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BUDGET BRIEFS

Sarva Shiksha Abhiyan, GOI 2011-12

Sarva Shiksha Abhiyan (SSA) is the Government of India's (GOI) flagship elementary education programme. Launched in 2001, it aims to provide universal primary education to children between the ages of 6 to 14. SSA is the primary vehicle for delivering the Right to Education.

Using government data, this brief reports on SSA performance along the following parameters:

- Overall trends in allocation and expenditure,
- Expenditure performance across key SSA activities, and
- Coverage as indicated through access and enrolment.

Cost Share: In FY 2009-10, 60% of SSA funds came from GOI. This has now been revised to 65%.

Complete expenditure data is available for FY 2009-10.

Highlights

1	GOI allocation for education in FY 2011-12 (in crores)	₹63,363
2	Allocations for SSA in FY 2011-12 (in crores)	₹21,000
3	% spent funds in FY 2009-10	83%

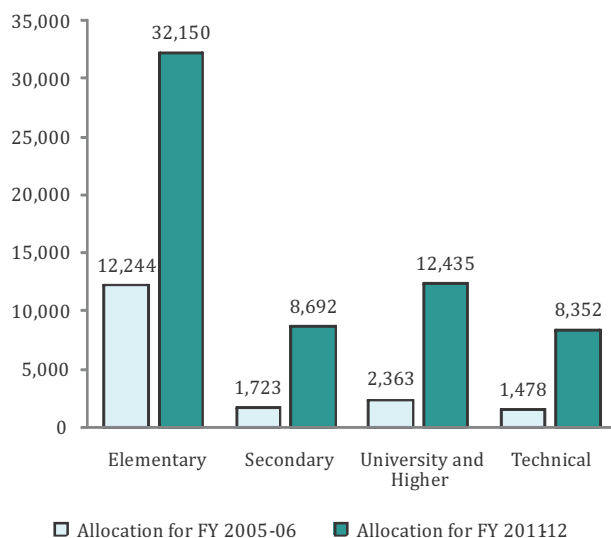
Summary and Analysis

- Sarva Shiksha Abhiyan (SSA) accounts for **65%** of GOI's elementary education budget. **63%** of funds for SSA come from the **2%** education cess for elementary education.
- SSA expenditures have improved. In FY 2005-06, only **66%** of total funds were spent. This improved to **83%** in FY 2009-10.
- For FY 2009-10, teacher salaries accounted for the bulk of SSA financing up from **25%** in FY 2005-06 to **40%**. In FY 2009-10, infrastructure accounted for **32%** of SSA funds.
- Innovation and training collectively account for **7%** of the SSA budget. Expenditures are low. In FY 2009-10, **63%** of the training budget and **60%** of the innovation budget was spent.
- There are wide inter-state variations. Bihar spent **61%** in FY 2009-10. This is a significant improvement from FY 2005-06 when it spent **15%**. Rajasthan has consistently spent about **94%** of its SSA funds in the same period.
- Uttar Pradesh allocates **11%** of SSA funds to infrastructure. However, **7,568** habitations in the state do not have a primary school within a one km radius.

Trends in Overall Allocations and Expenditures

- There has been an over 3-fold increase in allocations for education since FY 2005-06, in nominal terms (not controlling for inflation). The current allocations for FY 2011-12 stand at ₹63,363 crore.

Over 3-fold increase in allocations for education since FY 2005-06

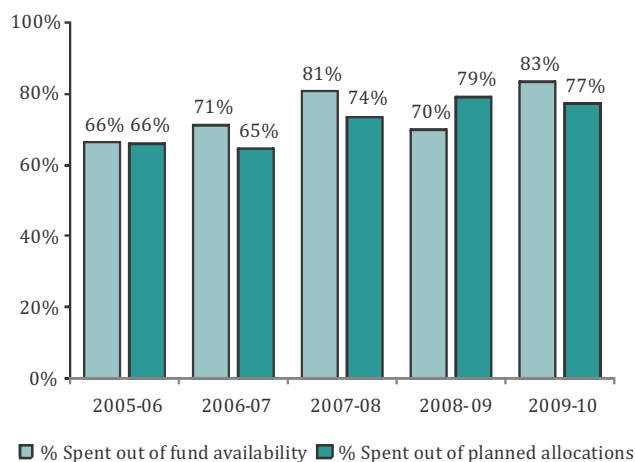


Source: Union Expenditure Budget, Vol.2, 2006-07 till 2011-12, calculated from the Ministry of Human Resource Development. Note: All figures in crores of rupees. Includes north-east component. Some other components such as adult education, development of languages, and development of ICT have not been included in this graph. Figures for FY 2005-06 are revised estimates while figures for FY 2011-12 are budget estimates.

- In 2008-09, GOI launched the Rashtriya Madhyamik Shiksha Abhiyan (RMSA) to promote secondary education. In FY 2011-12 the budget for RMSA was ₹2,424 crores, up from the revised estimate of ₹1,500 crores in FY 2010-11.
- Elementary education remains a priority, accounting for 51 percent of the total allocation for education.
- Sarva Shiksha Abhiyan (SSA) is the largest scheme for delivering elementary education. ₹21,000 crore, amounting to 65 percent of the total elementary education allocation has been earmarked for SSA in FY 2011-12, up from ₹7,166 crores in FY 2005-06.

- The main source of funding for education is the education cess or Prarambhik Shiksha Kosh (PSK). PSK is a 3 percent tax-on-tax paid by the public. Over the last four years the elementary education cess which is 2 percent of the PSK has contributed an average of 63 percent to the SSA funds.
- Expenditure performance:** Analysis of SSA expenditure can be based on a) funds available and b) planned allocations. Funds available for expenditure in any given year include unspent monies from previous years, GOI and state releases for the current financial year. Planned allocations are allocations approved as per the Annual Work Plan and Budget submitted to GOI by respective state governments.
- Spending capacity has improved over the years. Between FY 2005-06 and FY 2009-10, there has been a 17 percentage point improvement in money spent out of funds available.

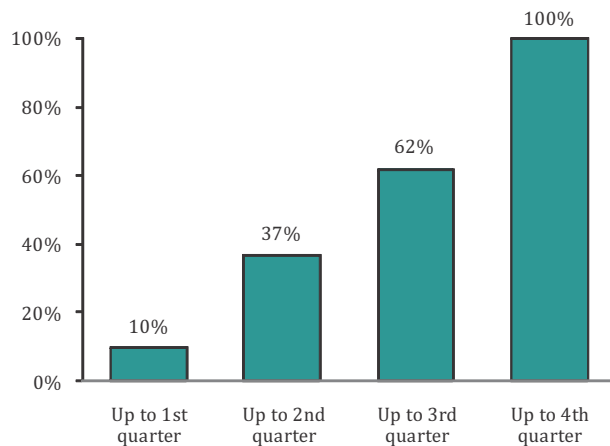
83% of available funds spent in FY 2009-10



Source: Calculated from SSA Portal, Financial Management. Data for 2008-09 and 2009-10 is from the 10th and 12th Joint Review Mission. Available online at: <http://ssa.nic.in/monitoring/joint-review-mission-ssa-1/joint-review-mission-ssa> Note: Funds available includes opening balance, GOI releases and state releases. Planned allocations include allocations approved as per the Annual Work Plan and Budget.

- In FY 2005-06, only **66** percent of total funds available (opening balance, GOI and state releases) were spent. This increased to **83** percent in FY 2009-10.
- However, expenditure as a proportion of planned allocation remains low at **77** percent. This indicates a mismatch between planning, release and expenditure.
- In addition, there is a last minute rush to spend funds. In FY 2008-09, only **37** percent of SSA expenditure was incurred in the first two quarters of the financial year.

Only 10% of expenditure incurred in the first quarter in FY 2008-09



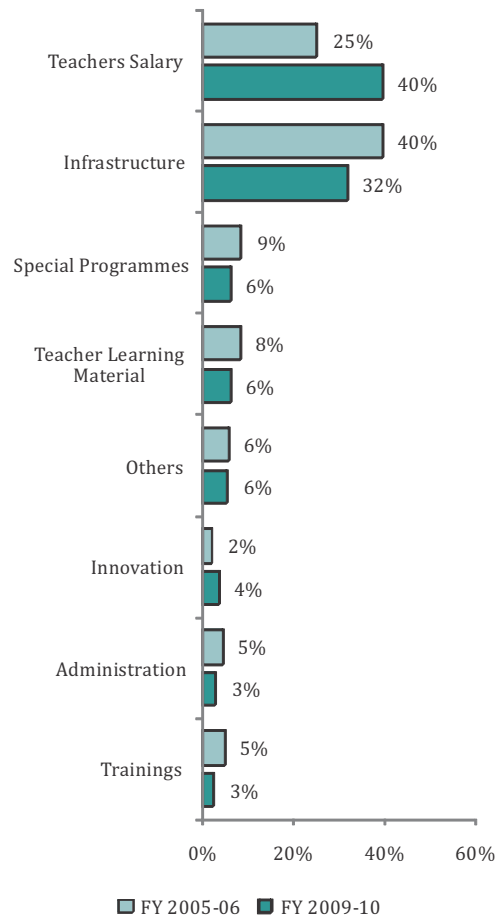
Source: SSA Portal, Minutes of 22nd Quarterly Review Meeting of Financial Controllers, Annexure-D. Available online at: <http://ssa.nic.in/financial-mgmt-docs/22nd-quarterly-review-meeting/Annex%20D%20-%20Amita%20Singla%20-%2020FM%20Presentation%20on%20financial%20progress.ppt>
 Note: Figures are cumulative.

Trends in Break-up of Allocations and Expenditures

- SSA allocations are tied to certain expenditure activities. These include: a) infrastructure (civil works, maintenance grant and major repairs); b) teacher salaries; c) funds for special programmes (inclusive education, out of school children, education guarantee scheme and remedial teaching); d) teacher learning material (textbooks, teacher grants and teacher learning equipment); e) training (community and teacher) and f) innovation fund - a ₹1 crore grant given to every district for girls'

education, early childhood care, computer education; and the learning enhancement programme.

Teacher salaries constitute the largest SSA allocation up from 25% to 40% in FY 2009-10



Source: Calculated from SSA portal, Financial Management, 'State-wise & component-wise allocation and expenditure'. Available online at: <http://ssa.nic.in/financial-management/allocation-expenditure> Note: Training include both teacher and community trainings. Infrastructure includes civil works, major repairs and maintenance grant. Innovation includes innovation component and learning enhancement programme. Special Programmes includes EGS/AIE (inclusive education), out of school children & remedial education; Administration includes funds for Research and Evaluation and Management. Others include school grant and funds for BRC and CRC other than civil works.

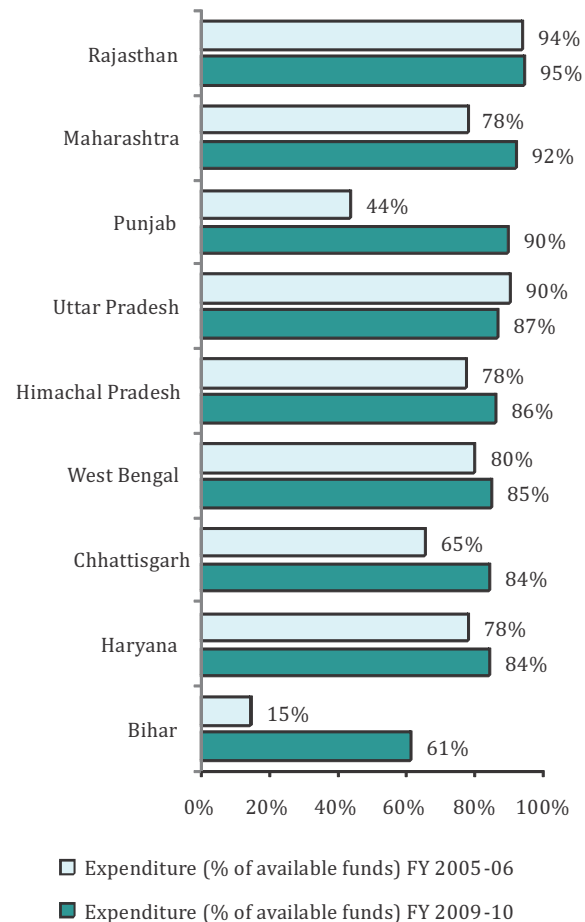
- Teacher salaries now constitute the largest share of SSA allocations. Between FY 2005-06 and FY 2009-10, the share of teacher salaries increased from **25** to **40** percent - a jump of **15** percentage points. On the other hand, the share of infrastructure decreased over the same period, from **40** to **32** percent of total SSA allocations.

- At the same time, the relative allocation for programmes for out of school children, inclusive education and remedial teaching decreased from 9 to 6 percent. However, allocation for innovation (including learning enhancement programme) increased marginally from 2 to 4 percent.
- While teacher salaries are the largest component of SSA allocations, training does not seem to be getting the same focus. In fact, its share has declined from 5 percent in FY 2005-06 to 3 percent in FY 2009-10.
- Expenditure performance:** Spending capacity varies across activities and years. In FY 2005-06, while over 80 percent of infrastructure and innovation funds were spent, in FY 2009-10, expenditures dropped to about 60 percent.
- However, for most other components, including teacher salaries, special programmes and teaching learning material, expenditure performance has improved. In FY 2009-10, over 80 percent of monies for these activities was spent.
- Monies for trainings continue to be under-spent, though this has seen some improvement. In FY 2009-10, 63 percent of training funds were spent increasing from 37 percent in FY 2005-06.

Trends at the State Level

- Overall, there has been a marked improvement in spending capacity.

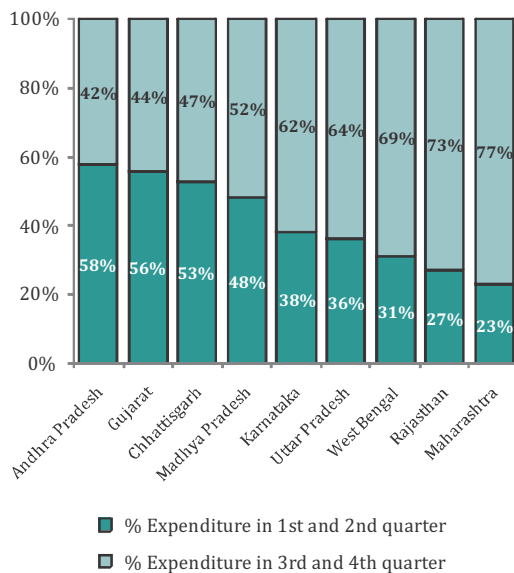
Bihar increased its spending from 15% to 61% between FY 2005-06 and FY 2009-10



Source: Calculated from SSA Portal, Financial Management. Figures for 2009-10 are from 12th Joint Review Mission. Available online at: <http://ssa.nic.in/monitoring/joint-review-mission-ssa-1/joint-review-mission-ssa>

- Rajasthan and Uttar Pradesh have been the most consistent performers, spending around 90 percent of their funds in both FY 2005-06 and FY 2009-10.
- Punjab and Bihar have shown the highest jump of 46 percentage points between the two years, although Bihar still remains a low spender having spent 61 percent of total funds available.
- Variations exist in the expenditure pattern, with a large number of states spending a majority of their funds in the last two quarters of the financial year.

Rajasthan and Maharashtra incurred less than 30% of their expenditures in the first two quarters

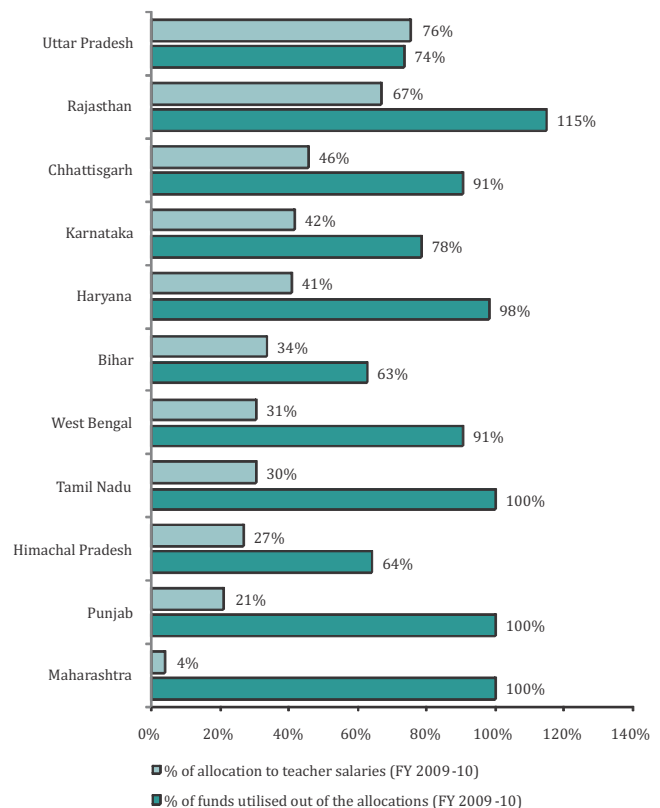


Source: SSA Portal, Financial Management, 22nd Quarterly Review Meeting, Annexure-D, Presentation by Amita Singla. Available online at: <http://ssa.nic.in/financial-mgmt-docs/22nd-quarterly-review-meeting/Annex%20D%20-%20Amita%20Singla%20-%20FM%20Presentation%20on%20financial%20progress.ppt>
 Note: Figures pertain to FY 2008-09.

- With the exception of Andhra Pradesh, Gujarat and Chhattisgarh, most states incurred over 50 percent of their expenditure in the last two quarters of FY 2008-09. For instance, Maharashtra and Rajasthan, despite being good performers in overall spending capacity, incurred more than 70 percent of their expenditure in the latter half of the year.
- Variations in allocations and expenditures also exist for SSA activities at the state level.
- **Teacher Salaries:** As mentioned earlier, the largest component of SSA allocations is teacher salaries. However, while Uttar Pradesh allocates 76 percent of its SSA funds for teacher salaries, Bihar and Punjab allocate 34 and 21 percent respectively. Maharashtra is the lowest at 4 percent.
- **Expenditure performance:** Punjab and Maharashtra allocated the least for teacher salaries but spent the entire amount. On

the other hand, Uttar Pradesh spent only 74 percent of its allocations, while Rajasthan spent more than the allocated amount.

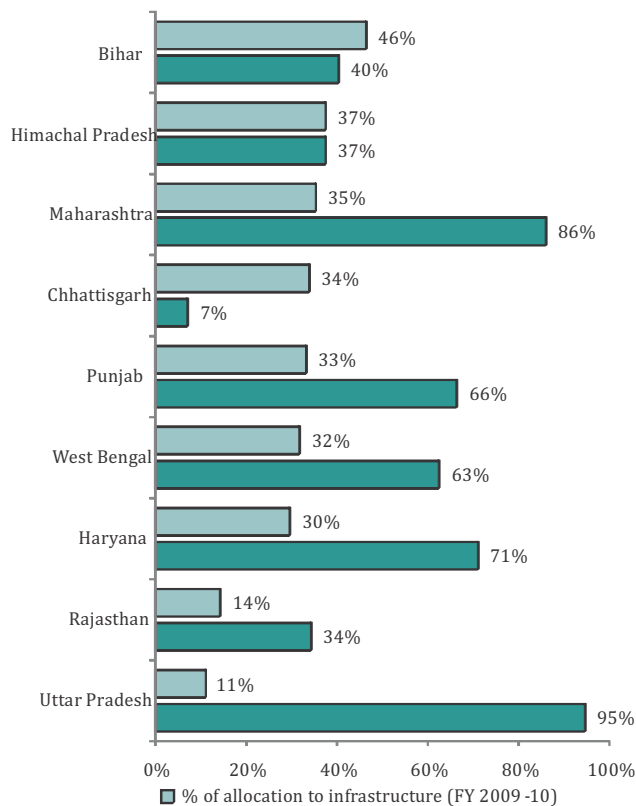
Uttar Pradesh allocated 76% for teacher salaries in FY 2009-10; Maharashtra allocated 4%



Source: Calculated from SSA portal, Financial Management, 'State-wise & component-wise allocation and expenditure'. Available online at: <http://ssa.nic.in/financial-management/allocation-expenditure/2009-10%20%28as%20on%2031-3-2010%29.xls>
 Note: Figures are for FY 2009-10.

- **Infrastructure:** The second largest activity under SSA is physical infrastructure consisting of civil works, grants for maintenance and major repairs.
- Uttar Pradesh and Rajasthan seem to prioritise teacher salaries in their spending patterns and infrastructure falls much lower in their priority list, with allocations in FY 2009-10 at 11 and 14 percent respectively. This is reversed in Maharashtra which allocates 35 percent to infrastructure, but only 4 percent to teacher salaries.

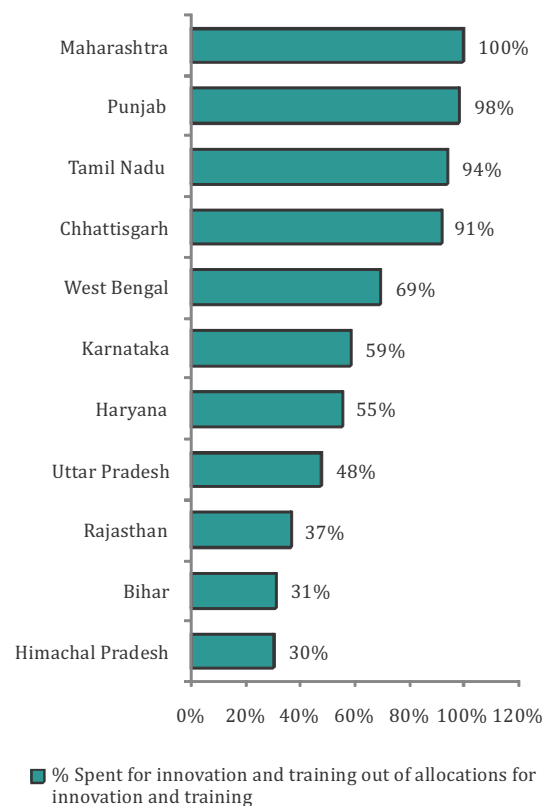
Uttar Pradesh and Rajasthan allocated 11% and 14% for infrastructure in FY 2009-10



Source: Calculated from SSA portal, Financial Management, 'State-wise & component-wise allocation and expenditure'. Available online at: <http://ssa.nic.in/financial-management/allocation-expenditure/2009-10%20%28as%20on%2031-3-2010%29.xls>
 Note: Infrastructure includes funds for civil works, major repairs and maintenance grant. Figures are for FY 2009-10.

- **Expenditure performance:** Interestingly, though Uttar Pradesh allocates very little for infrastructure, it spends most of it. For FY 2009-10, the state spent 95 percent of its allocations. On the other hand, Rajasthan with similar allocations spent only 34 percent of its funds. Chhattisgarh was a low spender, with only 7 percent of its infrastructure allocations utilised.
- **Training and Innovation:** Training and innovations constitute a very small proportion of SSA allocations, accounting for 4 to 16 percent for different states in FY 2009-10.

Punjab and Maharashtra allocated and spent the most on innovation and training



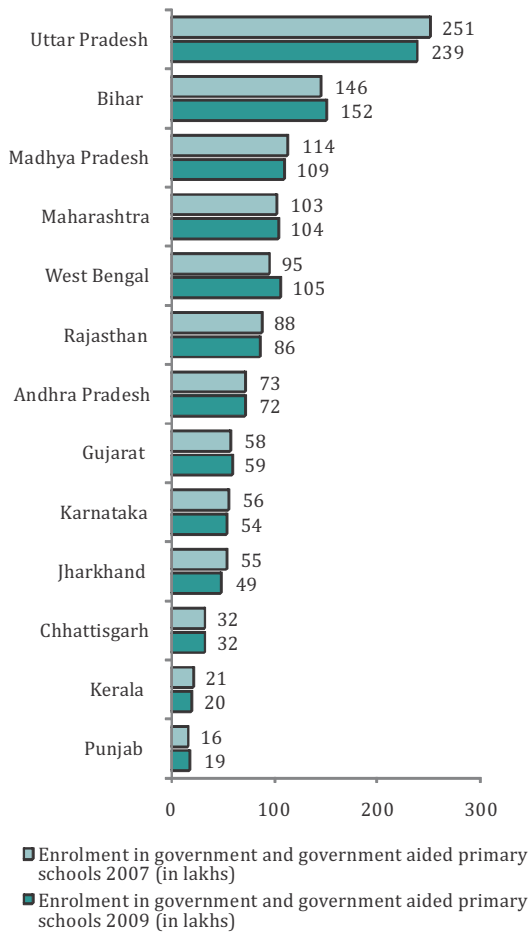
Source: Calculated from SSA portal, Financial Management, 'State-wise & component-wise allocation and expenditure'. Funds for training and innovation have been added. Training include both teacher and community trainings. Innovation includes innovation funds and learning enhancement programme.

- Punjab and Maharashtra allocated a relatively large proportion of SSA funds to training and innovation at 12 and 11 percent respectively. Bihar, West Bengal and Uttar Pradesh fell at the lower end allocating only 4 percent.
- **Expenditure performance:** There are wide variations amongst states in spending of these funds. Punjab and Maharashtra, apart from high allocations, also spent most of their money. Bihar and Himachal Pradesh spent around 30 percent.

Coverage

- While overall enrolment levels are high, they have shown some variations in the last few years.

Bihar enrolments increased by 4%; Uttar Pradesh enrolments decreased by 5%

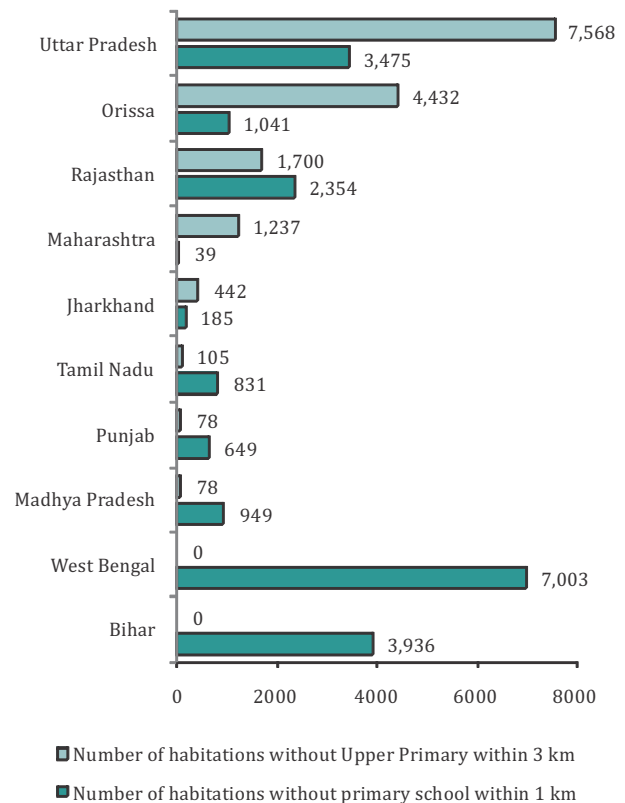


Source: DISE Flash statistics 2007 and 2009. Available online at: www.dise.in

- There are wide differences across states. Many states have seen a decline in enrolments between 2007 and 2009. For instance, Uttar Pradesh, which spent close to 90 percent of its funds, witnessed one of the highest drops in enrolment, of 12 lakh students. The same is true for Jharkhand, which also witnessed a drop of 10 percent in enrolment rates. Many states such as Rajasthan, Andhra Pradesh, Kerala and Chhattisgarh have witnessed no changes in enrolments. West Bengal and Bihar on the other hand, are some of the few states where enrolments have increased.
- These variations also exist with respect to access to schools.

- Though Bihar and Maharashtra allocated 46 percent and 35 percent of their total SSA allocations to infrastructure, there still remain a large number of habitations without access to a primary or upper primary school. Bihar fulfilled its primary school requirements, but there are still 3,936 habitations without access to an upper primary school within 3 kilometres. Maharashtra, on the other hand lags behind in its primary school requirements with 1,237 habitations without access to a primary school within a 1 kilometre radius.
- Interestingly, Uttar Pradesh which has one of the lowest allocations for infrastructure (11 percent of total SSA allocations), also has a huge access problem. Over 7,500 habitations and over 3,400 habitations do not have access to a primary and upper primary schools respectively.

Uttar Pradesh allocated only 11% to infrastructure and has over 7,500 habitations without access to a primary school



Source: SSA Portal, DMU Report. Available online at: www.ssa.nic.in

This section offers some practical leads to accessing detailed information on the union government's education sector budget. However, reader patience and persistence is advised as a lot of this information tends to be dense and hidden amongst reams of data.

Data Sources	Useful Tips
Union Budget, Expenditure Vol.2 www.indiabudget.nic.in	This volume provides total ministry-wise and department-wise allocations as well as disaggregated data according to sectors and schemes from 1998-99. The data has both revised and budget estimates and should be calculated according to the Major-Head and Sub Major-Head. For elementary education, the head is 2202.01.
Department of School Education and Literacy, MHRD http://www.education.nic.in/Elementary/ccamain.asp	Month-wise and scheme-wise statement of expenditure for 2007-08 and 2008-09 (till January 2009), Grants in Aid for State Government (07-08 and 08-09 till May 08). It is important to note that there is a discrepancy between this website (according to which there has been no release for SSA) and the SSA Portal which gives details of the actual releases.
SSA Portal, Financial Management http://164.100.51.121/financial-management/allocation-releases-and-expenditure <i>Accessed on January 10, 2011.</i>	State-wise allocation, release and expenditures for SSA and Component-Wise break-up of allocation and expenditures from 2005-06 till 2009-10. Data for 2010-11 is up to September 2010.
SSA Portal, Monitoring, Joint Review Mission http://ssa.nic.in/monitoring/joint-review-mission-ssa-1/joint-review-mission-ssa <i>Accessed on January 25, 2011.</i>	10 th Joint Review Mission has updated expenditure data for 2008-09. 12 th Joint Review Mission has updated expenditure data for 2009-10.
SSA Portal, Minutes of 22nd Quarterly Review Meeting of Finance Controllers http://ssa.nic.in/financial-mgmt-docs/22nd-quarterly-review-meeting/Annex%20D%20-%20Amita%20Singla%20-%20FM%20Presentation%20on%20financial%20progress.ppt Annex D, Amita Singla - FM Presentation on financial progress <i>Accessed on January 10, 2011.</i>	A power point presentation giving state-wise trends including expenditure trends for 2008-09.
SSA Portal, DMU Report http://ssa.nic.in/news/report-for-delivery-monitoring-unit-dmu-of-pmo <i>Accessed on January 10, 2011.</i>	Has information on access, enrolment, retention and status of facilities and teachers.
District Information Systems for Education (DISE) http://www.dise.in/	Has district and state report cards which gives information on a number of educational indicators including enrolment, access, facilities, teachers etc. DISE flash statistics is a consolidation of the above and has some analysis as well. The latest Flash Statistics available is for 2009-10.
School Report Cards http://www.schoolreportcards.in/	Has school wise information on basic indicators.

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