

DEVELOPMENT ASSISTANCE FOR EDUCATION POST-2015¹

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ABSTRACT: *This paper examines the implications of the post-2015 education agenda from an aid perspective. It does so by analysing how Western European and North American countries have been referred to in the main strands of the post-2015 literature relating to education; how current priorities in the post-2015 education proposals might affect future development aid; how the donors have responded to Education for All (EFA) and the education-related Millennium Development Goals (MDGs) since 2000; how the changing aid landscape and wider range of aid providers could impact on the financing of education post-2015; and finally how there could be improved allocative efficiency in development assistance.*

KEYWORDS: *Education Post-2015; aid/development assistance; financing gaps; aid providers; emerging donors*

Educational Aid in the Post-2015 Development Literature: Implications for Western Europe and North America

We have argued in previous papers (King & Palmer, 2013a; 2012) that one of the reasons for the preoccupation with post-2015 in many Western European and North American countries is precisely its perceived close connection with development assistance. Within the education sector in particular, future support to new versions of the education-related MDGs, to specific EFA Dakar Goals, or even to education beyond EFA, are seen to be intimately connected to how education and skills development are presented in any final post-2015 agenda. There is an acute awareness also that, in general, aid is falling towards the end of the fifteen-year period since 2000, not least because of the post-2008 economic crisis in so many Group I countries. The current funding gap (both external and domestic) of \$26 billion to reach even three of the six Dakar Goals by 2015, in just 46 countries (discussed in more detail later on) is well-known; but less frequently are there calculations of the costs of moving from, for instance, merely ‘*expanding and improving* comprehensive early childhood care and education’ (existing EFA Goal 1) to making EFA Goal I truly universal as in the recent UNESCO proposal - ‘*equitable access to and completion of at least 1 year pre-primary*’ for all children (Objective 1 of UNESCO, 2013a, para 37. *Emphasis added*).

Similarly, the figures of 57 million children out of school, 69 million adolescents not attending secondary, or 250 million children of primary school age not able adequately to read and write, despite some years of schooling, are equally well-known; but the costs of addressing the quality challenge of the 250 million are likely to be much more ambitious than only dealing with the access challenge of the 57 million. In other words, dealing with the quality demands of the present EFA Goal 6 has not yet been factored into the stated funding gap for reaching EFA by 2015, let alone the much wider concerns with quality and learning outcomes appearing in so many of the post-2015 aspirations and proposals.

If finishing the job on the existing EFA agenda would be a huge additional challenge for educational aid and domestic funding post-2015, the implications of what may be called an expanded EFA agenda are much more dramatic. This would involve, for instance, moving from merely ‘*expanding*’ or ‘*achieving a 50% improvement*’ in the present goals for early childhood and

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adult literacy respectively to universal coverage. There would be massive further costs by including universal lower secondary in the funding calculations as is proposed by the High Level Panel (HLP, 2013).² However, there have been calls for 'Education beyond 2015' to go beyond lower secondary, and not least in document 37 C/56 discussed in the General Conference of UNESCO on 7th November 2013. Objective 2 of this document proposes that 'Equitable access to quality upper secondary and tertiary education is ensured' as one of the possible objectives of the post-2015 education agenda (UNESCO, 2013a, p.9). There are also calls in the HLP for the post-2015 agenda 'to go well beyond the MDG focus on primary education', since the crucially important utilisation of technologies 'requires universities, technical colleges, public administration schools and well-trained skilled workers in all countries' (HLP, 2013, p.17). The Open Working Group (OWG), too, covers a wide landscape for the post-2015 agenda, and sees the need in increasingly knowledge-based societies for 'greater emphasis on secondary school and even tertiary attainment' (OWG, 2013, para.82). Two final examples come from the Sustainable Development Solutions Network (SDSN) which has a whole series of recommendations 'that would support an expansion of higher education' (SDSN, 2013, p.80), and from the UN System Task Team on the Post-2015 UN Development Agenda Issues Brief on Education and Culture which suggests that 'all youth and adults ...access post-secondary learning opportunities' (DESA-UNDP, 2013b, p.5).

By no means does all the education literature connected to 2015 and post-2015 assume an expanded, post-secondary vision of education for all. Not surprisingly, the EFA Global Monitoring Report (GMR) is concerned with the trade-offs between aid to basic education and aid to post-secondary education. For several years it has drawn attention to the fact that around three quarters of direct aid to post-secondary education is in the form of imputed student costs and scholarships in host countries. For instance the top four donors to this form of aid in 2010 were Germany, France, Japan and Canada (UNESCO, 2012, p.219). The same focus on EFA at primary and lower secondary would be true of the Global Education First Initiative, with its firm commitment to putting every primary child in school and also the out-of-school post-primary youth, and ensuring that both get access to quality learning (GEFI, 2013a).

It might be thought that the majority of the international NGOs (INGOs) or national NGO coalitions would support a focus on the original EFA agenda of Jomtien and Dakar, as it is particularly the poorest children, marginalised, disabled, affected by conflict or child labour who make up the 57 million out-of-school pupils at primary level. This is certainly the case with the US Basic Education Coalition (BEC, 2013), and also with Save the Children's powerful, and research-based statement about *Getting to zero: How we can be the generation that ends poverty* (Save the Children, 2013). There is a strong awareness of the role of domestic resourcing, but equally it is anticipated that both innovative financing and traditional official development assistance (ODA) will be vital. A parallel approach to this is sponsored by the Global Campaign for Education (GCE) with a firm emphasis on the right to education (and not just schooling) and powerful support to adult education and adult literacy (GCE, 2013a). An equally powerful case was put forward by 22 like-minded civil society organisations on the 'Right to education in the post-2015 development agenda', and again the right to education also covered adult literacy and adult education (Civil Society Joint Statement, 2013). Both these statements about education post-2015 consider it as crucial for national governments to allocate at least 20% of their annual budgets to education, and for 'all bilateral donors to allocate at least 10 per cent of their aid to basic education' (Civil Society Joint Statement, 2013, p.4; GCE, 2013a, p.2).

Beyond the approaches of finishing existing EFA and expanded education beyond 2015, there is a further approach that can be identified in the post-2015 literature which may be termed a one-world or North-South approach. This argues that the post-2015 agenda should no longer be primarily for the developing world, as it has been for the last 23 years since Jomtien. Rather, any new development framework should be universal and relevant to all countries, including any education goal or targets. These should speak equally to both North and South. Such an approach

may be illustrated in the two targets of Education International which not only cover ‘a full cycle of continuous, free quality early childhood, primary, lower and upper secondary education’ but also specify that by 2030 ‘all young people and adults have equitable access to quality post-secondary education and lifelong learning’ (Education International, 2013).

A very strong statement of such a one-world approach is also adopted by the Danish Civil Society Organisations. Their statement of five fundamental principles includes the position that ‘the new global set of goals shall not only apply to developing countries, but must commit all world countries’; furthermore, in aid terms, they state that there must be legally binding sources of finance for development, including a minimum of 0.7% of GNP for all rich countries, and that Denmark should return to its former 1% of GNP (Danish Civil Society Organisations, 2013, p.2&8).

The Learning Metrics Task Force (LMTF) also adopts a global, one-world approach to their set of recommendations, and although the countries that have expressed an interest in working with the LMTF in their current implementation phase are primarily from the Global South, there is the possibility of South Korea and of a number of US States participating also in different dimensions of this process. With LMTF, too, there is a firm commitment that ‘the education community, and donors in particular, must ensure that no country is precluded from measuring learning due to the costs associated with purchasing and administering tests’ (LMTF, 2013, p.32).

In concluding this section, it may be important to make two rather different points about the financing of actions on such global targets as may be agreed. First, there is recognition that there is a literacy problem with many millions of both youth and adults in the OECD countries; indeed the EFA GMR 2012 acknowledged, in a policy focus, the importance of strengthening adult literacy in rich countries. Some 160 million adults are estimated to be at risk with only poor literacy skills. And the costs of dealing with these large numbers would be high, even if the funds do not come from ODA budgets (UNESCO, 2012).³ Second, there is a strong message in much of the literature on education and skills post-2015 that the schooling of millions of young people in the developing world is being jeopardised by aid reductions.

Putting specific numbers on to the amounts of ODA from particular sources is critically important, rather than presenting national governments and development agencies with gross figures such as US\$26 billion of a funding gap. This is the value of the EFA GMR calculation of figures such as \$5.3 billion which could be secured if those nations which had already committed to reach the 0.7% for their ODA actually did so (UNESCO, 2013b, p.8-9). Arguably, for donors to be able to translate the goals into very specific financing targets is a high priority. But hopefully we have shown in this section that this cannot be done without clarity on what precisely is the realistic coverage of the education goals and targets in any global development agenda.

Impact of the Current Post-2015 Debates on Development Assistance to Education and Skills

Having examined just a little of the complexity of the education and skills themes in the current post-2015 debates, it may be premature to estimate their likely impact on patterns of development assistance. It will not be until 2015 that the shape of the final text of any educational goals and targets will be almost clear. But a few things can be said with a degree of certainty even now.

The surest outcome of the present debates about future priorities is that quality in basic education will be pursued. Pressure for ODA to address this has become almost unstoppable with the evidence discussed above that 250 million young people have basically failed to learn despite being in school for up to four years. Consequently, most of the formulations of new education goals for post-2015 have included the word ‘quality’. Thus the illustrative education goal of the HLP was ‘Provide quality education and lifelong learning’, and similarly no less than three of the five ‘Objectives’ of UNESCO’s 37C/56 document on Education beyond 2015 (UNESCO, 2013a) make use of the term quality.

But the real challenge will be the operationalisation of quality in practice. Many of the proposals being discussed focus on literacy and/or numeracy as basic skills which all students should acquire. Thus the HLP talked of 'every child...able to read, write and count well enough to meet minimum learning standards' (HLP, 2013, p.49), while UNESCO's 37C/56 document more broadly mentioned 'good quality with recognised and measurable learning outcomes based on national standards' (UNESCO, 2013a, p.7). The danger could be, however, if quality gets turned into one or two easily measurable learning outcomes of literacy or numeracy in the early grades. The temptation will be to pursue what could be called the 'quantification of quality' through assessments that are easy to administer. This could be damaging for the key role of teachers in encouraging critical thinking and creative, innovative approaches even from the earliest years.⁴

While early grade reading and maths assessments have been one approach to the measurement of learning (and of learning goals) in primary schools, a rather different approach has been the elaboration specifically for developing countries of an adaptation of the Programme for International Student Assessment (PISA). PISA for Development (PFD), supported by aid, will, over the next three years, be trialling instruments at age 15 which will be adapted to local contexts but must still be robust enough to maintain comparability with the international PISA scales (OECD, 2013a).⁵

Another of the priority themes that has been evident in so many of the proposals is 'inequality'. This became a key cross-cutting theme in the HLP across all the illustrative goals to ensure that everyone 'irrespective of household income, gender, location, ethnicity, age or disability' has access to key services (HLP, 2013, p.24). But what such an approach means in practice for development agencies and NGOs is a 'data revolution' in which results are 'disaggregated by income, gender, ethnic, religious, rural/urban, regional, age and disability groups' (Save the Children, 2013, p.vi). However, like quality, translating this very proper concern with equity and inequality into practice could require putting systems in place for the collection of data that are reliable, comparable and disaggregated. For weaker countries, this could have considerable implications for future aid to capacity building in educational planning and statistics.

The emphasis on the crucial importance of 'skills' or 'skills development' by the EFA GMR in 2010 and 2012 (UNESCO, 2010; 2012) and also by many development partners and national governments has secured their place in the discussions related to post-2015 proposals. However, as we shall mention in more detail below, 'skills', like quality and equity, is a very slippery term. So it is one thing to propose to 'develop skills and competencies for life and work' (UNESCO, 2013a, p.9) as a post-2015 objective, but translating these into instruments that can be used in the many different locations of formal and informal training could be a massive undertaking, as many countries are recognising (see for example, King, 2012).

But even 'access' will be affected by the new proposals around post-2015. The bald numbers of 57 million out-of-school children at primary level, or 69 million adolescents at lower secondary, will also need to be disaggregated, in terms of the categories just mentioned for equity, including the acknowledgement that many of these young people live in fragile states.

These are just a few examples of how the new post-2015 education and skills proposals could affect the character, delivery, and monitoring of development aid projects and programmes. There would be other illustrations from the new requirements of learning in adult literacy or in early childhood care and education. But enough has perhaps been said to suggest that the new goals are likely to put more demands both on countries and their many different development partners.

Many of these assessment approaches and technologies are already in place in Western Europe and North America, but they are the responsibilities of national ministries of education or of qualification authorities or skills councils. Securing some of this existing expertise for the parallel national development agencies and their partners in LICs and LMICs will be crucial.

We shall return to some aspects of these challenges later on, but we move now to consider what have been the financial dimensions of donor engagement with the EFA goals and with the education MDGs.

Donor Responses to EFA and the Education-Related MDGs

Broad Trends

At the World Education Forum in Dakar in 2000 there was agreement that ‘no country seriously committed to education will be thwarted in their achievement of this goal by a lack of resources’ (World Education Forum, 2000). While aid to education increased over the period 2002-2010, as noted below, this has since declined and donor governments have failed to deliver on the Dakar promise.

In the decade following Dakar, total aid to education increased steadily from US\$6.7 billion in 2002 to US\$14.4 billion by 2010, with aid to basic education⁶ increasing from US\$3 billion to US\$6.2 billion over the same period (Fig. 1). It is interesting to note the very high levels of aid to post-secondary education (Fig. 1) long after the Jomtien and Dakar agreements. This increase in aid to education more than mirrored increases in total ODA, which rose from US\$ 97 billion in 2002 to US\$139 billion in 2010.

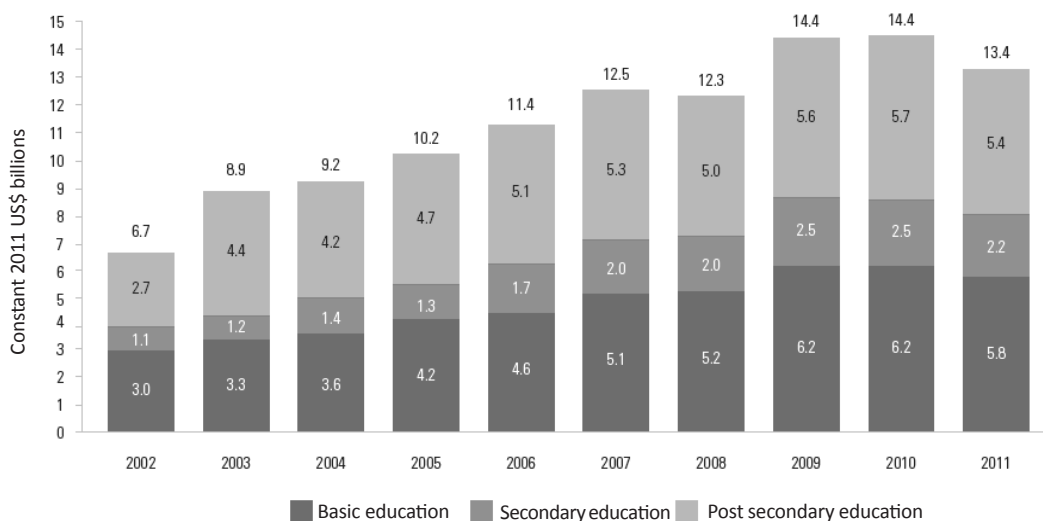


Figure 3: Total aid to education disbursements by US\$ billions, 2002-2011

Source: UNESCO (2013b) using OECD Creditor Reporting System data

However, since 2010 there is concern not only that overall levels of ODA are declining (by 6% in real terms 2010 to 2012 – DESA-UNDP, 2013a), but that levels of aid to education (and basic education) are declining. Between 2010 and 2011, total aid to education declined by 7%, with aid to basic education declining by 6% - from US\$6.2 to US\$5.8 billion (UNESCO, 2013b).

Six of the ten major bilateral donors to basic education (Canada, France, Japan, the Netherlands, Norway and the United States) reduced their aid to basic education between 2010 and 2011 (UNESCO, 2013b, p.6). However, other donors (Australia, Germany, Sweden and the United Kingdom) increased their aid to basic education over the same period (ibid), which slightly compensated – but this was insufficient to prevent an overall decline in aid to this level.

With regard to multilateral support for basic education, there is evidence that it is ‘slowing compared to other sectors and to bilateral donors’ (Rose & Steer, 2013, p.1-2). For example, between 2010-2011, the European Union ‘decreased the amount given to basic education by almost one-third’ (UNESCO, 2013b, p.6).

What is additionally concerning, from the perspective of any increased focus on post-basic education in the post-2015 agenda, is that ODA to both secondary and post-secondary education

also fell, but at different rates,⁷ between 2010 and 2011. Meanwhile, as noted above, UNESCO has proposed that the post-2015 education agenda should ensure 'equitable access to quality upper secondary as well as tertiary education' (UNESCO, 2013a, p.7).

Aside from the trend of decreasing ODA to education, another trend among DAC donors is the need to demonstrate more clearly how ODA contributes to development outcomes (European Report on Development (ERD), 2013) which has led them 'to focus more on results, transparency and value for money'⁸ (Greenhill & Prizzon, 2012, p.9), and to be selective about the countries they provide aid to.

Financing Gaps

There remains an annual \$26 billion financing gap to achieve basic education⁹ in 46 low-income countries (LICs) and lower-middle-income countries (LMICs) (UNESCO, 2013d). If achieving lower secondary education is added, the financing gap grows to \$38 billion in the same countries. If the post-2015 ambitions extend beyond lower-secondary, which looks likely, and if we were to cost in the financing gap for the remainder of middle- (and even high-) income countries, the global post-2015 education financing gap will be very considerable. And this is without calculating the very substantial costs of the widespread emphasis on quality in most post-2015 education proposals.

There is no realistic way that we should expect such a large financing gap to be covered by ODA alone (Greenhill & Prizzon, 2012). Domestic financing will continue to be the major source of funds for education (Rose & Steer, 2013), but other sources, including from non-DAC donors, the private sector and innovative mechanisms, clearly need to be adopted even for the post-2015 basic education agenda to be realised.

Shortfalls Regarding Financing Priorities

However, ODA to basic education is not being prioritised to countries that are furthest from achieving EFA (GCE, 2013; UNESCO, 2013a; 2013b); in 2011, only one-third of aid to basic education was allocated to low-income countries (UNESCO, 2013b, p.7), and 'only three of the ten countries in the world with the highest numbers of out-of-school children are among the top ten recipients of aid to basic education: Ethiopia, India and Pakistan' (ibid, p.8).

The Education MDGs have narrowed the focus of ODA to primary education and gender equity (Commonwealth Secretariat, 2012, p.9). Nonetheless, over the past decade, several bilateral (France, Germany and Japan) and (more recently) some multilateral agencies (e.g. African Development Bank) have provided significant amounts to students studying in donor countries (which is no longer considered country programmable aid by the OECD); and they have widened their support to a whole sector financing approach (Rose & Steer, 2013; UNESCO, 2012).

It has been widely claimed that not only has priority been accorded to primary education, but narrowing the education goals has also resulted in a priority being given to educational access, while quality improvements and learning outcomes were much less prioritised. Within 'quality', as mentioned above, there has been a focus on its 'quantification' by mechanisms such as those associated with Uwezo and the early grade reading assessments.

Lastly, there are more general shortfalls with regard to governments' financing priorities; massive sums are allocated to military spending versus to education and other services. For example, global military spending reached US\$1.75 trillion in 2012 (SIPRI, 2013); if just 1% of this were reallocated to education spending, an extra US\$17.5 billion would be available.

Shortfalls Regarding Financing Modalities

The shift in the years following Dakar, away from project-based education aid, to sector-wide approaches and budget support seems to be reversing in the last few years. The majority of the Paris

Declaration aid effectiveness targets were not met (UNESCO, 2012), and greater risk aversion appears to have affected financing modalities, especially with regard to general budget support (Greenhill & Prizzon, 2012). Several traditional donors, most notably USAID, have long favored project-based aid to education and this does not appear to be changing; if anything, more donors appear to be returning to this modality. Perhaps as a result of the national audits of sector and general budget support.

The Global Partnership for Education has been through reform¹⁰ over the last couple of years, but is still finding it hard to engage with the new multi-stakeholder financing reality (especially with regard to getting contributions from emerging donors, the private sector or innovative financing), or indeed to raise much finance (Sachs & Schmidt-Traub, 2013). For example, donor contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria between 2001-2011 totaled US\$22 billion, 'around ten times as much as those made to the Global Partnership for Education over a comparable time frame' (UNESCO, 2012, p.153). Further, while private partners around the world are making commitments to achieve the targets of the UN Global Education First Initiative (GEFI, 2013b), they are not channeling these resources via the Global Partnership for Education but largely through their own mechanisms which tend not to be aligned with EFA objectives. Some have suggested that the Global Partnership for Education could evolve into a new Global Education Fund (Brown, 2012; Sachs & Schmidt-Traub, 2013).

Since Dakar, financing modalities for EFA have not been able fully to reach the poorest and most marginalised people or countries, including girls, children with disabilities, rural populations, emergency and conflict situations (UNESCO-UNICEF, 2013b).

Traditional aid to education may be at a turning point. In most recipient countries, ODA to education is declining both in absolute terms and as a proportion of national education budgets, the traditional grant focus of some donors is giving way to greater focus on blended financing options (see below). ODA is still very important, especially for fragile states (OECD, 2013b), and will continue to be over the period to 2030. But those countries that have failed to fulfill earlier ODA commitments need to make good on their promises. However, ODA may begin to become more useful as a catalyst for development or as a means to leverage additional funding from national governments and the private sector, and in funding global public goods connected to education (e.g. education data, research). While some suggest that in future ODA 'should be targeted entirely to low-income countries' (Sachs & Schmidt-Traub, 2013), it may be that it is more useful to look at it on a country- (or intra-country) specific basis and also to look at the type of ODA modality used and its purpose.¹¹

Even if ODA is not currently well targeted at the countries furthest from EFA, it can still amount to a significant proportion of education budgets in some of the poorest countries. But ODA financing modalities for these countries may need to focus more on grants than loans for example (ERD, 2013). In other countries, we may see less grants and more loans, or else new funding modalities such as blending ODA with private or non-concessional financing (Ibid; Greenhill & Prizzon, 2012).

The main instrument the MDGs incentivized was ODA from traditional donors, with MDG 8 (on global partnership) perpetuating a 'donor-recipient' type of relationship (DESA-UNDP, 2013a). By contrast, the post-2015 framework needs to incentivize development finance,¹² regardless of source. It needs to be emphasised again that domestic financing will be the make-or-break of education post-2015 ambitions and will remain the largest source of education financing in most countries. The EFA GMR is proposing that the post-2015 education goals include a financing goal that contains commitments for governments, donors and others (UNESCO, 2013c); one vital lesson from EFA/MDGs is that it cannot be taken for granted that resources will be available to meet international commitments, despite the pledge given at Dakar.

Financing Education Post-2015: Emerging Partners and the Private Sector

In the last decade the development landscape has broadened considerably. While the EFA and education MDGs were more about incentivizing ODA and linked more to a donor-recipient approach

(Jones, 2012), the development financing opportunities that now exist go well beyond this. The financing of the post-2015 education agenda needs to also account for this new financing reality that includes emerging donors, private sector financing (foundations, NGOs, large corporations, enterprises and private individuals), new mechanisms for traditional donors, as well as innovative financing approaches. We deal with emerging donors next and then the private sector below.

Emerging, Non-Dac Donors

There has been a growing interest in the role of the non-DAC donors in the last few years, but so far there has not been much attention accorded to their engagement with education and training, or with their involvement in the debates around the post-2015 education agenda (King, 2013a; 2013b; NORRAG News 49). Their preferred aid discourse is captured in the term South-South cooperation (SSC). This stresses collaboration between Southern partners in many different domains. Development assistance is only one dimension of SSC, which 'often combines loans, grants, trade, investment and technical cooperation' (ERD, 2013, p.114).

While there continues to be a lack of official figures to allow the isolation of ODA in SSC, it is estimated that currently some \$15 billion in aid is provided each year through SSC and that this could rise to \$50 billion by 2025 (ibid, p.115). The best estimate of the much discussed Chinese aid is provided by Brautigam, and would total \$10.5 billion, covering \$2.5 billion of official aid, and \$8.00 billion of concessional foreign aid loans (Brautigam, 2013).

As far as the main non-DAC donors are concerned, their modalities of education cooperation are also framed in a South-South mutual benefit discourse, and their emphasis is largely on higher education, scholarships, teacher training and short term tertiary level training rather than on the EFA agenda and education-related MDGs of many traditional donors. There is some non-DAC donor support (e.g. China) to school building but this is tiny compared to that of Japan, for instance. As an important part of the discourse of non-DAC donors is that training should provide direct exposure to their own recent, successful experience of rapid development, it should not be surprising that short-term training in the non-DAC donor countries is a very high priority. Indeed along with Japan and Germany, India and China are now two of the four largest providers in the world of such short-term training.

Africa is the site for a good deal of the higher education cooperation of India, China, Brazil, and of course South Africa which subsidises thousands of students from the rest of Africa in its own universities and colleges. It should be noted that the education ministers of the BRICS countries met on the side of the UNESCO General Conference on 5th November 2013, and 'agreed to establish a mechanism at the "highest political and technical level" to coordinate and implement collaboration, especially in higher education' (Lee, 2013).

Although the ministers did also emphasise the importance of collaborating with UNESCO to 'hasten progress towards achieving Education for All – EFA – goals, and also to shape discussions on the post-2015 agenda' (ibid), it should be noted that until recently China, India and South Africa have paid little attention to this last. This is beginning to change, with a recent high-level 'Workshop on the post-2015 development agenda on post-school education & training' in South Africa on 30th October 2013 (DHET, 2013). In the case of China, its Ministry of Foreign Affairs published 'China's position paper on the development agenda beyond 2015' just three days before the UN General Assembly debated this issue in September 2013 (MOFA, 2013).

Private Sector

While basic education is seen largely as a 'public good' (Brookings, 2012, p.67), which should mostly be publicly financed at the national level, the pressure on ODA means that many are increasingly looking to the private sector as a potential source of finance for education (UNESCO, 2012). The private sector certainly has an important role to play in financing education post-2015 –

and not just in financing provision, but also ‘to catalyse innovation, advance policy reform and address the education needs of marginalised populations’ (UNESCO, 2012, p.164; 2013e, p.1; UNESCO-UNICEF, 2013a). Below we examine briefly four types of private sector financing: Philanthropy/private grants and NGOs; Private multi-national corporations; Private enterprise at national levels; and, Private education and training providers.

Philanthropy, Private Grants and Ngos

Key foundations based in DAC-member countries spend US\$135 million on education in developing countries (UNESCO, 2012; van Fleet, 2012); this is equivalent to only about 1% of education aid from DAC donors. About 90% of education support from these foundations comes from just five organisations which are based in USA (ibid.).¹³ These figures, however, are likely to be underestimates as they don’t include comparator organisations in emerging economies such as the Qatar Foundation and Dubai Cares, nor do they include the Aga Khan Foundation. Of course, from the proposed post-2015 perspective of universality (to both developed and developing countries), these figures also don’t include expenditure by private foundations on education in developed countries, including for example the Bill and Melinda Gates Foundation spending on education in the USA.

The delivery of funding from such philanthropic organisations is ‘generally the most comparable to aid from DAC donors... [They] rarely run their own projects but instead channel their funds to other organizations, usually local or international NGOs’ (UNESCO, 2012, p.165). However, foundations (more so than traditional donors) ‘have also taken on more risky ‘venture capital’-style investment, and tend to have a strong focus on innovation and scientific research’ (Greenhill & Prizzon, 2012, p.12).

Non-governmental organisations’ contribution to education financing is also significant; NGOs get their financing both from ODA, but also from their own fund-raising activities.

Private individuals are also increasingly becoming involved in directly financing development, including education, through such mechanisms as social impact investing and peer-to-peer giving and lending.

Private Multi-National Corporations

Private corporations based in Western Europe and North America provide an estimated US\$548 million per year to support education in developing countries (UNESCO, 2012; van Fleet, 2012); this is equivalent to about 4% of education aid from DAC donors. Most of these companies are in the energy and ICT sectors. The motivation behind such involvement ‘differs widely in terms of how closely it is tied to core business activities’ (UNESCO, 2012, p.165). There are broadly three types of such giving (UNESCO, 2012):

- a) ‘corporate giving’ - contributions towards education in developing countries through grants to NGOs or international organisations
- b) ‘social investments’ - in sectors such as education as a form of corporate social responsibility.
- c) ‘supply of goods and services’ – for example via a partnership with a government.

There is some concern that private multi-national corporations tend to focus more on some countries and some sub-sectors of education rather than others, and are not necessarily aligned with government policies.

Private Enterprise at National Levels

Corporate involvement in education at the national level should also be recognized as part of the post-2015 education financing matrix. Such involvement may include grants to national education initiatives as part of their corporate social responsibility. But private enterprises are much more directly involved than this. When it comes to skills training, for example, many enterprises, both

formal and informal, large and small, are engaged in enterprise-based training, including through apprenticeship arrangements, or they might be contributors to national or sector industry training funds. Private enterprises at the national level also have a key role to play in helping education and skills planners understand changing labour market demand and skill needs (UNESCO-UNICEF, 2013a). This all has obvious links back into EFA goal 3, but also to the wider discussions on skills for work as part of the post-2015 agenda.

Private Education and Training Providers

At the level of the provider, private institutes and schools – both for- and not-for-profit – have a role to play in financing education now and post-2015. The role that, for example, low-fee private schools are playing in EFA – and might play post-2015, is contentious.¹⁴ In almost every country there are also many examples of for-profit and non-profit schools and training centres that provide education and skills training, as well as the very widespread ‘shadow’ school systems which offer private provision to students who have already had a full day or week of public schooling.

In conclusion

Within Western European and North American countries, there is a wide range of development actors, at international, national, sub-national and city levels, including national and international NGOs, think tanks, corporations, foundations, private sector providers, philanthropists and consultancies. We have only been able to refer to a sub-set of this very diverse constituency in their involvement in post-2015 debates and proposals. Not only is there a multiplicity of providers, but even within the limited field of possible education and skills development goals and targets, there is a substantial range of different approaches. Any viable post-2015 framework for development cooperation in education will need to recognise the distinct roles of different types of cooperation actors.

However, it may still be useful for these diverse actors to recall just how complex the funding and definitional issues are that derive from this discussion about post-2015 proposals:

There are several next steps or conclusions from this brief paper. They involve greater certainty about the meanings, the evidence base (see King and Palmer, 2013b) and the options involved in different post-2015 proposals.

Clarifying the meanings and practical implications of such key elements in many post-2015 education proposals as ‘quality’, ‘equity’, and ‘skills’, including ‘skills for work’.

Recognising that ‘finishing the job’, even on the specified limits of some of the 6 EFA Dakar Goals in 46 LICs and LMICs, would cost more than the estimated annual funding gap of \$26 billion (which is based on just 3 Goals, - early childhood, primary and adult literacy).

Expanding the ambition of the existing 6 Goals so that there is comprehensive coverage, not just 50% adult literacy or increased coverage of ECCE, and not just minimalist learning outcomes but real attention to quality, would increase the annual funding gap dramatically.

Expanding the range of the present EFA goals so that they incorporate universal access to lower secondary education of acceptable quality would increase the current annual funding gap even further.

Expanding ‘Education beyond 2015’ to take in ‘equitable access to quality upper secondary and tertiary education’ would make enormous demands on both domestic funding and on aid budgets even for the 46 LICs and LMICs discussed in this paper in relation to the \$26 billion.

It would nevertheless be invaluable for the development assistance community to have some sense of the differential costs of meeting these very different ambitions, with different funding scenarios, including 0.7% of GNP for those countries already committed to that target.

The development assistance community will never be able to fund these further ambitions, it should be funded even with increased domestic funding. That does not mean that DAC donors should not still aspire to the 0.7%, but that DAC ODA might increasingly be better used in other ways – e.g. leveraging additional financing from the private sector or from innovative instruments.... Or for financing global public goods in education like the data revolution, and added measurement of learning outcomes.

Notes

¹ A longer version of this paper was presented as a background paper to the Regional Consultation Meeting of the Western European and North American States on Education in the post-2015 development agenda, 5-6 December 2013.

² This was also called for by the Director General of UNESCO in her foreword to the EFA Global Monitoring Report (GMR) of 2012: 'We can achieve universal lower secondary education by 2030, and we must' (p.i). The Report itself supported lower secondary as a global target for post-2015 (ibid, p.300).

³ The costs of dealing with some 5.7 million adult learners in the UK between 2001 and 2007 reached no less than US\$8 billion (ibid, p.103).

⁴ For concerns with the 'quantification of performance' in Tanzania, see Languille (2013).

⁵ Countries likely to be part of the PFD pilot are Cambodia, Ecuador, Guatemala, Senegal, Sri Lanka and Zambia.

⁶ Basic education is defined by the DAC as covering early childhood education, primary education and basic life skills for youth and adults.

⁷ It is secondary that has suffered the most – having the greatest relative decline between 2010 and 2011.

⁸ See also NORRAG News No. 47: Value for money in international education: A new world of results, impacts, and outcomes. www.norrag.org

⁹ The financing gap that the UNESCO Global Monitoring Report team calculated in 2012 refers only to 3 of the 6 EFA Goals (related to primary, pre-primary and adult literacy). This version of basic education is different from that of the OECD DAC – see note 6 above.

¹⁰ For example, widening the focus of its work to include education in fragile states as one of its core priorities.

¹¹ e.g. Why shouldn't ODA be used in lower-middle income countries (MICs) to fund areas that are historically under-invested in, or to leverage increased domestic or private sector investment in similar countries?

¹² Development finance here refers to finance that is used for development purposes that includes, for example, financing from ODA, south-south cooperation, triangular cooperation, innovative mechanisms, and the private sector.

¹³ Ford Foundation, William and Flora Hewlett Foundation, MasterCard Foundation, Open Society Foundations, Carnegie Corporation of New York.

¹⁴ For a summary of the arguments for and against low-fee private schools, see the blog debate between Kevin Watkins and Justin Sandefur at <http://www.oxfamblogs.org/fp2p/?p=11264>

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