

## Financing global education: challenges and opportunities

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We are living in times when foreign aid is under considerable scrutiny – and there is nothing wrong with that. But we should not lose sight of the fact that our world is interconnected, and that what happens in the Americas, in Asia and the Pacific, Africa and the Middle East, affects us all.

We have an obligation to support the most vulnerable – and that is one of the main reasons the [Global Partnership for Education](#) (GPE) exists – but careful, focused investment in human potential is also an investment in our own prosperity and security.

Education is central to ending extreme poverty, to improving health outcomes, fighting disease, creating jobs and sustainable growth. It is also a significant contributor to longer term stability. If we really want to reduce the growing numbers of people who leave their countries each year to seek opportunities elsewhere, we need to make sure their children have access to good quality education in their home countries.

I am here to discuss the challenges we face in global education, and how GPE is adapting and innovating to respond.

Globally we face a learning crisis. 264 million children of primary and secondary school age are out of school. There are an additional 130 million children who can barely read or write, even though they are attending primary school.

Without immediate and radical action to invest more in education, over half of the world's upcoming youth generation – 825 million of the 1.6 billion young people who will be alive in 2030 – will simply not be equipped to work and thrive in the 21st century.

The result is that hundreds of millions of young people are being left behind, never to acquire the skills they need to break out of poverty or become a contributing part of their society, to compete successfully in an increasingly globalized, technologically driven world. Their countries are deprived of the human talent essential to building economically dynamic, stable and sustainable societies.

Thus, we are all less well off. Wherever there is a huge divide between relatively well-educated, prosperous people and those without, there is inequality of opportunity, which drives discontent and conflict, which in turn can spill over national and regional borders.

Our mission at GPE is to confront this – and help solve it.

I would like to highlight three steps we think are key to meeting the 2030 Agenda: increasing financing; taking a systems approach; and innovating.

### Financing

On financing, let me be blunt. Right now, we are not investing enough in education globally to achieve Sustainable Development Goal 4 (SDG 4). A [new report from UNESCO](#) shows that the share of aid allocated to education has been falling for six years in a row and is lower now than in 2010.

So how do we ensure the financing is in place to achieve our big ambitions?

To start to bridge the funding gap, GPE is campaigning right now to ramp up its support to developing country partners to US\$2 billion per year by 2020. To reach this level, we will need \$3.1 billion from existing

and new donors for the next three years, 2018 to 2020. This is one of our core goals in our current refinancing, or as we call it, [replenishment campaign](#).

A full replenishment will enable the partnership to support 89 countries, which are home to 870 million children and adolescents and 78 per cent of the world's out-of-school children. With these funds, we will be able to put more than 25 million additional children through primary and lower-secondary school, including almost 15 million in countries affected by fragility or conflict.

Australia has historically been a strong and committed partner of GPE and generous supporter of investment in education, contributing [A\\$140 million between 2015 and 2018](#). Naturally we will be urging the Australian government to maintain and increase its support so that together we can meet regional and global education needs – especially for those that are most vulnerable.

## **Systems strengthening**

Strengthening education systems is at the centre of GPE's business model. We pay close attention to accountability and focus on results.

GPE's first step is to work closely with partner governments to put in place a strong education sector plan. These plans rally all players around a common vision and put countries in the lead. Education is a public good and countries must ultimately be accountable to their citizens for delivering it. What GPE does is ensure countries have the support, both financial and technical, to succeed.

With a quality plan in place, our partner countries can apply for GPE grants to help pay for implementation. Grant applications must include a financed proposal to systematically collect data and report learning results.

Very significantly, as part of the application process governments must also step up their own expenditure on education. Here I want to emphasize that although we urgently need to scale up aid for education, [domestic funding](#) is, and will continue to be, the source of the vast majority of funds, more than 90 percent.

To become eligible for GPE's grant funding, country partners must commit to making real progress on allocating 20 per cent of national budgets to education. For example, since joining the partnership in 2012, the Democratic Republic of Congo has substantially increased its financing for education – going from 9% of that national budget in 2010 to 17.8% in 2014. With GPE support, it is committed to reaching 20% in 2018, making a huge difference to the country's out-of-school children.

GPE recognises the particular challenges facing the Pacific's Small Island Developing States in terms of remoteness, small populations and vulnerability to natural and economic shocks. In 2014, we expanded our eligibility criteria to include 8 more Pacific island states. We are pleased to be working with Kiribati to develop an Education Sector Strategic Plan, with the coordinating support of the Department of Foreign Affairs and Trade and UNICEF. The Federated States of Micronesia and the Republic of the Marshall Islands have also accessed GPE funding to carry out the analytical work necessary to provide the evidence base to develop new education sector plans.

Our recent results report tells us that our focus on strengthening systems is working. We know that GPE is reaching more children, and more of them are completing primary and lower secondary school, particularly girls and children living in GPE countries affected by fragility or conflict.

## **Innovation**

Even though we have the fundamentals of the GPE model right, we are also looking for opportunities to innovate and to disrupt.

What does this mean? While we will continue to need substantial amounts of core funding, we have now adapted our funding model to be able to accept notionally targeted financing to support innovation in key

priority areas.

Through GPE's new knowledge and innovation mechanism, we are enabling countries to bring promising pilots, focused on specific challenges, to scale. These could be linked with successful projects such as those identified through DFAT's innovationXchange.

Donors can also invest in strengthening learning assessment systems, building better regional and global networks for this purpose, including in the Asia Pacific. This is our Assessment 4 Learning program and we are seeking an additional US\$10m in support for it.

And our new leverage fund or 'GPE Multiplier' will expand support to lower middle income countries including four new countries in the Asia-Pacific – Indonesia, the Philippines, Sri Lanka and India. For each \$3 a country raises for education from external sources, the GPE Multiplier will leverage an additional dollar, unlocking grant or concessional resources from multilateral and regional development banks, bilateral governments and private capital.

We are forging new partnerships, such as the work we are doing with private foundations and giants of the global insurance industry to transform the way school systems contend with the damaging impact that natural disasters can have on education systems. And we are in discussion with private sector actors about how to address the data challenge in education.

### **In conclusion**

Back in the 2000s, I worked in global health, at Gavi. Where education stands today at the start of the SDGs is not unlike where health was as the Millennium Development Goals (MDGs) launched.

Then, we would not have believed it possible that in only 15 years we could prevent tens of millions of deaths from vaccine preventable diseases, provide treatment for HIV/AIDS, reduce the impact of malaria and tuberculosis, and dramatically cut the number of maternal deaths.

With commitment and ambition, I am optimistic we can do the same thing for education. SDG 4 takes on the unfinished business of the MDGs and goes further. It covers different levels of education and lifelong learning. And most importantly, it talks about quality and equity.

I am optimistic because the world has begun to realize that the education funding crisis matters. Education financing challenges are at the top of the agenda in global forums such as the United Nations. I look forward to continuing to work together to translate our shared enthusiasm and energy into real support and financing for education.

*Alice Albright is CEO of the Global Partnership for Education. This post is an abridged version of a speech she gave at ANU on 7 August 2017; listen to the podcast (including Q&A) [here](#) and read the full speech [here](#).*