Students at a low-fee private school in Punjab, Pakistan take a practice exam. Photo: Momina Afridi.

EQUITY AND QUALITY IN AN EDUCATION PUBLIC-PRIVATE PARTNERSHIP

A study of the World Bank-supported PPP in Punjab, Pakistan

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EXECUTIVE SUMMARY

Public-private partnerships (PPPs) in education are increasing in profile as countries grapple with serious challenges of educational access and quality—and as donors such as the World Bank turn to this approach as they advise countries on potential solutions to these barriers. Evidence is still limited on the impacts of this policy approach, however, and the academic literature that looks at equity and inclusion raises profound concerns.

With the second largest population in the world of out-of-school children; fewer girls than boys in school; limited access to schooling for children with disabilities and the poorest communities; and serious education quality and learning deficits, Pakistan faces steep challenges in fulfilling the right to education, which has been enshrined in Article 25A of the constitution since 2010. Public spending on education in Pakistan has hovered at just above 2 percent of GDP in recent years;¹ one of the lowest levels in the developing world and well below international benchmarks. Low-fee private schools have mushroomed across the country, filling gaps in access where public schools do not exist or lack decent quality; however, they tend to locate in wealthier villages and settlements, and face their own serious quality constraints.

In this context, PPPs that subsidize low-fee private schools are being pursued by the governments of Punjab and Sindh provinces with donor support, as a means of expanding educational access and improving the quality of schooling. This study examines the PPP in Punjab province administered by the semi-autonomous Punjab Education Foundation (PEF). The PPP has been funded in part by the World Bank through a series of loans to the provincial government totalling $1.7 billion over nearly 10 years,² though a substantial portion of this support has gone to improving the public education system.³

PEF’s four programs employ various PPP models, including a voucher program (providing tuition-replacement vouchers for students to be spent in low-fee private schools); a program that provides per-student stipends to existing low-fee private schools; another that funds the establishment of new schools in rural or underserved areas; and a public school takeover program which transfers the management of public schools to private entrepreneurs and civil society organizations. PEF requires schools to meet a minimum pass rate on a standardized test in order to receive funding. The World Bank has promoted the initiative as a success to be replicated by other countries, citing evaluations that find improved test scores and expanded enrollment.

This study seeks to understand the impact of the Punjab PPP initiative on key dimensions of equity, education quality, and democratic and social accountability. It was conducted over a period of two months, through field visits in a sample of 31 schools across five districts of Punjab province (in both rural and urban/slum areas) and all four PEF programs. It employs in-depth semi-structured interviews with school principals and owners in the sample, supplemented by focus group discussions with teachers, field observations of sampled schools, and interviews with key stakeholders. Qualitative by design, the study seeks to go beyond macro-level enrollment and test score data to provide a picture of the school-level dynamics of the PPP program, and to contextualize and interpret the existing data.

While the sample size limits definitive statements about impact across all the PPP schools in the province, the study’s findings are indicative of potentially far broader trends. The study provides an in-depth view of how the sample schools are operating and are incentivized within the framework of the PEF program, raising serious concerns about equity, quality, and accountability that need to be considered more broadly in the PPP program.
KEY FINDINGS

Equity

School principals and owners reported that:

**Very few children in the PPP schools were previously out-of-school.** Of the student population of 12,502 in the sample, the reported number of previously out-of-school children was 158, a mere 1.3 percent. Interviewees overwhelmingly highlighted that PEF schools are not catering to the large out-of-school populations in their communities, whether in rural areas or urban/slum areas. This is particularly relevant given that a major objective of the program is to reach out-of-school children.

**Very few children with disabilities were accessing the schools in the sample.** Only 11 students out of 12,502 were reported to have a disability, and none of those children were funded by PEF. Most schools were not physically accessible and none had a special needs teacher. Despite a recent provincial government focus on inclusion and a project to reach children with special needs in a small sub-set of PEF schools, findings showed no reasonable accommodation for such students in the schools in this study.

**Schools were actively screening and selecting children for academic ability, and the program’s test-based funding model creates incentives for exclusion.** Ninety percent of principals and owners in the sample reported that they administer screening tests when children apply for admission, and 60 percent admitted to refusing to admit children who had done poorly on the test. These practices appear to be resulting in the cherry-picking of more desirable students and avoidance of students who—because of disability or lack of previous schooling or investment due to income or gender—may be less likely to perform well on PEF’s Quality Assurance Test (QAT), which determines school funding.

In the voucher program, school owners reported that they selected students to receive the voucher, not the other way around, and that they charged students a fee for the first year before admitting them to the PEF voucher program. This suggests that students who cannot afford fees are not able to access vouchers, and raises questions about whether the concept of “school choice” is a reality in the program.

**Gender parity is not being achieved in most of the schools sampled.** Among co-ed schools (about two-thirds of the sample), 75 percent had more boys than girls; when including girls’ schools, of the total sample 65 percent had more boys. High dropout rates, particularly among girls, were also reported. Findings suggest that schools in the program are unlikely to be contributing to improving gender parity rates, particularly given a lack of PEF policies or funding to target girls.

**Non-fee expenditures are a significant financial barrier to access for the poorest children.** Although school fees are covered by the program, the study finds that on average, parents spend between PKR 14,750 ($127) and PKR 17,300 ($150) each year (see Table 1 below) on other expenses such as uniforms, meals, books, and transportation. These costs for one child could represent half of the income of a parent living at the poverty line, suggesting that the poorest families cannot afford the expenditures associated with these schools.
Table 1: Non-fee expenditures in PEF schools

<table>
<thead>
<tr>
<th>Items of expenditure</th>
<th>Cost in PKR per year (PKR 1 = $0.0086)</th>
</tr>
</thead>
<tbody>
<tr>
<td>School uniform</td>
<td>750–1,200</td>
</tr>
<tr>
<td>Shoes</td>
<td>900</td>
</tr>
<tr>
<td>Stationery (notebooks, pencils, etc.)</td>
<td>2,000</td>
</tr>
<tr>
<td>Transport</td>
<td>6,400–8,000 (depending on distance, 800–1,000 per month)*</td>
</tr>
<tr>
<td>Lunch</td>
<td>4,000</td>
</tr>
<tr>
<td>Private tuition</td>
<td>200–700</td>
</tr>
<tr>
<td>School bag</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total per student</strong></td>
<td><strong>14,750–17,300 ($127–150)</strong></td>
</tr>
</tbody>
</table>

Education quality

The findings also raise questions about the quality of education and teaching being provided in the low-fee private schools in the program. The study looks at a number of factors that affect education quality, in order to build a more complete picture of the quality of learning that is happening in PPP schools and to contextualize the testing data.

**PPP schools are utilizing an under-qualified teacher workforce, with very limited access to training or support.** Of the 497 teachers in the sampled schools, 57 percent had a grade 12 qualification or lower. About half of the schools reported that they had not received any teacher training from PEF in the past five years, and the remainder reported very infrequent training opportunities. Principals and teachers expressed concerns that the training they did receive was not relevant in helping them serve the needs of children from marginalized backgrounds in multi-grade classrooms with limited resources.

Strong concerns were raised about the quality of instruction, curriculum and the practice of teaching to the test. School principals and teachers alike cited concerns about the appropriateness of the curriculum and textbooks being used, the weakness of the QAT as an assessment tool, and reported a reliance on rote memorization and teaching to the test as a result of the high-stakes testing environment.

Schools rely predominantly on a female workforce, where average reported teacher salaries were less than half the minimum wage; suggesting that the system relies on gender inequity in the labor market. From the ranges provided by school owners, the average monthly salary of a PEF schoolteacher in the sample was calculated at PKR 6,000 ($52); magnitudes lower than that of a public school teacher. Meanwhile, 88 percent of teachers in the sampled schools were female. The findings suggest that female teachers are being paid very low wages on account of their gender, their limited mobility, and their low rates of participation in the labor market. They suggest that this is a violation of their right to decent work, and that the low-fee private school PPP model relies on this reality to achieve low per-student costs. School owners and principals also indicated the program funding levels prevented them from investing more in teachers and their training, and led to high turnover rates for teachers.

“...the syllabus we have to follow is all based on rote memorization. We are teaching to the test. You teach your kids the QAT format and practice on past paper guides being sold in the market. There is no conceptual learning taking place in the schools. I don’t think quality is a goal of PEF...” (Interview with principal, School No. 3)

“You cannot give quality on PKR 550 [$4.73] per child. You cannot give quality with teachers who have only done Grade 10 or 12 themselves and have zero training opportunities. No owner can invest in training, and nobody does.” (Interview with principal, School No. 25)
A high prevalence of after-school private tuition (tutoring) was reported, raising questions about whether test scores are an accurate measure of school performance without taking this factor into account. Lower-income students and girls are also likely to be disproportionately excluded due to cost barriers associated with private tuition.

Most schools did not have adequate physical infrastructure or materials needed to create a good learning environment. Of school owners in the sample, 85 percent argued they did not have sufficient funds to meet their basic infrastructure needs. While most schools did have separate washrooms for girls and boys, the majority lacked an adequate number of classrooms, desks and benches; adequate lighting; outdoor space for children to play; and other facilities such as libraries.

### Democratic and social accountability

None of the schools in the sample had a school management committee or parent-teacher council. While the lack of parent perspectives in this study is a limitation, feedback from owners and teachers provides important insight into the lack of structures available for parent and community engagement and oversight in PPP schools. School choice is often assumed to lead to greater accountability in schools; however, respondents raised questions about whether parents were able to exercise any meaningful choice in selecting schooling for their children.

Schools reported that monitoring and inspection of schools was biased, potentially subject to bribes, compromised the accuracy of school data, and did not create a sense of partnership. Many school principals, owners, and teachers reported that PEF monitors were treating school staff and children disrespectfully, leveling unfair fines, and accepting payments, for example in exchange for reporting higher enrollments or a good school report. While accusations of misconduct could not be verified, the findings suggest that

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"There is no choice for students and their parents in this context. Sometimes it's the only school they can send their child to. There is no competition for [voucher school] owners; they know that parents will send their kids here, so why work extra? There is no competition in terms of quality and learning. PEF school owners are only concerned about the QAT..." (Principal, School No. 7)
PEF’s punitive method of oversight is creating distrust among private providers and may result in ineffective oversight. These findings also call into question the accuracy of the data provided by PEF about its schools and programs.

Beyond the findings related to equity, quality, and accountability, interviews with various stakeholders brought out their views about the broader context of the initiative, including concerns around the sustainability of the PEF program and lack of planning for its place in the education system; the influence of donors on education policies; and the fear that investment in the PPP program was undermining investments in improving the quality of the public school system.

CONCLUSIONS

The study raises questions about the validity of a number of key claims made about PPPs—that they are more cost-effective than other options and that they provide better quality education while sidestepping inefficiency in the public sector. The interviews demonstrate that in the schools in the sample, cost savings come at a high price, and that schools are sacrificing quality due to a lack of investment in qualified teachers, relevant training and support, and adequate facilities. Furthermore, bias and irregularities in the monitoring and inspection of schools suggest that bribery practices and inefficiency are systemic challenges not limited to the public sector.

The study also sheds light on the unintended consequences of a high-stakes ‘reward and sanction’ incentive model in which schools’ funding is tied to student performance on a standardized test. The findings suggest that this approach creates disincentives for schools to cater to the poorest and most marginalized children and children with disabilities. It raises concerns that this PPP approach may not be effective in addressing the real challenges in delivering quality education in Pakistan, and may instead risk deepening economic and gender inequality by creating greater disparities in educational access and outcomes.

Attention must be refocused on improving the quality of public education, which requires sustained and committed government leadership, and donor support. The World Bank, other donors, and leaders and policy-makers in Pakistan must reflect on the lessons of this study and investigate the concerns being raised in order to effectively fulfill their obligation to provide access to quality education for all children, regardless of whether they live in poverty, or experience discrimination based on their gender or disability.
NOTES


4 This cost can be avoided if students live within walking distance of a school, which for many students is indeed the case. However, in some localities this was an issue and parents had to pay for transport.