

Case-Study 2
Three financing mechanisms to improve education in Mozambique

This case-study reviews different initiatives that have been put in place in Mozambique to address challenges in education access and quality. The initiatives were implemented at different levels of the education system using different implementation arrangements but have in common that they all seek, from different angles, to impact on outcomes at primary level. As such they provide an interesting opportunity to examine policy choices, to discuss evidence of impact on learning outcomes and on other educational processes (to the extent that such evidence is available) and to draw conclusions about effectiveness and efficiency.

The three financing mechanisms are: (i) **The Direct Support to Schools (DSS)** initiative, which provides funding directly to all primary schools for essential school supplies, (ii) **Early Childhood Education (ECE)** which focuses on establishing community run ECE centres in selected rural areas in the country and (iii) **The distribution of vouchers** for school materials and clothing, linked to Education Material Fairs (EMFs).

Summary of three financing mechanisms

Characteristics/ type of intervention	DSS	ECE expansion	EMF/Vouchers
Purpose	Improved quality of primary education - reduce drop- out rates, repetition rates, and schooling failure	School readiness, transition to primary education, right age enrolment	Improve school enrollment and school attendance
Funding channel	Direct funding to schools using government systems	Funding to pool donor fund, with sub-contracting of CSOs	Parallel funding by NGO
Implementation modality	Government managed	CSO service providers at provincial level	NGO managed
Outcomes	Increase in enrolment and completion rates Reduction in educational performance (lower educational quality)	Improved transition rates to primary Higher scores on cognitive tests No impact on language skills or on health status	Increase in enrollment (data for one site only) Expressed willingness to return to school
Targeting	None	Rural communities	Orphan and Vulnerable pupils
Cost per pupil	2 dollars per pupil per year, with an additional 1 dollar for selected districts	2.5 dollars per pre-school child per month (30 dollars per year)	7.6 dollars per pupil per year

Based on the summary table above, you are asked to consider and reflect on these questions:

1. If the Ministry of Education approached you for additional funding, which mechanism would you support and why? What additional information might you try to procure?

2. What are your conclusions about the cost-effectiveness of these interventions?
3. What recommendations would you make to ensure greater value for money of these interventions?

Notes: Cost-effectiveness is the extent to which the program has achieved or is expected to achieve its results at a lower cost compared with alternatives.