

Financing global education: challenges and opportunities

Public lecture by Alice Albright

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(Approximately 20 mins)

Good evening ladies and gentlemen, (ADD NAMES OF HOSTS) distinguished guests, and students.

I am delighted to be here at the Australian National University in Canberra – not least to be out of the rather intense atmosphere in Washington DC. I like to run and I have to say the clean, cool air and open space here in Canberra is very refreshing!

I want to start by acknowledging the important role of the ANU and the Development Policy Centre in promoting informed debate and analysis of the role of aid in development and foreign policy.

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 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 – and 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 the Global Partnership for Education is adapting and innovating to respond.

I would hope that everyone here is convinced of the importance of education and meeting SDG 4 – which is to ensure inclusive and equitable quality education and lifelong learning opportunities for all by 2030.

Progress, however, is still way too slow. We can't keep doing the same thing and expect the transformative results we want.

At GPE – we have adopted SDG 4 as our vision- and we are fully committed and focused on meeting this goal.

For those less familiar with GPE – we are the only global fund dedicated solely to education in developing countries – and specifically to improving learning and equity.

Just as important as the fact that we are a fund is our founding principle of partnership. The GPE board of directors includes donors and developing country partners, international institutions, civil society, the business community and philanthropy.

Each constituency has a seat at the table and a voice in decision making - quite different from top down traditional donor-recipient arrangements of the past.

Across the partnership, we know that education is essential to the well-being of citizens and the future of societies. But too often developing countries lack the funding and technical infrastructure to deliver quality education to all their children, particularly those that live in the poorest and most remote areas or who are affected by conflict and instability.

Globally we face a learning crisis which means that there are 264 million children of primary and secondary school age 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 is to confront this – and help solve it.

I would like to highlight three steps we think are key to meeting the 2030 agenda.

The first is very clear – increasing financing. We are falling short. More funds are needed from all sources – domestic budgets, ODA budgets and multilateral development banks. The private sector also has an important role.

The second is taking a systems approach, which means improving national education systems. National governments must be in the lead, determining their own national priorities and driving systemic reform. We have learned from the investments in global health that strengthening the system is key to sustainable change.

The third is innovation. We need to disrupt the sector with new ideas and new partners, recognizing that business as usual won't achieve SDG 4.

Financing

On financing, let me be blunt. Right now, we are not investing enough in education globally to achieve SDG 4. So how do we ensure the financing is in place to achieve our big ambitions?

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.

To start to bridge the funding gap, GPE is campaigning right now to ramp up its support to developing country partners to 2 billion US dollars a year by 2020. To reach this level, we will need 3.1 billion from existing and new donors for the next 3 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.

Systems strengthening

Strengthening education systems is at the center 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, it is domestic funding that 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.

[well beyond] In Cambodia, GPE works with the government to get more students in school and improve their learning performance. That includes investing in early childhood education, one of the most important and cost-effective ways to achieve better learning outcomes over the long term. Cambodia is now well on its way to enrolling more than half of its children aged 3 to 5 years – about 122,000 and counting – in preschool in seven provinces around the country.

And GPE has funded the vision screening program – which has benefited from advocacy efforts by Australian civil society organizations, including the Fred Hollows Foundation – which has reached tens of thousands of Cambodian children.

I am also very pleased to be able to say that we have begun the process of bringing Myanmar into the partnership. We have been working with their education officials to assess education needs and start sector planning – and we hope to be able to make a formal announcement in a few more weeks at which time Myanmar will be eligible for a substantial grant.

GPE has also helped Papua New Guinea rebuild a basic education infrastructure that had been battered by years of unrest. Through programs such as the READ PNG, for instance, hundreds of thousands of children now have the reading skills they need.

And we have a long - standing relationship with Timor – Leste which has been a GPE partner since 2005.

GPE recognises the particular challenges of the Pacific's Small Island Development 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.

Going forward, GPE will continue to foster tailored partnerships with the Pacific Small Island Development States to responding to the particular needs that they face.

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.

GPE Partner countries have more trained teachers, reaching an average ratio of 40 students or less per trained teacher.

Afghanistan, GPE is supporting efforts to hire more female teachers particularly in rural areas, which is encouraging more girls to go to school.

In Nepal, we have seen reductions of 20 per cent in numbers of out of school girls in the most disadvantaged districts over a three year period.

Innovation

Eventhough 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 Innovation Xchange.

We currently have a pilot investment from the Children's Investment Fund Foundation (CIFF) to support gender sensitive education sector planning. We are seeking to raise an additional 3 million US dollars to extend the number of participating countries and partners.

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 10MM 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 dollars a country raises for education from external sources, the GPE Multiplier will leverage an additional dollar, unlocking grant or concessional resources from MDBs, 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.

GPE is better now at the complex work of investing in and strengthening education systems in developing countries than ever before.

For Australia, GPEs upcoming replenishment provides the opportunity to remedy the education challenges faced by the Asia-Pacific region, and to identify and target new resources to tackle these challenges.

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

In conclusion

We have the pieces in place to bring about a transformation in global education that will have lasting benefit across the sustainable development agenda. We know what to do.

We have an opportunity to start an ambitious scale up; to deliver the step-change that is needed in global education financing.

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 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, and help reduce impact of malaria and tuberculosis. That we could 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.

Tonight, I have highlighted some of the ways we can scale up—taking practical steps that we know work. Increasing financing for education by traditional donors. Working with countries to mobilize domestic resources. Putting into place robust education plans and reforms.

And some of the ways we can innovate. Bringing in new partners into the education sector. Leverage Funding. Testing new ideas and developing sharing platforms so that all countries have access to the latest information and approaches.

I ask you to leave today and share information about GPE, our model, and our current replenishment campaign, especially with your government but also Australian business, civil society and philanthropy.

I look forward to continuing to work together to translate our shared enthusiasm and energy into real support and financing for education.

Thank you and I look forward to your questions.

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