants and e-learning specialists in participating countries before June 2021. The program will also engage two teacher fellows in each participating country to support the development of culturally and linguistically appropriate content.

Inclusive Education Programme: This programme will improve education outcomes for children and young people with disabilities in Niue, Cook Islands, Vanuatu, Fiji and Tonga through increasing access to high-quality, inclusive education through bilateral, regional and multi-country initiatives. This programme is in the design phase. The Inclusive Education Programme is a VUV 241,313,000 (NZ\$3m) activity over 5 years.

Secondary Education: New Zealand is working in partnership with the MoET to design a 10-15 year, 4 billion vatu investment in secondary education. This is currently in the design phase. The design is due to be completed mid-2022. The programme will be Vanuatu-centric and address attendance rates, pathways to work and improve attainment levels.

Wash in Schools: Through MFAT funding, Unicef have been implementing the Wash In Schools programme. Wash in schools aims to improve access to water, sanitation and hygiene by improving the enabling environment at national and provincial level, creating demand for WASH at schools and improving the quality, sustainability and resilience of WASH infrastructure. The VUV 201,094,000 (NZ\$2.5m) programme has been implemented since 2017.

In addition to the programs above, other MFAT support includes:

VUV 15,4M (NZ\$ 200,000/AU\$ 184,642) for the development of Year 7 core subjects curriculum resources, in partnership with VESP.

¹⁷ The original allocation, in US dollars is US\$ 750,000

¹⁸ The original allocation, in US dollars is US\$ 499,796

[1] Catalpa is an Australian registered NGO working with technology, design, and development programs.

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VUV 289M (NZ\$ 3,75M/AU\$ 3,5M) for the Ambae recovery, and other infrastructure needs, as prioritized by MoET.

VUV 23M (NZ\$ 300,000/AU\$ 277,000) COVID-19 response, for the purchase of health and hygiene kits.

VUV 11,6M (NZ\$ 150,000/AU\$138,000) COVID-19 and TC Harold response for psycho-social support to teachers and children in Sanma, Penama and Malampa.

VESP is working with MoET, MFAT, UNICEF and Save the Children to ensure coordination across the various program activities to promote synergies and avoid duplications. Table summarises the areas of intersection between VESP, MFAT, UNICEF and Save the Children in their work with MoET.

Table 4 – Intersections in development support in the education: VESP, Save the Children, and UNICEF

2.4 COVID-19 risks to learning

Area of support	VESP	Save the Children	UNICEF	MFAT
Support to OVEMIS				
ECCE				
Gender inclusion				
Parent support program				
Vernacular education				
School based management				
School safety				
Support to inclusive education				
Strategic planning				
Year 7 curriculum development support				

Besides, the potential negative economic impact of COVID-19 on many families may also compound the drivers for lower learning and schooling outcomes. These economic impacts have not yet been fully assessed in Vanuatu, but there is wide evidence on the positive and significant correlation of household economic welfare with children's schooling outcomes. In other words, when families' economic welfare is negatively impacted, their children's learning will suffer an equivalent negative impact.

A recent research²⁰ conducted in the United States showed this very clearly. Researchers compared how much maths and reading students in certain grade learned between fall 2019 and fall 2020 (Pandemic period) with the average growth of the past three years. It found that students learned only 67 per cent of the math and 87 per cent of the reading that their grade-peers would have learned. Even more concerning is that students from lower SES²¹ had significantly higher losses. K-5 students from lower SES schools learned only 59 per cent of the math their peers learned in previous non-Pandemic period, while students from higher SES schools learned 69 per cent of what their colleagues learned in the past. Table 5 captures the estimated impacts of school closures on access, retention and learning in selected countries in West Africa due to Ebola.

²⁰ COVID-19 and learning loss-disparities grow and students need help, McKinsey & Company (December 2020)

²¹ SES stands for Socio-Economic Status

Table 5 – Ebola learning impact in selected countries of Western Africa 2014-2015, 2017 ²²

Indicators	Guinea	Liberia	Sierra Leone
Duration of school closures ^a	5 months	7 months	9 months
Learning hours lost per child ^b	486	582	780
Number of children affected ^c	2.4 millions	900 thousand	1.8 millions
Children who did not return to school when it reopened. ^d	7%	25%	13%

Source: UNICEF

As 2021 will be a VANSTA year, it is anticipated that the COVID-19 pandemic will affect education outcomes in terms of access, retention and learning similar to the pandemic effects listed in table 5. VESP will support MoET in monitor this situation closely and support mitigating interventions.

²² United Nations Children's Fund. 'Evaluation of UNICEF's response to the Ebola outbreak in West Africa 2014–2015', 2017, <https://www.unicef.org/evaldatabase/index_95016.html>

