Review and Redesign of the Incentive and Scholarship Programmes for Primary and Secondary Education

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Executive Summary

1.1 Background

His Majesty’s Government of Nepal (HMGN) has made several attempts to empower marginalised groups of population and mainstream them with a view to realising their contributions to building a strong national foundation. One of such attempts is the initiation of scholarship and other incentive programmes to encourage the enrolment and retention of children in school. The main assumption underlying such programmes is that the children of marginalised groups do not attend school due to poverty and such initiatives have the potential for reducing the effects of poverty on their educational participation and attainment.

HMGN is about to implement scholarship and incentive programmes in secondary schools in ten Programme Intensive Districts. These programmes will eventually be replicated in all the districts of the country based on the experience and lessons learnt. Before the widespread replication, a study was needed to assess the effectiveness and early impact of the scholarship and incentive programmes. The present study is an attempt to fill in that research gap.

1.2 Objectives of the Study

The main objective of the study was - on the basis of well-documented review of national and international practices- to help increase the impact of incentive and scholarship programmes with respect to access to and retention of female and disadvantaged students in primary and secondary education through a costed redesign of models for incentives and scholarships, including necessary administrative guidelines for the eligibility, selection, distribution and monitoring of incentives and scholarship programmes for primary and secondary education.

The specific objectives of the study were to identify the causes of marginalisation of families and children and suggest remedies for them, assess the relevance of incentives with respect to how well such incentives fitted the needs and preferences of the individuals to be influenced, their adequacy to cause a change in behaviour and examine whether the incentive system should be monolithic or explicitly deal with diversity within the participant population.

The other specific objectives of the review were to indicate the minimum behaviour expected from the recipients of incentives; suggest mechanisms to attract or mainstream those children who are outside the school system; assess current pedagogical behaviour and practices that influence the perception of children on the education system; assess the opportunity costs to help establish the size of the scholarship amount for poor families; assess the utilisation of the incentives in the context of value and decision-making systems within the family; assess alternative models of incentive distribution in addition to those that involve teachers; and identify the best monitoring practices.

1.3 Methodology

The sources of information to support the study were both secondary and primary. Secondary information was collected from the review of literature. In this process, relevant project
documents, plans of action, major policies, regulations, legislation and findings of past studies were reviewed.

The major approach used to collect primary data was the Participatory Learning and Action (PLA). The primary information was collected from the individuals, families and institutions of those communities where scholarship and incentive programmes were being implemented under the national programmes of the Department of Education (DoE), BPEP and I/NGOs.

The study was done in ten districts, representing the development regions and ecological regions, after combining the mountain and hill regions. The final selection of study districts was done in consultation with the Education Sector Advisory Team (ESAT) after programmes were mapped and cross-matched by the types of scholarship provided. The selected districts were Ilam, Saptari, Sindhupalchok, Sarlahi, Baglung, Rupandehi, Surkhet, Banke, Doti and Kanchanpur. In each district, five primary schools, three secondary schools and the families falling under their service areas were studied.

Twelve different types of research tools were designed to collect the needed information. Of these one was administered solely among the central-level officials of the DoE. The rest of the tools were administered at the district, school and community levels.

A total of seven core team members were involved in the study. A number of senior officers representing the Women Education Section, BPEP Section, SESP Section and the Planning Section of the Department of Education provided the needed advisory support to the team members. The Director of the Primary School Division provided strategic direction to the team.

1.4 Key Issues

1.4.1 Experience of Nepal

In Nepal, the participation of girls and children is low from marginalised communities as reflected by their low enrolment and high dropout rates. At the same time, the country's education system also suffers from a number of problems. These problems include low quality of teaching, low achievement rates of students, inadequate physical and financial resources of schools, poor maintenance of physical facilities, lack of effective monitoring of school programmes, and politicisation of school management committees and teachers.

The Tenth Plan (2002-2007) of the country has set the goal of increasing the net enrolment rates in primary schools and gross enrolment rates in secondary schools. It has also set goal to increase the literacy rates in the country. The Education Act 2028, amended in 2058, makes provision of scholarships for lower secondary and secondary schools and provision of freeships by the community schools for disadvantaged students and girl students from below poverty level. It also makes provision for granting freeship to a minimum of 5 per cent of students that are poor, disabled, female, Dalit and indigenous. The major objective of the educational policy of Nepal is to attain universal primary education, expand opportunities for secondary education and reduce gender disparities in primary and secondary education.

To enhance the schooling system, a number of measures are being taken. These measures include increasing the number of schools to allow greater geographical accessibility of school children; provision of scholarships and incentives; operation of feeder hostels to educate girls and to
prepare them as teachers; provision of short- and long-term training for teachers; encouragement in the participation of local communities; improvements in learning and teaching environment; and implementation of comprehensive national programmes such as the Education for All and reform programmes such as Secondary Education Support Programme.

To provide greater access to education to all primary schoolchildren, the Education for All programme has a number of strategies. The major strategy includes provision of incentives for schools and students (especially for girls, children from Dalit families, children from poor and indigenous families, children with disability, children affected by HIV/AIDS and insurgency, and children from other marginalised groups). The other strategies include improvement of school environment to make schools student-friendly; recruitment of female and Dalit teachers; expansion of early childhood development and pre-primary school programmes; implementation of inclusive education system to address the learning needs of children with disability and the children in difficult situation by arranging alternative school programmes; improvements in adult literacy rates and provision of life skills for children and poor parents.

To enhance the education system at secondary level in general and to increase the access of disadvantaged communities and to improve the quality of education in particular, the Secondary Education Support Programme has been launched since 2003. This programme draws largely on the experience of the Basic and Primary Education Programme. It together with other support programmes such as School Improvement Planning and Village Education Plans seeks to make the education system more comprehensive, integrated and decentralised and the educational institutions better strengthened.

HMGN has been providing several types of scholarship for school students independently and in co-operation with donor communities. The scholarship amount usually ranges from Rs250 per student per academic year as in the case of national scholarships to Rs2, 700 per student per academic year as in the case of some I/NGO scholarships.

Some past studies have pointed out that scholarship and incentive programmes have made significant positive impacts on the educational participation of girls and children of other marginalised groups. At the same time, these studies have also pointed out a number of shortcomings. These shortcomings include inadequate number of scholarship quota; delays in the release of money; exaggeration of the number of recipient students; poor monitoring of programmes and recipients; lack of efforts to bring out-of-school children into the mainstream of education system; lack of accountability on the part of school management committee; and inadequate amount of scholarship money.

Several studies have made a number of recommendations for making the scholarship programme more effective. These recommendations emphasise: the enrolment of out-of-school children though provision of alternative schooling; advocacy programmes; initiation of compulsory primary education; and retention of children already in school by providing support for uniform and stationery; improvements in teaching-learning practices; appointment of female teachers and improvement of school facilities.

The recommendations also emphasise: management of scholarships at local level through the formation of local committees; maintenance of transparency in distribution; discouragement of monitoring system based solely on the review of monitoring report submitted to VDC and DEO by the resource centres and schools; and sensitisation of resource persons, supervisors and
incentive management committee. Creation of an endowment fund in school; collection of fees from students; establishment of a revolving fund with the financial support of local bodies, donors and school resources; provision of booster scholarships to encourage out-of-school children; fulfillment of responsibilities by school management committee in the management of scholarship and active participation of local bodies in monitoring and supervision are the additional recommendations made in this respect.

The scholarship programmes implemented by INGOs usually come in large amounts. However, the geographical coverage, and hence the student coverage, of INGO programmes is often low. INGO programmes are often credited with contributing to better enrolment, retention and achievement rates. The monitoring of INGO programmes is regular and child-centred.

1.4.2 Experience of SAARC Countries

Scholarships are provided in a number of SAARC countries. Essentially, the scholarship programmes of the SAARC countries give high preference to girls and marginalised groups. In addition to scholarships, the major measures to improve the education system include training of teachers; revision of curriculum; provision of life skills; incorporation of water and sanitation programmes and institutional development programmes as in the case of a project called Female Secondary School Assistance Project which was supported by World Bank/IDA in Bangladesh. To ensure better participation, parents pledge to send their daughters to school and girls make commitment to remain unmarried till they complete their secondary education. Under this project, girls receive free secondary schooling with fees directly paid to school by the project. This project has been able to increase both the enrolment and retention rates of girl students. In some communities of India, as in Durga district of Chhattisgarh, a system of girl child sponsorship exists.

Many departments of the government of Rajasthan State in India have collaborated a programme for the provision of scholarship to marginalised groups or the scheduled castes in the form of freeships and special hostels. But the major problems associated with this programme include lack of funds; delays in providing concessions and incentives; lengthy administrative procedures; poor organisation of schemes; lethargy of government; and lack of awareness among scheduled castes, the main beneficiary group, about the scholarships and incentives.

1.5 Key Findings of the Study

1.5.1 The School Environment

The study, based on a field survey, has found that problems such as shortage of teachers and insufficiency of classrooms, toilet, drinking water and library facilities still exist. Problems such as low retention rates, shortage of scholarship quota and limitation on the contributions made by local governments in the scholarship programmes also still exist. The participation of Dalit students is very low. The teacher-student ratio (1:44) and the female-non-female teacher ratio are still high (1:2.5). However, in the version of schoolteachers, the education system seems satisfactory in such respects as the centrality of school location, sufficiency of teaching materials, use of student-centred teaching methods, regularity of scholarships and the attitude and regularity of teachers.
1.5.2 Factors in Access to Education

A number of values or belief systems that humiliate women and Dalits serve as disincentives to their participation in education. Basically, there are three major factors that motivate parents to send their children to school. These factors are the realisation of the value of education, proximity to school and availability of scholarship. The major factors that discourage parents from sending their children to school include poverty, need of children’s labour to fulfil domestic work and lack of children’s interest. The major factors explaining non-continuation of school among the dropout children include lack of interest of the children, work pressure at home, poverty and their failure in examination. In addition, the present study has found the following relationships.

1. Among the Dalit students, provision of scholarship is a major attraction to go to school.
2. Failure in examination is a major cause of non-retention.
3. Ethnic groups fail more than the non-ethnic groups.
4. Children from ethnic groups usually do not like to study.
5. Parents of ethnic groups usually do not like to send their children to school.
6. Parents do not usually like to send their daughters to school.
7. Dalit children and girls need to work more than the non-Dalit children and boys.
8. Non-provision of scholarship applies more to Dalits than to non-Dalits as a factor influencing their retention in school.
9. Poverty as a major cause of non-retention applies more to Dalits and girls than to non-Dalits and boys.

As has been found, scholarships in larger amount have better capacity to attract and retain children in schools than those that come in smaller amount. Scholarship programmes are also seen to have made positive spill-over-effect among families by encouraging the recipients to send their sisters and daughters to school. But in order to realise culmination in the positive outcomes of the scholarship programmes, there should be fusion of parallel educational activities.

1.5.3 Key Processes of Scholarship

Field data reveal that scholarships are provided basically to girls, Dalits, disabled, poor and competent students. As has been revealed, there are no problems with the eligibility criteria, but there are problems with the identification of eligible students since many potentially eligible students are not aware of scholarship programmes. The most serious drawback is that, sometimes, limited quotas compel programme authorities to undermine eligibility criteria.

The major efforts include publicity about the scholarship programme using several types of local or folk media. A number of stakeholders are involved in such advocacy measures. But such advocacy measures are not aggressive enough to attract out-of-school students.

Head teachers, teachers and school staff does the preliminary selection of eligible students. Schools follow generic set of criteria but place differential weightage. Some give high weightage to economic status while others give high weightage to social status and the character of the student. One of the limitations of the criteria is that they annoy the dominant group members of the community and are subject to manipulation by such groups as they constitute power structure
in the school management committee. In most cases, however, students are selected on the basis of existing eligibility criteria.

An overwhelming majority of the study participants, including parents, have reported that the scholarship money is inadequate to meet the expenses of education. The recommended amounts come in five clusters: Rs. 500, Rs. 1,000, Rs. 1,500, Rs. 2,000 and Rs. 2,000+ per year. As has been found, parents or children themselves spend the scholarship money to cover expenses of their children’s schooling.

The co-ordination of government scholarship programme with other programmes and stakeholders is weak. Some INGOs run scholarship without the knowledge of DEO. The monitoring of the programme by stakeholders is also very weak. The performance of school management committees and resource persons is mixed. The monitoring mechanisms of INGOs are reported to be better than those of government as the formers monitor the processes and impacts more regularly and at an individual level.

1.6 Cost of Schooling

The major costs relating to children’s education are admission fees, examination fees and the cost of purchasing educational materials. On the average, it costs parents Rs98 to cover admission fees, Rs35 to cover examination fees and Rs686 to buy educational materials for each child going to primary school each year. For each child going to secondary school it costs parents Rs247 to cover admission fees, Rs84 to cover monthly fees, Rs79 to cover examination fees and Rs1,414 to buy educational materials, including books. The average total direct cost comes to be Rs819 for primary school and Rs1,819 for secondary school. These direct costs indicate that parents have to bear some expenses for sending their children to schools despite the provision of free education and free textbooks in primary schools and the provision of heavily-subsidised textbooks in secondary schools.

The primary and secondary school children do household chores worth Rs4,607 and Rs8,702 a year, respectively, on the average. The annual total cost of education, including the opportunity costs, averages Rs5,426 for each primary school child and Rs10,610 for each secondary school child. Provision of money equivalent to the opportunity cost or the amount of money parents lose from sending their children to school can be very helpful to the poor parents in general and those having several children in school in particular.

1.7 Models of Scholarship Distribution

The lesson learnt from this study is that in order to bring into the mainstream of education the out-of-school children representing the deprived groups, special efforts need to be made. Liberal investment in the form of scholarship can be one of them as the scholarship programmes are proven to have made positive effect on the enrolment, retention and achievement rates of children both in Nepal and the SAARC countries.

The team proposes two alternative models of scholarship and incentive distribution for secondary schools taking into consideration the lessons learnt from the implementation of scholarship programmes in Nepal and SAARC countries. The differences in the models are essentially in
terms of scholarship amount. These models, which are not pre-tested and based on a number of common assumptions as described below, should be taken only as indicative.

1.7.1 Common Assumptions of Models

The following are the common assumptions of the models.
1. Since there are more students in lower secondary schools than in secondary schools, sixty per cent of the quota should be allocated to the lower secondary schools and the rest forty per cent to the secondary school assuming that the basic education at present has a five-year cycle instead of a eight-year cycle as proposed for consideration in the future.
2. In the composition of population in Nepal, Dalits represent 13 per cent, ultra poor 17 per cent, population below poverty line 38 percent and the population above poverty line 62 percent.
3. Almost all Dalits are ultra poor in Nepal.
4. Two broad types of scholarships—Booster and Maintenance should be provided to attract the out-of-school children and to retain those who are already in school.
5. Maintenance scholarship should be provided in two forms—Full and Partial.
6. Booster scholarship should be provided only to those children who would not come to school without providing such scholarship.
7. There should be a decrease in the number of maintenance scholarship with time or with an increase in grade as some students who received scholarship in the previous grade or year will become naturally mainstreamed into the education system.
8. Scholarships should be provided to the children of educationally, socially and economically marginalised groups including Dalits, disabled and brilliant students, but should not be provided firstly to all girls and Dalits boys if they are not adjudged needy by the SMC.
9. Girls should be provided with more scholarship quota—about 60 per cent of each -- since SESP targets to raise their GER to about 50 per cent by the end of first cycle.
10. The number of booster scholarship should be more than the maintenance scholarship since the major objective of the scholarship programme is to attract the out-of-school children.
11. There should be no provision of other incentives, such as stationary, school uniform and textbook support, to help minimise the total budget of scholarship.
12. Ten PID districts should receive 15 percent of scholarship and the rest of the districts 85 percent.
13. Decisions to continue or discontinue the provision of scholarship to a recipient student should be based on the results of annual review and the availability of scholarship quota in the next grade.
14. The ultimate decision on whom to provide scholarship should rest on the SMC depending on the number of most needy and eligible students and the allocation of scholarship quota to each school.
15. The district and school quota of scholarship should be based on the number of students in the districts and schools.
16. If a student receiving scholarship drops out, the scholarship will be provided to the best alternative student.
17. The booster scholarship should be provided in grades six and nine while the maintenance scholarship should be provided in grades seven, eight and ten.
18. Teachers should not be separated from the distribution system as they know the needs and performance of students more than the other stakeholders do.
19. The models should be refined based on lessons learnt in the course of implementation.

Model 1 shows that if students are provided with Rs. 500 as booster, Rs. 1,000 as full and Rs. 750 as partial scholarship, about 5,00,000 students can be covered over a five-year period. If this model is implemented, a sum of Rs. 310 million will be needed and there could be a saving of Rs. 85 million from the allocated scholarship budget of Rs. 395.3 million rupees as specified in SESP. This surplus money can be used as the seed money in the sustainability fund. However, given that the number of children affected by insurgency is also increasing rapidly, the surplus amount can be rightly used to cover these newly emerging groups of children, if necessary.

Model 2 shows that if students are provided with Rs. 2,000 as booster, Rs. 2,000 as full and Rs. 1,000 as partial scholarship to fully and partially cover the cost of schools, approximately 1
billion rupees will be needed to cover the 5,00,000 students over five years. This scheme can reasonably cover about 2,00,000 students if additional budget cannot be assured.

1.7.2 Recommendations

1. A large number of stakeholders should fulfill the diverse responsibilities in accountable, transparent and participatory manner. The responsibilities range from sensitizing the marginalized communities on the value of education and availability of scholarship to the identification and selection of children from such families.

2. Girls from ultra-poor Dalit families should be given highest priority in the provision of scholarship. Children from other socially, educationally and economically disadvantaged group should be given high priority.

3. Booster scholarship should be given in single instalment at the beginning of school session and the maintenance scholarship in two instalments. The recommended method of payment is cash. Provision of scholarship in the form of waiver of fees can be an alternative option.

4. In order to ensure that scholarships are paid in time, a pre-funding mechanism should be in effect. The scholarship money should be deposited in the non-freeze account of DEOs to ensure its use as per need. The quota of scholarship should be decided on the basis of number of secondary school students in each district.

5. Different types of scholarship provided under the national and BPEP programmes and other than those of NGOs and private schools should be merged and provided from under a single programme, NGOs should be provided with the guidelines of scholarship and urged to follow them if they wish to implement the scholarship programmes independently.

6. The state independently or in support of donor agencies should contribute a minimum of 60 per cent of needed money in the endowment/basket fund in order to set the example that enhanced access to education through the provision of scholarship to the deprived groups is the major obligation of state. DDC, VDC, NGOs, CBOs and parents should be encouraged to contribute to this fund. Aggressive fundraising should be carried out by local schools and stakeholders for the realization of local contributions and for helping them earn the feeling of ownership the programme.

7. The programme should be monitored continuously for assessing the processes and impacts of scholarship following the methods of participatory monitoring and following a structured guideline.

8. In order to realize the positive impact of scholarship programme, utmost attempts should be made to make the parallel activities of SESP successful.

9. In order to develop greater optimism towards the value of education and to make education rewarding, provision of vocational education should be made in secondary schools.

10. Schools that perform best in terms of the enrolment, retention and success rates should be rewarded.

11. To reduce the student-teacher barrier in learning and teaching, the proportion of female teachers in primary schools should be increased from 30 per cent to 50 per cent, along with an increase in the number of Dalit teachers.

12. There should be provision of mother tongue and bilingual teachers to reduce barriers in teaching and learning.

13. Female and Dalit teachers serving in remote areas should be provided with additional incentives to honour them for their contributions to education.

14. The candidates for feeder hostels should be selected on the basis of their degree of marginalisation and genuine interest in becoming teachers and serving remote rural communities. Commitment of parents should also be considered while selecting them. These
students should be preferably selected from those remote areas where female teachers do not usually prefer to work.

15. SMCs should be well represented by marginalised groups of community (e.g. Dalits, poor and ethnic minorities) and NGOs/CBOs to make them sensitive to the concerns of marginalised groups and also to make them more accountable in this respect.

16. A separate study should be carried out to collect information on those dimensions that are critical for building technical and financial models for special needs education. Specifically, such a study should be able to provide basis for developing norms for those disabled children who would like to study in home schools and outside the resource centres, making provisions of financial, training and equipment support (e.g. Braille, hearing aids, wheelchair) and establishing the type and amount of incentives for both the students and schools.