

# Education Financing in West and Central Africa

Thursday 1 February 2018, 12:05-12:25

Radisson Blu Hotel, Dakar – Mermoz Room

*Analysis of education financing in West & Central Africa within development and humanitarian contexts and dialogue on future prospects in light of SDG4*



Education  
2030



**Education Systems' Strengthening Task Team**

1. Situation of education financing in West & Central Africa  
**Guillaume Husson**, Head, IIEP-Pole de Dakar, UNESCO
2. Education funding in humanitarian contexts in West & Central Africa  
**Nicolas Reuge**, Regional Education Adviser, UNICEF
3. The financing shift to invest in the learning generation  
**Liesbet Steer**, Director, Education Commission
4. Funding prospects in humanitarian contexts  
**Yasmine Sherif**, Director, Education Cannot Wait

*Moderator: Lily Neyestani-Hailu, Chair, Regional Education Systems Strengthening Task Team, UNESCO Regional Bureau*

# Key messages of the session

## 1. Education Financing in West & Central Africa (WCA)

### Challenges

There is a lack of financial resources to meet the SDG4 targets despite the fact that:

- There is significant economic growth in the WCA sub-region
- There is an increase in domestic resources on average in WCA
- There is an increase in domestic resources allocated to the education sector on average in WCA
  - Whereas States are making important budgetary efforts towards education and face challenges for allocating a larger share of public expenditure for education, there are still important funding gaps and as a result households are contributing to a great extent
  - External aid is present in these countries but does not meet expectations

### What is the way forward?

- Improve the effectiveness and efficiency of current public expenditure on education, in using better the resources of education (example with teachers, manuals, etc.
- Improve the equity in the appropriation of public resources to benefit of the poorer because this is a barrier to the enrolment of the poor and to goal a universal basic education.
- Develop financing innovation (example with the Public Private Partnership in TVET and Higher education)
- Improve the external financing and support the capacity of countries to disburse funds and improve the expenditure commitment process between ministries of education and finance ministries

## 2. Funding Education in Humanitarian Contexts – West & Central Africa

### Importance of education in humanitarian contexts

- All children have the right to education, even in emergencies
- Education is lifesaving, restores a sense of normality and security for children, and provides a key entry point for other sectors providing humanitarian responses (protection, health, nutrition)

### West & Central Africa, the most challenged region in terms of funding education in humanitarian contexts

- Education is not prioritized in humanitarian appeals, in WCA in particular
- Education is the most underfunded sector in humanitarian response and WCA presents the worst situation

### 3. The financing shift to invest in the learning generation

The way forward: Recommendation's from the Education Commission report

- Mobilize more domestic resources for education
- Increase the international financing of education and improve its effectiveness
- Establish a Multilateral Development Bank (MDB) investment mechanism for education

Financing as one of the 4 key transformations for better investment in education

- Education will require more and better investment
- Primary responsibility of national governments
- Supported by international partners....

### 4. Funding prospects for Education in humanitarian settings in the region

- Volumes of education financing in humanitarian situations have been increasing but are still way below needs (by more than a factor 10 if the ODI estimate of a \$8 billion financing gap for education in emergencies is used).
- Education Cannot Wait was created to respond to this gap. The targets are: \$ 153 million raised in 2017, \$386 million this year, and up to \$1.5 billion globally in 2021, to be invested in country support.
- Education Cannot Wait does not only bring funding (directly or as a result of advocacy), but also a different way of doing education in emergencies, with increased coordination, joint programming and better accountability.
- WCAR is one of the regions where Education Cannot Wait will be most involved, with an expected 7 protracted crises to be prioritized in the region, out of 25 globally, not counting short term funding that may be provided in case other countries are hit by an unexpected, rapid-onset crisis.

# Recommendations from the **Education 2030 Framework for Action (FFA)**

## Increasing and improving domestic financing for education

Domestic resources remain the most important source for funding education. There must therefore be a clear commitment by governments to provide more and better funding, equitable financing commensurate with national educational priorities, needs, and capacities to advance the progressive realization of the right to education. In order to increase and improve domestic financing for education in particular, countries will need to:

- ✓ Increase public funding for education (diversifying or finding new sources of funding)
- ✓ Increase efficiency and accountability (existing resources need to be used more efficiently)
- ✓ Prioritize those most in need (resources allocated to education should be used in a more equitable and targeted manner)

## Increasing and improving external financing

The fulfilment of all commitments related to ODA is crucial, including the commitment by many developed countries to achieve the target of 0.7% of gross national income (GNI) for ODA to developing countries and 0.15% to 0.2% of GNI to least developed countries. An important use of international public finance, including ODA, is to catalyse additional resource mobilization from other sources, public and private.

- ✓ Reverse the decline in aid to education:
- ✓ Improve aid effectiveness through harmonization and better coordination:
- ✓ Improve the equity of external financing
- ✓ Promote South-South and triangular cooperation
- ✓ Scale up and strengthen existing multi-stakeholder partnerships

## Innovating, with a focus on partnership, transparency, equity and efficiency

Achieving this ambitious education agenda will require unlocking all potential resources to support the right to education, moving beyond 'business as usual' and sometimes doing more for less.

- ✓ Focus investments on equity inclusion and quality
- ✓ Orient private financing resources
- ✓ Challenge and expose misuse of resources
- ✓ Institute transparent monitoring and reporting

## Financing **Education in Emergencies**

“Conflict-affected countries, in particular, are spending around 3% of national income – below the global average of 4% and the recommended target of nearly 6%.” “Adding to the problem, not only does the education sector have one of the lowest requests for resources in Humanitarian Response Plans, but it also receives a small share of what is requested – a double disadvantage.” ([Interagency Network on Education in Emergencies - INEE](#))

After accounting for projected domestic spending, a minimum of US\$38 per child and US\$113 per adolescent annually is needed to ensure all children and adolescents in conflict-affected countries can go to school. This equates to a total funding gap of US\$2.3 billion; ten times what was given in humanitarian aid to education in 2014. The total annual financing gap between available domestic resources and the amount necessary to reach the new education targets is projected to average US\$39 billion between 2015 and 2030. (<http://www.ineesite.org/en/education-in-emergencies>)

“75 million school-aged children and youth are in desperate need of educational support, either in danger of, or already missing out on their education. (...) yet education appeals receive less than 2% of humanitarian funding.” [Education cannot wait](#).

ODI: Investment for education in emergencies,

[https://www.usaid.gov/sites/default/files/documents/1865/Investment\\_Emergencies\\_Education.pdf](https://www.usaid.gov/sites/default/files/documents/1865/Investment_Emergencies_Education.pdf)

## Recommendations from the **Education Commission Report** – “The learning generation: investing in education for a changing world”

To achieve the Learning Generation, the Commission calls for a **Financing Compact** between developing countries and the international community, realized through four education transformations:

### **1. Performance - reform education systems to deliver results.**

To succeed, the first priority for any reform effort is to put in place the proven building blocks of delivery, strengthen the performance of the education system, and put results first.

### **2. Innovation - invest in new approaches and adapt to future needs.**

Successful education systems must develop new and creative approaches to achieving results, capitalizing on opportunities for innovation in who delivers education, where and how, in order to meet the education challenges ahead.

### **3. Inclusion - target efforts and resources at those at risk of not learning.**

Successful education systems must reach everyone, including the most disadvantaged and marginalized. While the first two transformations will help to ensure more effective learning systems, they will not close the learning gap unless leaders also take additional steps to include and support those at greatest risk of not learning – the poor, the discriminated against, girls, and those facing multiple disadvantages.

### **4. Finance - increase and improve financing for education.**

Successful education systems will require more and better investment. This investment must be based upon the primary responsibility of national governments to ensure that every child has access to quality education, free from pre-primary to secondary levels. It must be supported by the resources and leadership of international partners, prioritizing their investment in countries that demonstrate commitment to invest and reform.

## Messages from the **Global Education Monitoring Report 2017/18**

- Calls for more spending are countered by calls for checks and balances to fight corruption. Education was more exposed to corruption risk than even construction in the European Union in 2009–2014.
- Anti-corruption approaches emphasize deterrence, detection and investigation. Clear rules and regulations must be accompanied by stronger management capacity, independent audit institutions, open information systems and a facilitating environment for media oversight and involvement of non-governmental organizations.
- Aid to education in 2015 was 4% below 2010 levels. The education share of total aid fell for six consecutive years, from 1% in 2009 to 6.9% in 2015.
- Payment by results, a relatively new aid delivery modality, aims to help recipients pay closer attention to results and move towards a monitoring and evaluation culture.
- There is little indication that accountability dynamics are changing for governments whose need for aid to build robust institutions remains strong. Questions arise about the accountability of donors using results-based aid to shift risk onto aid recipients little prepared to bear it.
- New estimates put the share of **education expenditure borne by households** at 18% in high income, 25% in middle income and 33% in low-income countries.
- **National education accounts** can reveal the amount that households are contributing. But education should learn from the rollout of national health accounts, now used in 112 countries, which took decades of development.

## Key messages from **CONFEMEN Education Financing Conference**

### Domestic resources and innovative mechanisms

- Develop innovative mechanisms to mobilize additional public resources.
- Mobilize more private resources (businesses, solidarity actions and household participation)
- Imagine mixed mechanisms to mobilize more domestic resources (private or public)
- Draw lessons from other sectors (health, agriculture)
- Engage communities

### External resources and innovative funding

- Develop innovative mechanisms for mobilizing external resources
- Improve the disbursements of external resources
- Engage local authorities

### Better targeted funding and relevance of budgets allocated to education

- Develop exchange platforms on the intra-sectoral distribution of funds allocated to education

- Draw on innovative targeting experiences in pre-school, primary, secondary, vocational or higher education
- Identify the constraints in the implementation of allocated budgets and develop strategies to address them
- Develop innovations in the budget execution procedures to improve budget execution

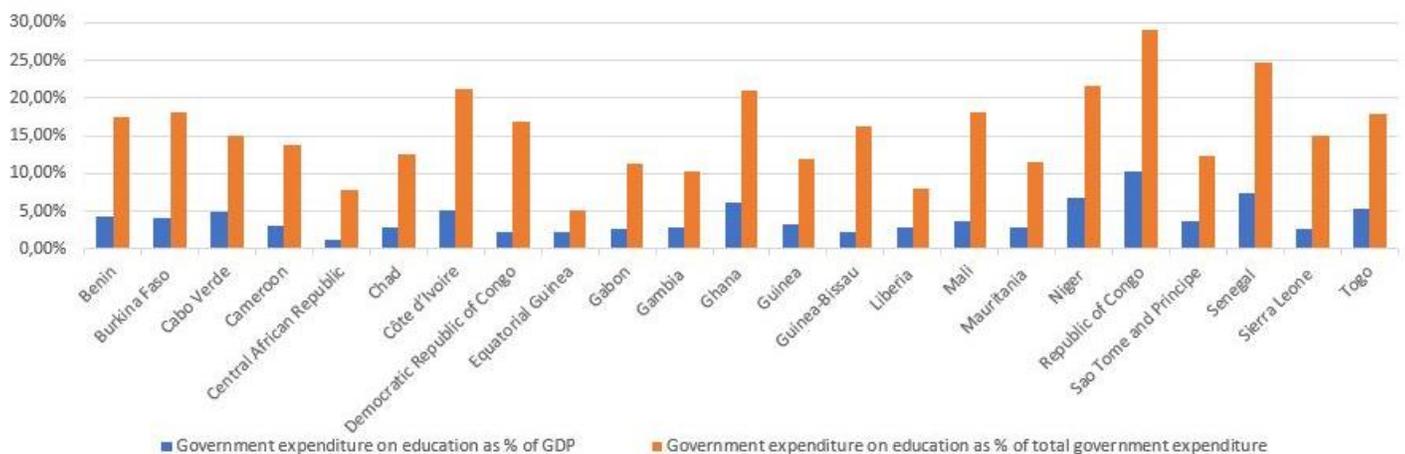
The [Rabat Declaration](#) contains 17 recommendations aiming at further mobilizing the required financial resources to achieve SDG4

## Key Facts & Figures

Evidence continues to demonstrate that Education is key for sustaining socio-economic development, which is critical in West and Central Africa where socio economic-indicators stand below global averages and public funding for the sector faces significant shortages while needs are constantly increasing in order to close the gaps in terms of equitable access and relevant learning outcomes. The situation is all the more critical in humanitarian settings where aid for education remains underfunded.

- It costs an estimated \$54 billion annually to provide basic education to all children in 46 low and middle-income countries. Current government spending amounts to about \$25 billion and donor aid to an additional \$3 billion annually, leaving a \$26 billion gap. (Brookings Institution: [Seven facts about global education financing](#))
- Worldwide, it is estimated that an additional US\$39 billion is needed to fill the annual external financing gap and provide quality pre-primary, primary and secondary education to all children by 2030. It costs only US\$1.25 per day to educate a child in a developing country. (GPE)
- The Africa region devotes 5.0 percent of total GDP of about \$1.5 trillion to public education expenditure, which is the second highest percentage after North America with a total \$32 trillion GDP per capita and Europe at 5 percent with a total \$24 trillion GDP per capita.
- African countries have allocated the largest share of government expenditure to education at 18.4 percent, followed by East Asia and the Pacific at 17.5; South and West Asia allocated only 12.6 percent.

**Government expenditure on education in West and Central African countries:**



- International donors, on average, finance nearly 6 percent of the education resources of African countries. The total amount of ODA committed to Africa's education sector was \$2.6 billion in 2008, reported the OECD Development Assistance Committee (DAC). ODA for education as a ratio of total public expenditure on education varies a lot between African countries and is not strictly related to the income level of the country: e.g. education systems in Guinea, Rwanda, Mali and Zambia, despite being richer countries, are more dependent on ODA than many lower income countries (see below).
- The largest proportion of private funding for education in Africa is generated from individual households. **Households contribute about 25 percent of the total national education expenditure**, according to UNESCO figures from 16 countries with available data.

As a national priority, many African countries devote a significant amount of their budget to Education, though small GDPs and poor planning mean that money is either never allocated or too little to begin with. In many low-income countries, household spending is greater than government spending on education. Furthermore, equity of spending in African countries also requires improvement. For example, funding for tertiary education often benefits the richest.



## Education Systems' Strengthening Task Team

The SDG4-Education 2030 Framework for Action calls for well-resourced, efficient, inclusive, equitable, responsive, resilient, and effectively governed education systems that can meet the diverse learning needs of all children, youth, and adults in a lifelong learning perspective.

Members of the Regional Coordination Group on SDG4-Education 2030 in West and Central Africa (RCG4) who support areas related to education policy, planning, management, and financing have joined forces in view of supporting the integration of SDG4-Education 2030 into National Education Planning, centered on the strengthening of national and institutional capacities. Activities of the [Systems' strengthening Task Team](#) focus on the development of support tools and frameworks, sharing of best practices and support to the strengthening of national capacities in sector planning and country data systems in the context of SDG4-Education 2030, including in fragile states affected by conflict.



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