The Impact of Government Subsidies on Private Secondary School Performance in Uganda

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Sector(s): Education

Fieldwork: World Bank

Location: Uganda

Sample: 101 private schools

Target group: Secondary schools Students

Outcome of interest: Enrollment and attendance Student learning

Intervention type: School choice Subsidies

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Partner organization(s): Uganda Ministry of Education and Sports

Following the rollout of Uganda's Universal Secondary Education (USE) policy, Ugandan schools experienced large increases in student enrollment, which led to crowded learning environments. Researchers partnered with the Ugandan government to evaluate the impact of a public private partnership (PPP) program with low-cost private secondary schools on absorbing large increases in secondary school enrollment in Uganda. The PPP program led to both greater private school enrollment and higher student performance, with improved performance potentially being linked to increased input availability and positive household-driven selection of PPP student participants.

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In recent decades, many countries in sub-Saharan Africa have implemented policies to achieve universal access to basic education, often by eliminating fees for students to attend public schools. Existing public education systems have struggled to address the large, sudden increase in student enrollment spurred by these policies. At the same time, many countries have experienced rapid growth in low-cost private schools that provide an alternative to public schools. One potential solution to public schools' capacity constraints is for governments to partner with private schools to deliver basic education through public-private partnerships (PPPs).

PPPs enable private schools to contract with the government to deliver education services at a relatively low cost. Proponents of PPPs highlight their potential to increase competition within the public sector, thereby strengthening school performance. Opponents, on the other hand, emphasize their potential to increase socioeconomic segregation, thereby leaving behind lower-income and lower-ability students in non-PPP public schools.

Despite clear policy interest, limited research has been conducted on the causal effects of PPPs on student enrollment and learning outcomes or on school management. Could a PPP improve students' participation and learning outcomes in a low-income context?

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In 2007, Uganda introduced its Universal Secondary Education (USE) policy, which stipulated that all students who received a qualifying score on the national primary school exit exam would be eligible to attend participating public secondary schools and vocational institutions, free of cost. Following the introduction of USE, Uganda experienced large increases in lower secondary school enrollment, roughly a 28 percent uptick between 2005 and 2009 [1]. However, this increase in enrollment was not accompanied by parallel increases in input levels and therefore led to larger class sizes and stretched resources.

In response, Uganda initiated a PPP program, in which the government contracted with low-cost private schools to help absorb the increased student population. Specifically, the Ministry of Education and Sports provided per-student subsidies to private secondary schools to replace student enrollment fees.

Group of students doing work in Ugandan school.

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Researchers partnered with the Ministry of Education and Sports of Uganda to evaluate the impact of Uganda's per-student subsidies on secondary private school performance. In particular, they sought to evaluate the impact of the PPP program on private school enrollment, explore whether increased enrollment comes at the expense of learning outcomes, and understand whether the increase in funding and oversight from government crowd out or enhance good management.

Researchers randomly assigned 101 low-cost private schools who applied to participate in the PPP program into two groups:

1. Subsidy group (51 schools): Subsidy group schools received 47,000 UGX per term per student (approximately US$19 using the 2011 exchange rate) from the government for the 2011 school year. These schools were also eligible to receive support from the government on a discretionary basis, including the provision of textbooks and other teaching materials.
2. Comparison group (50 schools): Comparison group schools did not receive subsidies in the first year. However, these schools were invited to enter the program and receive subsidies during the 2012 school year.

Researchers gathered information from student surveys during unannounced school visits in 2011 and 2012, academic assessments in 2011 and 2012, and interviews with head teachers, teachers, and students in 2011 to assess the impact of the subsidies on private school performance.

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Overall, Uganda's PPP program increased student enrollment in participating private schools and improved student learning outcomes in those schools, compared with students in similar private schools.

Student Enrollment: For secondary grades 1 and 2 (the grades that were part of the PPP program, referred to as "lower secondary" grades), researchers found a large increase in enrollment. For example, grade 1 enrollment in PPP schools was between 33 and 37 students higher than grade 1 enrollment in non-PPP schools during school visits (an increase of 55 to 60 percent). By the second year of the PPP program, the overall lower secondary enrollment rate increased by 48 percent. For "upper secondary" grades that were not part of the program, researchers found positive but insignificant impacts on student enrollment.

Student Performance: Researchers found that students in PPP schools scored 0.1 to 0.2 standard deviations higher on national standardized tests covering English, math, and biology than students in non-PPP schools.

Researchers also evaluated the mechanisms behind these improvements in student enrollment and performance. They found that, while the PPP program did not lead to measurable changes in school governance, it had some effects on the availability of school inputs. For example, researchers found no measurable differences in school infrastructure, such as working toilets, class cleanliness, or amount of furniture, between PPP and non-PPP schools. However, researchers noted that a higher proportion of teachers in PPP schools were present during unannounced school visits than in non-PPP schools. This could indicate greater teacher commitment in PPP schools and thereby help to explain the improvements in student test scores.

Researchers also found that students in PPP schools were significantly more likely to come from households that were more invested in children's schooling, smaller, and had more educated parents. The bias towards students from households with these characteristics appears to be the result of household, rather than school, selection.

Overall, researchers found that the PPP program in Uganda effectively utilized excess capacity in private schools and enabled them to operate at a scale that more efficiently utilized existing inputs.

The PPP program in Uganda was designed as an interim policy to support the expansion of secondary school access to students under USE while the government expanded capacity through new school and classroom construction. Officially, the long-term plan remains to phase-out PPPs, though there is no firm commitment with a deadline. The results of this evaluation and one encouraging the adoption of double shifting in public schools were presented to the technical steering committee of the Ministry of Education in Spring of 2017 and were cited in a government document arguing for the continuation of the PPP program.

The Ministry of Education has continued to work with the researchers on evaluating other programs including SMS-messages to teachers.

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1. MoES (Ministry of Education and Sports). 2013. A comprehensive Report on the Universal Post Primary Education and Training: National Headcount Exercise 2013. Kampala: MoES.