Introduction

Cameroon has made significant strides in education in the last decade, nearly doubling primary school enrollment. Yet regional and income disparities persist. In poor, rural regions, children do not have access to quality education, schools experience higher dropout rates, and learning outcomes are weaker. Cameroon will need to increase its investment to see broader education gains, but it must also make more efficient use of limited resources, including at the school level. With these goals in mind, the Results in Education for All Children (REACH) Trust Fund supported an experiment by Cameroon’s Ministry of Basic Education to use results-based financing at the school level. Results-based financing puts the focus on results by rewarding individuals or institutions for achieving pre-set, verified goals. In Cameroon, the government tested the idea of giving grants and teacher bonuses to schools for achieving simple targets related to student retention and other factors. The hope was that this would improve transparency, financial management, and monitoring at the school level, and increase community satisfaction with the quality of education.

Intervention

Under the REACH grant, the government tested results-based financing mechanisms at 20 primary schools in Lagdo subdivision in Cameroon’s North Region. These consisted of school grants allocated to the School Management Council of each school. An initial grant was based on the school meeting a set of simple preconditions, such as signing a contract and setting up a bank account. Some underresourced schools received an additional bonus to help them get started. Schools then received payments each trimester based on their performance in areas such as student retention, teacher attendance, financial transparency, community satisfaction, and textbook use. At the end of the school year, schools were allocated an improvement bonus based on the number of indicators they achieved over the year. Total annual payments...
ranged from $500–$1,000, compared to a school’s regular annual budget of less than $200 provided by the government. School Management Councils used the additional funds to improve learning conditions, with 70 percent helping to finance implementation of the school’s action plan and the remaining going to teacher and head teacher bonuses. As a result of these measures, student enrollment increased at the schools, including enrollment of girls; teachers were more engaged in the classroom; and schools demonstrated greater transparency in management and budget issues.

Impact

In the wake of the REACH-funded experiment, Cameroon is scaling up its results-based financing program for public primary schools with World Bank support. This program will cover 400 schools by 2020 and 3,000 schools by 2023, accounting for roughly 1.2 million students, or 30 percent of public school enrollment. It will incorporate an impact evaluation to study how performance-linked grants affect learning outcomes, adding to knowledge about results-based financing in education.

The results from the study are also informing national-level dialogue and policy making. The Bank is discussing with authorities the possibility of issuing payments directly to schools as a way to increase spending efficiency and reduce the use of education funds for unrelated purposes. This would give schools autonomy and a means to act based on action plans, and also make them more accountable. It would also help ensure funds reach their intended destination. Currently, only a sliver of funds is thought to reach schools. Direct payments to schools would also give head teachers more authority to guide teachers and the community to work together to achieve school goals.

The World Bank’s 2018 Public Expenditure Review for Cameroon, which evaluates the effectiveness of the country’s public finances, noted the positive effects of the REACH-funded experiment. The Bank is using the findings from the experiment in discussions with the government to incorporate greater use of performance-linked funding in Cameroon’s 2020–2030 national education strategy. These discussions involve development partners, the Prime Minister’s Office, and a number of ministries including the Ministries of Economy and Finance, Ministry of Public Service and Administrative Reform, and the four ministries in charge of education, and will help promote support for using performance-based financing in Cameroon’s education sector.