



**Office of ADG/ED**  
**An Education Sector Working Document**

**The Global Initiative towards Education for All**  
**A Framework for Mutual Understanding**



United Nations Educational, Scientific and Cultural Organization  
Organisation des Nations Unies pour l'éducation, la science et la culture

(ED-2001/WS/35)

© UNESCO 2001  
Printed in France

# Contents

<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>I. CONTEXT .....</b>	<b>4</b>
Education for human development.....	6
Understanding the global initiative .....	7
The financial challenge of achieving Education for All.....	8
Setting the six options in context .....	9
Trends in international development assistance during the 1990s .....	10
<b>II. INTERPRETING THE SIX OPTIONS.....</b>	<b>15</b>
(a) Increasing external finance for (basic) education.....	15
Expanding the sources of financing .....	16
(b) Ensuring greater predictability in the flow of external assistance.....	17
(c) Providing debt relief and/or cancellation for poverty reduction and basic education.....	18
(d) Facilitating more effective donor coordination.....	19
(e) Strengthening sector-wide approaches.....	21
(f) Monitoring of progress towards the goals and targets of Education for All .....	22
<b>III. CONCLUSION .....</b>	<b>23</b>
<b>REFERENCES.....</b>	<b>25</b>

# The global initiative towards Education for All: A framework for mutual understanding

## EXECUTIVE SUMMARY

1. The World Education Forum in Dakar in April 2000 identified the need for a global initiative 'to formulate the strategies and mobilize the resources for effective support to national efforts' in the achievement of the goals and targets of Education for All (EFA) by the years 2005 and 2015 (World Education Forum, 2000, §11). The following options (or elements) should be considered: (a) increasing external finance for education, in particular basic education; (b) ensuring greater predictability in the flow of external assistance; (c) providing earlier, more extensive and broader debt relief and/or debt cancellation for poverty reduction, with a strong commitment to basic education; (d) facilitating more effective donor coordination; (e) strengthening sector-wide approaches; and (f) undertaking more effective and regular monitoring of progress towards the EFA goals and targets, including periodic assessments. This paper represents the consolidated understanding of these six options by the partners in the EFA movement.

2. *Increasing external finance for education, in particular basic education:* In view of the strong commitments made in Dakar and in subsequent high-level policy meetings, additional financing for Education for All must be urgently raised from all possible external sources. This includes lending from intergovernmental and regional development banks, private investment and official development assistance. As the major lending source, the World Bank needs to reverse the negative trend in its lending for education during 1998-2000 and to support basic education understood more broadly than primary education. It is equally important to reinvigorate grant financing through Official Development Assistance (ODA), particularly for the least developed countries and geographical areas, such as sub-Saharan Africa and South Asia. It is, therefore, desirable that member countries of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), in particular those with large economies, consider the following steps:

- Increase overall ODA and ensure that the grant element constitutes at least the norm of 86 per cent. A norm of 100 per cent should be considered.

- Increase the share of total sector allocable ODA for basic social services from the current 10 per cent to fulfil the principles of the 20:20 Initiative.
  - Set specific financial targets for basic education in light of calculated resource gaps at the country level. As a minimum, total DAC support for education should be increased from the current level of \$3.5 billion to constitute a total of \$7 billion by 2005, \$10.5 billion by 2010 and \$14 billion by 2015. Support for basic education must constitute the predominant part of this overall education assistance and be significantly increased from its current level of \$703 million.
  - Use the Heavily Indebted Poor Countries (HIPC) Initiative and other debt relief schemes as creative mechanisms to channel support for Education for All.
  - Ensure coherence and coordination of all assistance internationally and nationally, and monitor progress towards calculated financial targets.
  - Target assistance for optimal effect, including support for innovative approaches to Education for All, building on best practices, strengthening decentralization processes, heightening the use of beneficial NGO experiences, and reconsidering the traditional division of labour among different funding sources.
3. Alternative sources for mobilization of international resources must also be considered. These would include:
- Former aid recipient countries and non-member countries of OECD/DAC.
  - Private investment financing, in particular the possibility to forge partnerships among the financial services industry, the state and civil society.
  - Non-governmental organizations, private foundations and large-scale corporate foundations.
  - Innovative fund-raising and awareness-raising in support of Education for All.
4. *Ensuring greater predictability in the flow of external assistance:* Predictability in the flow of external assistance rests, on one hand, on the capacity of aid providers to fulfil negotiated

commitments according to specified time schedules and, on the other, on the capacity of aid-receiving countries to absorb and use the funding in accordance with defined goals and targets. In order to increase predictability, governments as well as funding and technical assistance agencies should set medium- to long-term financial targets for Education for All which reflect their expressed political commitments. Furthermore, bottlenecks related to constricting aid conditionalities, for example tying of aid, lack of indexing to inflation or agency preference for investment in specific areas of their own choice, and to inadequate human and institutional capacities at the country level must be identified and removed. Social development and Education for All goals must remain core objectives for national development processes alongside macro-economic targets and political criteria. Differentiated support must be provided in view of specific country circumstances, including special considerations for areas in risk situations.

*5. Providing debt relief and/or cancellation for poverty reduction and basic education:* In the current situation of declining ODA, it is important to identify innovative financial schemes which can supplement ODA financing. Debt relief and/or cancellation is one mechanism which, together with debt-for-development-swaps, has received strong international attention and political backing. The core notion is that forgiven debt in specific countries would be translated into social development activities, in particular increased financial support for Education for All. The various debt relief mechanisms must be enacted with the utmost urgency. Financing of debt relief schemes must be undertaken through the mobilization of new and additional resources, and not be diverted from already declining ODA. Countries must receive all necessary technical assistance in order to link national EFA action plans with poverty strategies in order to, first, ensure that resources from debt relief are channelled into support for EFA and, second, that they achieve tangible systemic and societal improvements.

*6. Facilitating more effective donor coordination:* Effective donor coordination aims at ensuring consistency in goals and strategies adopted by all actors as a basis to promote holistic national development processes and to ensure maximum impact of international assistance. Governments in the North and the South must ensure coherence among their different sector policies and between nationally

and internationally developed strategies and plans. Coordination of the EFA movement must be undertaken at global, regional and national levels. Coordination at the global level must facilitate coordination at the national levels. At the global level, a number of mechanisms have been put into operation, including UNESCO's membership of the United Nations Development Group in order to strengthen coordination of EFA with other United Nations development initiatives, the Working Group on Education for All which acts as a global forum for professional dialogue among all EFA partners and the High-Level Group which acts as a lever for high-level commitment and resource mobilization internationally. National, sub-regional and regional forums and other networks have been established through which partnership and consensus concerning EFA plans, implementation and monitoring can be coordinated. In-country coordination must be undertaken by governments with participation of all stakeholders, including civil society. The E-9 Initiative represents a highly influential South-South mechanism for EFA collaboration and exchange of experience, while inter-agency flagship programmes represent a particularly valuable way forward for coordination of Dakar special focus areas. Further steps must be taken to link existing mechanisms, including the global initiative as such, with other initiatives, in particular the G8 senior advisory group on EFA.

*7. Strengthening sector-wide approaches:* At the country level, sector-wide approaches have been identified as the best alternative to the kind of fragmented international project support that characterized international development cooperation in earlier decades. The sector-wide approaches are intended to support government leadership and ownership through establishing a working relationship based on partnership and policy dialogue at the country level. All partners are expected to work within the framework of government programmes which provides an opportunity for national authorities and development partners to be aligned with shared priorities. It also permits the agencies to provide longer term support against well-defined policy objectives and to support reforms through agreed operational commitments and devolving greater authority to national governments concerning resource decisions. The approaches are therefore potentially a very critical means to negotiate appropriate emphasis on Education for All in national development processes, and to strengthen understanding and collaboration

between Ministers of Finance and Ministers of Education. The approaches can also assist in altering the traditional funding division of labour between governments and agencies, with agency preference for capital and development expenditures rather than recurrent costs. The successful application of sector-wide approaches rests on a number of pre-conditions at both country and agency levels. At the country level, they include longer term macro-economic planning, strong government leadership and effective participation of civil society organizations. They, therefore, often require provision of consolidated technical assistance by the development partners in order to strengthen the human and institutional resource base. The approaches also represent a particular challenge to the EFA movement in terms of adaptation of knowledge on, training in and learning from successful experiences.

8. *Monitoring of progress towards the EFA goals and targets:* The UNESCO Institute for Statistics has been charged with monitoring global progress towards EFA through its Observatory in collaboration with other partners. Its work has been concentrated in four major areas: data collection, development of new methodologies, capacity-building in collection and use of statistics, and data analysis and interpretation of cross-national data. Monitoring must form an integral part of national and

regional EFA plans for action and be conducted regularly at those levels in order to allow for adjustments. It must be based on common output and outcomes indicators which can facilitate the production of national plans. The 18 core EFA indicators should be used and modified in light of the expanded Education for All concept and in light of new emerging areas of critical importance. Specific attention must be paid to better understanding and monitoring of international aid flows and private sector contributions as well as costs of and expenditures for education at the national level. A mapping of country needs must be urgently undertaken related to their capacity to undertake baseline surveys in order to enhance the quality, accuracy and validity of the data used to monitor progress, the appropriateness of their education management and information systems, and the existence of national capacities for evaluation and monitoring.

9. The global initiative is a complex undertaking of huge magnitude. Its success for the EFA movement will rest on an appropriate use of the identified six elements as a consolidated strategy applied in light of individual country contexts. The initiative should be put into action through identification by the EFA movement of an appropriate forum for coordination and monitoring.

# The global initiative towards Education for All: A framework for mutual understanding

## I. CONTEXT

1. The World Education Forum (Dakar, April 2000) reaffirmed the vision of the World Declaration on Education for All (EFA) (Jomtien, Thailand, 1990) that all children, young people and adults have the human right to benefit from an education that will meet their basic learning needs in the best and fullest sense of the term (World Education Forum, 2000). The Forum collectively committed itself to attaining the following goals:

- (i) expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children.
- (ii) ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete, free and compulsory primary education of good quality.
- (iii) ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life-skills programmes.
- (iv) achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults.
- (v) eliminating gender disparities in primary and secondary education by 2005, and achieving gender equality in education by 2015, with a focus on ensuring girls' full and equal access to and achievement in basic education of good quality.
- (vi) improving all aspects of the quality of education and ensuring excellence of all so that recognized and measurable learning outcomes are achieved by all, especially in literacy, numeracy and essential life skills.

2. In addition to the six goals, the Forum identified a number of particularly critical themes, for example HIV/AIDS, teachers and quality of education, education in situations of emergency and crisis, and Information Technology (IT), as needing immediate attention and action.

3. The Dakar Framework for Action is a collective commitment. Governments have an obligation to ensure that EFA goals and targets

are reached and sustained (§2, p. 8). This can most effectively be done through broad-based partnerships within countries, supported by cooperation with regional and international agencies and institutions. The international community is called upon to launch with immediate effect a global initiative aimed at "formulating the strategies and mobilizing the resources needed to provide effective support to national efforts" (§11, p. 9).

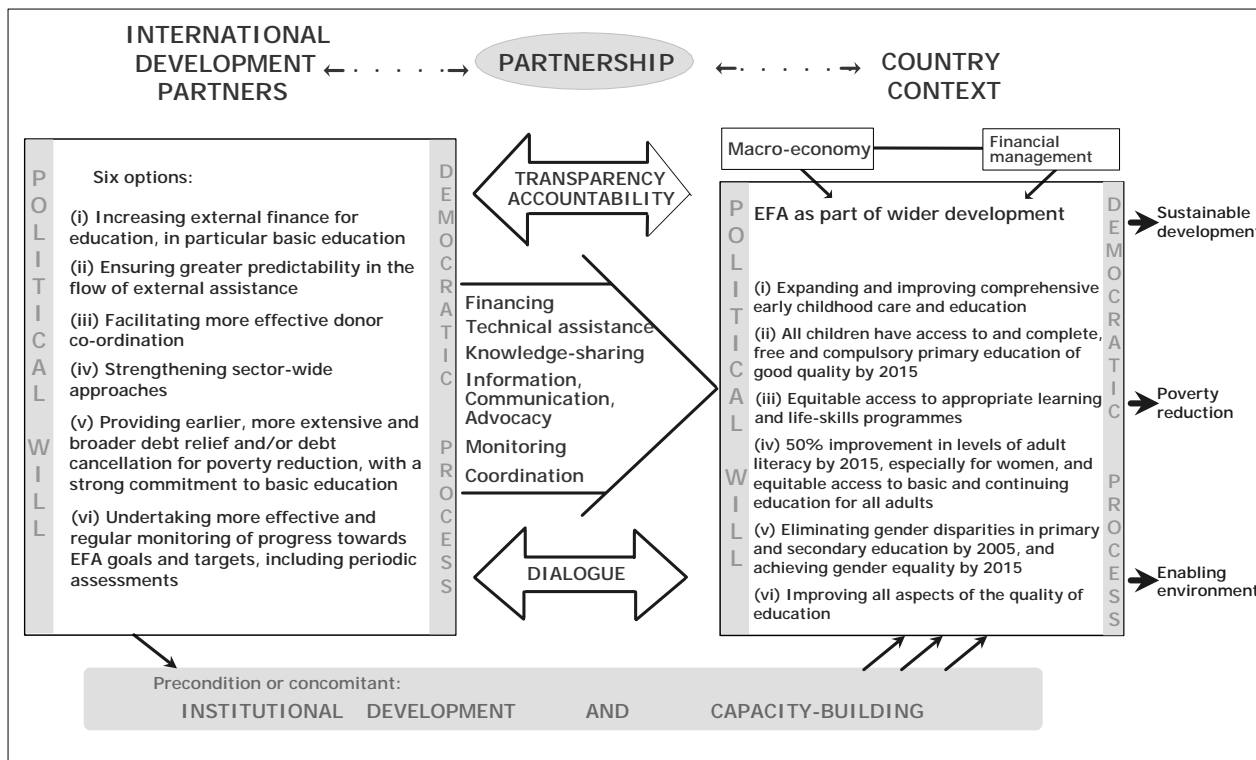
4. This paper, which has been developed in an interactive process with representatives of all EFA partners,<sup>1</sup> interprets the nature of this initiative and presents their consolidated understanding of the six options (or elements) outlined in the Framework:

- (a) increasing external finance for education, in particular basic education;
- (b) ensuring greater predictability in the flow of external assistance;
- (c) providing earlier, more extensive and broader debt relief and/or debt cancellation for poverty reduction, with a strong commitment to basic education;

---

<sup>1</sup> This paper (revised latest in October 2001) was prepared by Lene Buchert, Office of the Assistant Director-General for Education, UNESCO. Earlier drafts were discussed on a number of different occasions during November 2000 - September 2001 with representatives of all EFA partners, including the four core EFA partners (UNICEF, UNDP, UNFPA, the World Bank), bilateral agencies, OECD, EC, intergovernmental and regional development banks, international and national non-governmental organizations, representatives of governments in the South, including Ministers of Education and other high-ranking officials, EFA coordinators in Africa, representatives of the academic community and selected financial experts. This draft is to be shared by a cross-section of selected partners before it can be considered to be a final document. Comments and reactions should be addressed to Lene Buchert, UNESCO, 7 Place de Fontenoy, 75352 Paris 07 SP, France. Tel: (33 1) 4568 0826. Fax: (33 1) 4568 5627. E-mail: l.buchert@unesco.org

Figure 1. Diagrammatic representation of the global initiative



- (d) facilitating more effective donor coordination;
- (e) strengthening sector-wide approaches;
- (f) undertaking more effective and regular monitoring of progress towards EFA goals and targets, including periodic assessments.

5. An important outcome of the consultation process was that the global initiative must be understood in a wider development, rather than a narrow, financial sense. While directing itself towards the Education for All goals and targets, the global initiative must ensure support for overall development and poverty alleviation, and contribute to establishing an enabling environment where needed in the countries in the South. Support for education rests on political will and must be understood in a macro financial and political context with human and institutional capacity-building as critical components. Political will and financial resources are critical for the achievement of the EFA goals in the context of wider development. Other important resources are professional and technical assistance, knowledge and information, and communication (Figure 1). The success of the global initiative depends, amongst others, on the application of general principles for international development cooperation announced, for example, in the European Union (EU) code of conduct. This includes an active dialogue built on trust in the negotiation between partner countries and partner agencies, on transparency and accountability as mutually accepted principles, and on participatory and inclusive planning and implementation of EFA whose progress must be effectively coordinated and monitored.

6. With respect to financing, the initiative must reinforce not only resource mobilization, but also its effective utilization and management. Increased financial resources are, thus, expected to be mobilized both through increased allocations and through efficiency measures in its utilization and management. The actual mix of the six elements would vary depending on the particular national context which may require additional or alternative options as well, for example the use of IT to improve the delivery of education.

7. The contribution of development partners is complementary to that of national governments who bear the main responsibility for advancing and/or achieving the EFA goals. While being global in scope, the success of the initiative rests particularly on its capacity to respond to specific country needs as determined by the complexity

of understanding EFA in a wider development context.

### **Education for human development**

8. The EFA goals underline the long-existing and prevailing concerns of the international community that have been expressed in numerous declarations and conventions since the Universal Declaration of Human Rights in 1948 stipulated free education for all – a goal reaffirmed in the Convention on the Rights of the Child in 1989. Two of the EFA goals, universal primary education by 2015 and elimination of gender disparity in primary and secondary education by 2005, also form part of the recognized international development targets that aim at global poverty reduction through strategies for health and the environment in addition to those for education. Proposed at the World Summit for Social Development in Copenhagen in 1995, these targets were agreed by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in 1996. They were reaffirmed in the United Nations Millennium Declaration in 2000 (United Nations, 2000).

9. The EFA goals highlight the downside of globalization, namely marginalization and exclusion of certain population groups, countries and regions that have persisted, even grown more extensive, despite the numerous international declarations and conventions issued since the Second World War in support of free education for all, equity, social development and poverty reduction. According to the Dakar Framework, more than 113 million children have no access to primary education, 880 million adults are illiterate, gender discrimination continues to permeate education systems, and the quality of learning and acquisition of human values and skills fall far short of the aspirations and needs of individuals and societies (World Education Forum, 2000). Furthermore, disruptive conditions related to, for example, persistent civil wars and the HIV/AIDS pandemic, call for radical rethinking of, or at least a much wider range of approaches to, the teaching and learning process. They also highlight the relevance of the Dakar focus themes and the need to find diversified solutions for countries in different circumstances, including those in emergency, crisis or post-conflict situations.

10. The plea of the late 1980s for structural adjustment with a human face or the need to protect the vulnerable while promoting growth (Cornia et al., 1987) thus continues to be valid. Furthermore, there continues to be a strong contrast between official government support for the international declarations and their implementation, despite relative consistency in the thinking on the necessity and benefits of education for development. Investment in human and social capital are now widely accepted as means of creating sustainable development, achieving poverty reduction and reducing inequalities within and among nations, and of enhancing personal development and quality of life. The synergy between education and improved health, higher productivity, innovation, increased political participation and empowerment is comparatively well established, although many of the precise mechanisms still have to be more clearly understood because of differences in outcomes in different contexts (Srinivasan, 2000). Significantly, education is the critical force in creating tolerance, respect for diversity and peaceful understanding – a purpose which has gained even more significance in light of recent developments on the world scene.

11. Education is also central to the current, pervasive emphasis to establish a mutually reinforcing relationship between macro-economic stability and structural reform on one hand, and growth and reduction of poverty and inequality on the other. This is reflected in the outcomes of top-level meetings, such as those of the G8 countries in Cologne in 1999 and in Genoa in 2001 and of the G7 education ministers in Tokyo in 2000 at which investment in lifelong learning, education and skills was placed at the core of the development of future information-based societies. “Education and skills are indispensable to achieving economic success, civic responsibility and social cohesion”, as stated in the 1999 Cologne charter. The G8 leaders in Okinawa agreed, according to their communiqué:

*to follow up vigorously the conclusions of the recent Dakar conference on Education for All by ensuring that additional resources are made available for basic education....*

*[And, in accordance with the Dakar Framework for Action (§10, p. 9)] reaffirm our commitment that no government seriously committed to achieving Education for All will be thwarted in this achievement by lack of resources. ... [Moreover] ... to strengthen efforts bilaterally and together*

*with international organizations and private sector donors to achieve the goals of universal primary education by 2015 and gender equality in schooling by 2005.*

12. The leaders in Okinawa also called on international financial institutions, in partnership with developing countries, to focus on education in their poverty reduction strategies and to provide greater assistance for countries with sound education strategies. “*These strategies should maximise the potential benefits of IT in this area through distance learning wherever possible and other effective means,*” the leaders stressed. This theme was underlined again at the Genoa meeting in 2001 when the G8 countries also reaffirmed their “*commitment to help countries meet the Dakar Framework for Action goal of universal primary education by 2015*” (Communiqué, §18).

13. Thus, while education’s central role in development efforts is undisputed and backed by high-level political commitment in the case of Education for All, not all EFA goals seem to carry the same weight. The wider development targets and millennium goals supported by the statements of the G8 countries do not address the expanded basic education concept of the World Declaration on Education for All (World Conference on Education for All, 1990) and the focus of the Dakar Framework for Action. In particular, the development targets for universal primary education and gender equality neglect the strong emphasis of the Dakar goals on the quality of education. It is essential that attention be paid to the expanded concept of basic education and to all six Dakar goals. These must be interpreted comprehensively in the context of support for intermediary and higher-level education in order to achieve holistic development processes.

### **Understanding the global initiative**

14. The central focus of this paper is the common understanding among EFA partners of the principles of and purposes for the global initiative which resulted from the consultation process. The understanding has derived from an interpretation of the six options (or elements) of §11 of the Dakar Framework for Action set in the context of §10 and §12 of the Framework. It underlines the magnitude and complexity in the design and implementation of an initiative which is to serve home-grown development processes in the partner countries rather than focus on specific EFA targets and goals *per se*.

15. Particularly significant is the fact that the initiative is *not* to be understood as a global fund, as originally announced by the Global Campaign for Education at the World Education Forum in Dakar in 2000. As interpreted in this paper, the initiative goes beyond financing of EFA to interpreting the principles and specific mechanisms for international cooperation as related to all of the stipulated six elements and their use in achieving EFA. Providing adequate financial resources is but one of the strategies.

16. The Global Campaign for Education is now emphasizing the importance of the initiative as a ledger and mechanism to monitor fulfilment of commitments both by national governments and by development partners related to such aspects as the formulation and implementation of EFA plans, identification of resource gaps, and brokering and channelling of financing (Global Campaign, 2001). The World Bank (and UNDP) have also, in accordance with the Dakar Framework for Action, linked the global initiative to the fulfilment of the commitment to fund viable national EFA plans in the context of an overall poverty reduction framework, specifically the World Bank Poverty Reduction Strategy Papers (PRSP), the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative and the Comprehensive Development Framework (CDF). According to the Bank (and UNDP), implementing the initiative would require massive partnerships based on a division of labour and identification of tasks in light of the comparative advantage of all partners. In the view of the Bank (and UNDP), this should rest on a three-pronged strategy aiming at: (1) reaching consensus on policy and technical issues recognized as barriers to development of basic education, especially in HIPC; (2) undertaking key non-lending activities to help countries identify gaps, financial or others, hindering the achievement of EFA; and (3) developing an implementation strategy aimed at increasing the effectiveness of international assistance (World Bank, 2000a). The World Bank is currently examining the practical implications of establishing a global financial mechanism for EFA.

17. According to these suggestions, the nature of the global initiative is rather understood as a mechanism for short-term support, in particular to strengthen incentives for governments to prepare and implement plans, and for comprehensive policy dialogue. According to the Bank (and UNDP), particular attention should be paid to reaching consensus on the

definition of a national plan, criteria for countries to join the initiative, mobilization of extra financial resources and ensuring regular, transparent monitoring of subsequent policy dialogue and action.

18. This focus can be regarded as justifiable in light of the first, time-bound goal in the Dakar Framework for Action, namely that countries must produce national EFA action plans by 2002, either through modification of existing national education plans in accordance with the Dakar goals or through development of new ones. As interpreted in this paper, this would, however, limit the wider development perspectives that support for education and the Dakar goals are intended to serve and restrict the understanding of resources which are here understood as financial, human, material and non-material in nature (Figure 1). Finally, while deployment of resources must be strategically targeted, the principle for the global initiative, as interpreted here, is to assist in creating the preconditions necessary for as many countries as possible to join it and to apply the initiative in accordance with diversified needs.

### **The financial challenge of achieving Education for All**

19. There are ongoing efforts in the World Bank, UNESCO and other organizations to estimate the financial resources needed to achieve Education for All. They include attempts both at establishing a global financing goal and at identifying resource gaps at the country level. In line with the international development targets, current calculations have focused on estimating the financial resource gap to meet the goal of universal primary education by 2015 which has been interpreted based on either gross (in the case of the World Bank)<sup>1</sup> or net (in the case of UNESCO) enrolment figures. Because of the difficulty of measuring qualitative aspects of universal primary education and of the lack of focus on the other five EFA goals, the indicative figures remain questionable, highlighting the difficulty of the concept of a global funding gap.<sup>2</sup>

<sup>1</sup> The World Bank is now advocating the use of completion rates.

<sup>2</sup> Due to differences in methodologies, underlying population, enrolment and expenditure statistics, indications range between \$8 billion and \$15 billion in addition to what is currently spent on primary education (\$15 billion (UNESCO/UIS), \$13 billion (World Bank), \$9 billion (UNICEF) and \$8 billion (Oxfam).

20. According to the World Bank, current funding for education budgets in developing countries originates predominantly from national governments (97 per cent) while the international community provides only 3 per cent of the total, of which 1.5 per cent represents World Bank funding (World Bank, 2000a). Other calculations indicate that up to 10 per cent of total funding comes from the international community. This proportion can be even higher (by some estimated at 40 per cent) in specific countries. In general, funding from the international community is considered to play a critical, catalytic and supportive role.

21. Set in the context of education's critical multi-purpose role in societal and personal development, the relative proportion of total education funding in developing countries provided by the international community is small. The highest figure estimated to reach UPE by 2015 (\$15 billion in addition to what is currently spent) represents less than 0.3 per cent of the total GNP of the developing countries, 0.06 per cent of the total GNP of developed countries and 0.05 per cent of the world's GNP (UNESCO, 2001). While enhanced national resource mobilization, utilization and management is critical, the international community must comply with its stated commitment to concerted action that will lead to increased support for national EFA efforts along the lines of the Dakar Framework for Action. Such efforts are particularly important in light of recent international developments. They must be well integrated with other international efforts to reduce poverty and global, regional and national inequalities.

#### *Setting the six options in context*

22. The six elements for resource mobilization and efficiency measures identified for the global initiative in the Dakar Framework (increasing external finance; greater predictability in the flow of external assistance; earlier, more extensive and broader debt relief; effective donor coordination; sector-wide approaches; and monitoring) must be understood and applied as a function of the different institutional and structural contexts and constraints at the national level that would determine the specific approaches and strategies adopted by development partners and national governments. In this respect, macro-economic and sectoral reform must be linked in order to ensure a supportive environment that would enable the

education system to function efficiently and effectively as a development tool. Reform efforts must include policy reform to enhance locally generated resources for education and other development purposes through, for example, more effective fiscal instruments, appropriate taxation and taxation incentives, enhanced private sector contributions and budgetary re-allocations, and the attraction of additional private international capital flows, concessional resources and improved measures for debt relief. All resources and expenditures must be treated within a common budgetary framework. Simultaneous policy reform of the education sector must aim at cost-shifting and cost-sharing. Cost-sharing should be undertaken without adverse effects for the poor and without enhancing gender, rural/urban, regional and other inequalities, thus implying at the same time the elimination of direct and indirect user fees at the basic level. The efficiency and effectiveness of the teaching-learning processes must be heightened through locally adapted solutions, including the use of new information technologies. This also includes the adoption of sector-wide approaches to educational development and improving aid conditionalities.

23. Support for EFA must form part of other education sector support and of the core elements of a government's budget. EFA must be linked within sector frameworks with poverty reduction and development strategies. This means coherence among national Education for All action plans, education sector plans, development strategies and other policy frameworks, such as the Common Country Assessments (CCA), the United Nations Development Assistance Framework (UNDAF), CDF, PRSPs and the HIPC Initiative.

24. International and national resource mobilization must, thus, be complementary and well targeted in pursuit of holistic national development processes. Such mobilization depends on high-level political commitment of both national governments and international agencies. Global and national redistribution of resources through, for example, improved trade conditions or budgetary re-allocations might be particularly instrumental in filling the estimated funding gap both in the short and the long term (OECD/DAC, 1996, 1998, 1999, 2000; Watkins, 2000.; Köhler and Wolfensohn, 5 September 2000). In the current context of increased international security measures, it will be particularly important not only to protect education and wider social sector spending, but

to invest at a level that can guarantee their critical functions for poverty reduction, sustainable development and international peace and solidarity. Further development and implementation of the global initiative must, therefore, continue to involve all EFA partners and must form part of the thinking on financing and development in organizations, such as the Bretton Woods institutions, OECD and the G8.

*Trends in international development assistance during the 1990s*

25. The need for innovative thinking in resource mobilization is partly related to the discouraging trend in Official Development Assistance (ODA) and other financial flows during the 1990s. Total

net resource flows to aid recipient countries of which ODA forms a part,<sup>3</sup> more than doubled during 1991-96 (from \$138 billion to \$354 billion), but declined severely during 1996-98 because of the Asian financial crisis and have only somewhat recovered in recent years (estimated at \$248 billion in 1999) (OECD/DAC, 2001). The proportional share of Official Development Finance (ODF) (which includes ODA) dropped from two-thirds to one third of the total during 1991-99, private flows having gained comparative importance with a peak of 78% of the total in 1996 when ODF was at its lowest.

26. As a percentage of the combined GNP of OECD/DAC member countries, ODA has fallen by more than one-fifth in constant dollar terms, from 0.33% in 1992 to its lowest level of 0.22% in 1997 with some slight recovery to 0.24% in 1999. Real net ODA disbursements (in constant 1998 prices) fell from \$60,421 million in 1992 to \$48,324 million in 1997, then increased to \$55,343 in 1999 (Figure 2). Four member countries (Denmark, the Netherlands, Norway and Sweden) were joined in 2000 by Luxemburg, according to provisional figures, in having fulfilled the United Nations target of allocating 0.7 per cent or more of GNP for international development assistance (Figure 3). The largest four economies, France, Germany,

Japan and United States, together with Canada and Italy, have had the greatest reductions in their assistance during the 1990s, although the trend for Japan has been positive since 1998 because of special contributions in light of the Asian financial crisis. By contrast, the non-G7 group have allocated increased shares throughout the 1990s and additional, smaller countries have joined in this support.

27. Aid allocations have declined in all regions except for Europe and Central Asia, and East Asia

and the Pacific during the 1990s. The trend for the least developed countries has been downward in recent years, sub-Saharan Africa having witnessed the sharpest decline, by roughly one-third. Some of the major aid providers are responsible for some of the largest reductions.

28. The ODA proportion of total net resource flows was halved during 1991-98 (from 41.4% to an estimated 20.7%) with respect to both bilateral and multilateral funds. Of total multilateral real net disbursements, non-concessional funding gained importance over concessional funding during the 1990s (in 1999 \$13,611 million compared to \$13,268 million in constant 1998 prices). EC and the International Development Association (IDA) provided roughly one-third of concessional real flows in 1999 (\$5,073 million and \$4,600 million, respectively), with the Inter-American Development Bank (IDB) (\$5,868 million), IBRD (\$3,746 million) and the Asian Development Bank (ADB) (\$2,542 million) being the main providers of non-concessional real flows (OECD/DAC, 2001).

29. It is noteworthy that education seems to have suffered relatively less within this overall declining ODA trend. This must be judged, however, against rather low allocations in individual countries' overall development assistance for education, generally, and for basic education, specifically (Figures 4a, 4b and 5).<sup>4</sup> Of total DAC bilateral allocations, education seems to have maintained its proportional share constituting roughly 11% in both 1989 and 1999,

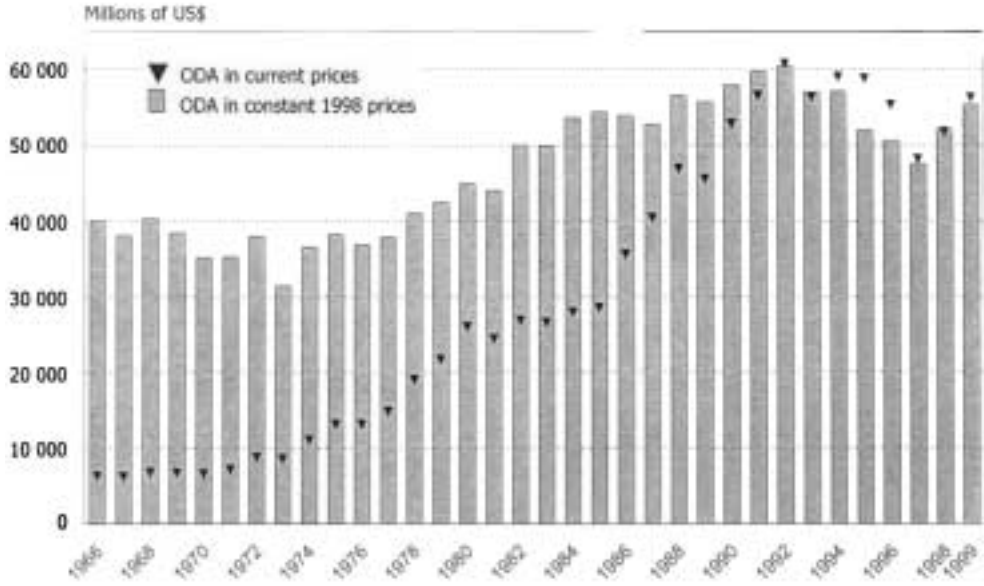
---

<sup>3</sup> Total net flows are constituted by Official Development Finance (which includes Official Development Assistance, Official Aid and other Official Development Finance), Export Credits and Private Flows.

---

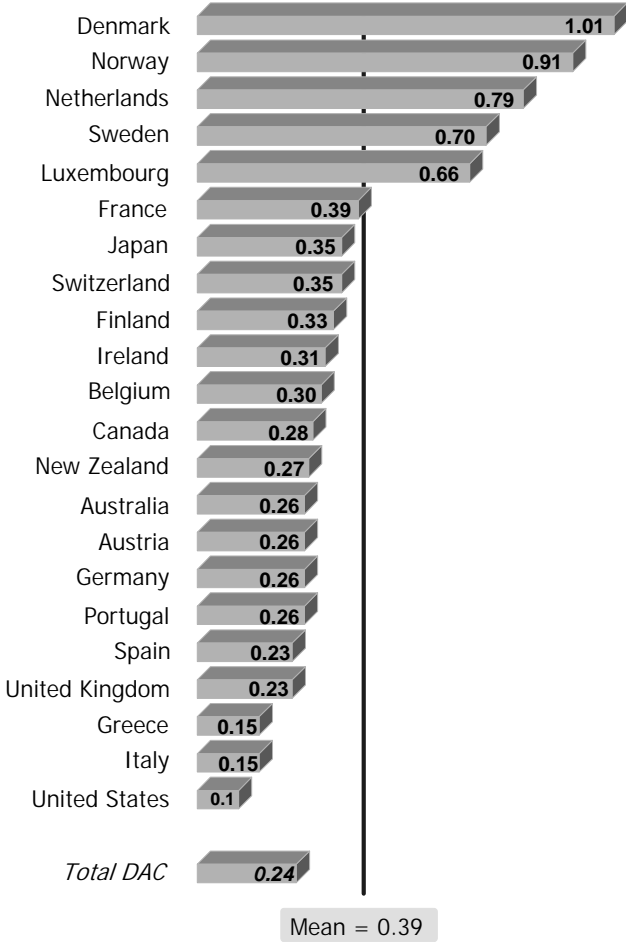
<sup>4</sup> Complete disbursement figures are hard to retrieve partly because many countries now apply multiple aid modalities which are not reflected in the DAC figures used here.

**Figure 2. Real\* and current net flows of Official Development Assistance, 1966-1999**



- Real figures are calculated on the basis of the DAC deflators.

**Figure 3. Net ODA disbursements as a percentage of GNP in DAC countries, 1999**



whereas multilateral allocations increased from 4.6 to 7.6% in the same years (Buchert, 1995; OECD/DAC, 2000, 2001).<sup>1</sup>

30. The absolute value of bilateral commitments to education was largely unchanged in 1999 compared to 1990 (roughly \$3,980 million in constant 1998 prices), having experienced a high of \$4,341 million in 1994. Multilateral funding increased by only roughly \$300 million during 1990-97 (\$2,789 million in 1997 in constant 1997 prices) (OECD/DAC, 2001; UNESCO, 2000*b*, p. 120).<sup>2</sup> Bilateral support for basic education amounted to only \$703 million, on average, in 1997-98 (OECD/DAC, 2001, p. 154), constituting 1.2% of total bilateral ODA commitments.<sup>3</sup> Of multilateral financial commitments (ODF), basic education constituted 4.8% in 1999 (OECD/DAC, 2001, 19).<sup>4</sup>

31. The EFA partners are, therefore, faced with several challenges. First, they should radically increase support for basic education and for overall international development assistance. This has become even more crucial in the currently difficult international security situation. Increased financing must be accompanied by greater predictability in the

flow of external assistance and maximum reliance on all available and possible new funding sources, including debt relief and/or debt cancellation for basic education. Second, they must ensure that increased financial flows, ODA as well as private financing, act as a catalyst for national resource mobilization and sustainable development with due attention to the critical role of basic education. This would require targeting of resources and setting conditionalities in view of differential needs in specific regions and countries. Third, they should strengthen policy coherence and coordination of EFA efforts nationally and internationally, adopt sector-wide approaches and strengthen partnerships with all EFA actors. This will ensure that the various international initiatives related to the international development targets promote the Dakar EFA goals and basic education. Fourth, they must hold national governments and the international community to their commitment to EFA through careful monitoring of the progress towards the EFA goals and targets. This will include monitoring of financing for (basic) education as well as identification of constraints and opportunities for planning, formulation and implementation of national EFA goals and targets.

---

<sup>1</sup> These allocation figures are lower than the commitment figures presented in the study prepared for the World Education Forum (Bentall et al., 2000) which have been based on data provided by DAC specifically for the study and on independent survey data. According to the survey data, ODA commitments to education constituted 16% in 1990, declined to 7% in 1992, and recovered to average around 15% during 1993-98. According to the DAC data, bilateral ODA commitments were slightly lower at the beginning of the decade (14%) and approximately the same in 1997 (16%) (p. 20).

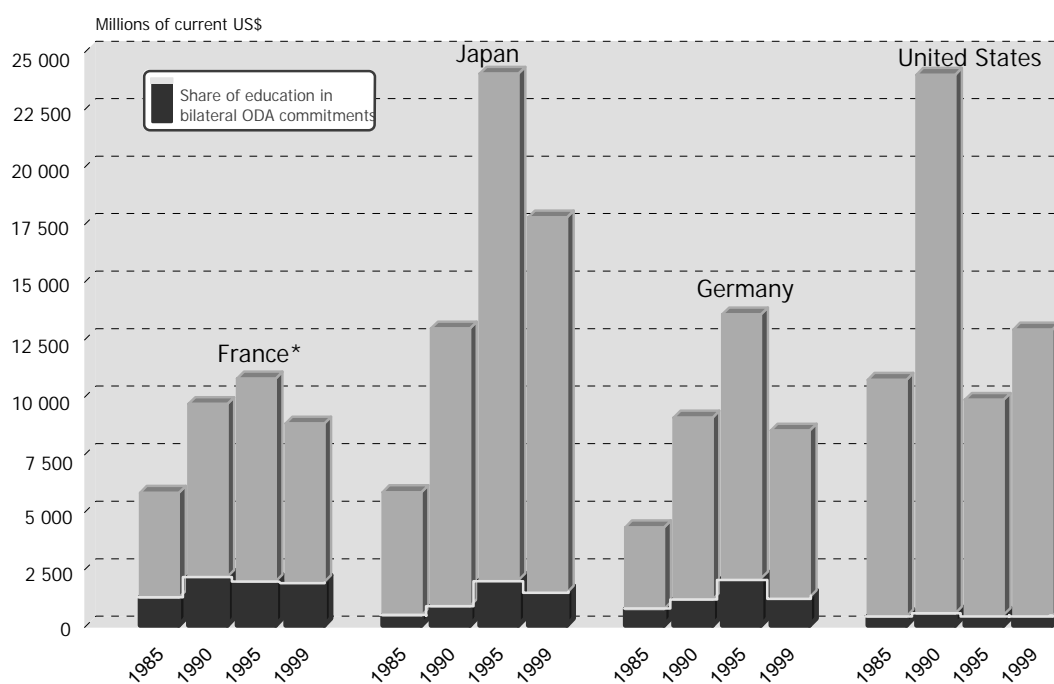
<sup>2</sup> Note that these figures are lower than those provided by DAC to Bentall et al. (2000) which (converted into constant 1997 prices) represent a drop from \$6,272 million in 1990 to \$4,793 million in 1997 as bilateral commitments.

---

<sup>3</sup> Bentall et al. (2000, p. 25) indicate a rise in bilateral commitments to education as a proportion of total education sector commitments from 2% in 1993 to 14% in 1997.

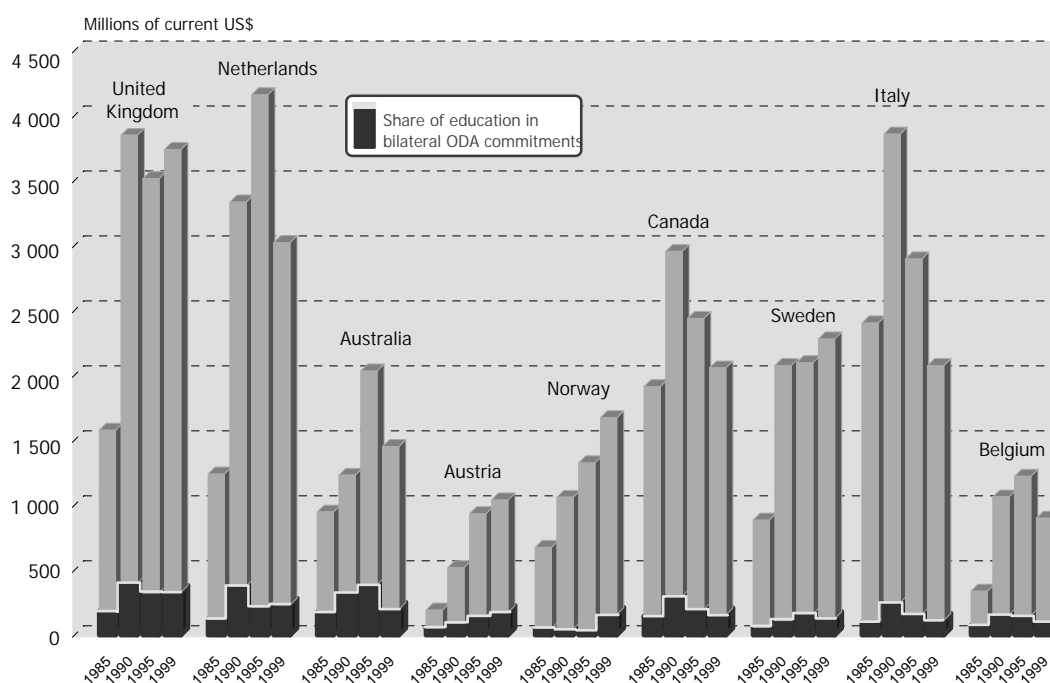
<sup>4</sup> Multilateral ODF for basic education has been based on funding from the World Bank and the regional development banks (African Development Bank (AfDB), ADB and IDB). Inclusion of EU figures, which have not been available, would augment the total significantly according to EU sources.

**Figure 4a. ODA commitments to education as part of total bilateral ODA commitments, selected DAC countries, 1985-1999**

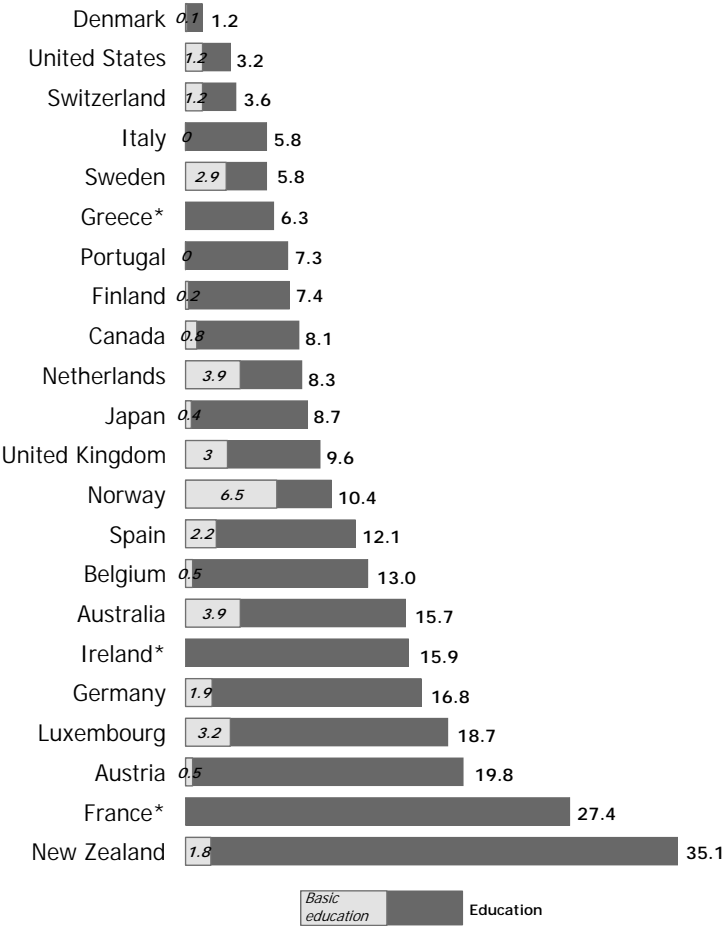


\* 1999 data for France refer to 1998.

**Figure 4b. ODA commitments to education as part of total bilateral ODA commitments, selected DAC countries, 1985-1999**



**Figure 5. Percentage overall share of education and of basic education in bilateral ODA commitments, DAC countries, 1999**



\* Data on basic education share not available; Data for France refer to 1998.

## II. INTERPRETING THE SIX OPTIONS

32. The following provides the rationale and proposals for immediate actions which need to be taken by the EFA movement in relation to the six elements of the global initiative. In view of the emphasis on external financing, there is little discussion of the critical steps which national governments must take in order to create – through adequate funding and other economic and policy measures – an enabling environment to meet the EFA goals and support sustainable development and poverty reduction. Some of these are outlined in the contextual discussion above. The proposals must be understood as strategic steps in a rolling process of continuous review, readjustment and refinement.

### (a) Increasing external finance for (basic) education

33. In view of the strong commitments made in Dakar and in subsequent high-level policy meetings, additional financing for Education for All must be urgently raised from all possible external sources. This includes lending from intergovernmental and regional development banks, private investment and official development assistance. The World Bank, AfDB, ADB and IDB have already reoriented their policies towards Education for All and are planning to increase their funding accordingly. It is also important that the European Bank for Reconstruction and Development (EBRD) plays a more visible role in the European context, particularly in transition countries and in countries devastated by civil conflict.

34. In the case of the World Bank, the largest single funding source, overall lending for education increased from 7.9% of the total in 1996 to 10.9% of the total in 1998 when it amounted to \$3,160 million (constant 1997 prices) (World Bank, 1998, p. 8). Within education, support for basic (understood as primary) education constituted 27% of the total during 1986-90 and increased to 44% of the total during 1991-2000 (World Bank, 2000b). Overall lending for education has, however, slipped from an average of \$2 billion annually during the 1990s to under \$1 billion during 1998-2000 (World Bank, 2001, p. 13).

35. This calls for immediate and drastic measures by the Bank to increase its commitment for education in its overall funding and, within education, for basic education to be understood more broadly than primary

education. Current Bank plans are both to increase investment financing and to use alternative sources as well, such as social/community action programmes, public expenditure reform credits, poverty reduction support programmes and the HIPC debt relief initiative. Increased funding from the Bank must cover both non-concessional funding through IBRD (constituting 62% of total lending in 1998 (World Bank, 1998, p. 8)) and the soft-loan commitments through IDA which was at a lower level at the end than at the beginning of the 1990s.<sup>1</sup> The Bank must also reconsider the geographical targeting of its funding, IBRD funding having been provided mostly to middle-income countries in Latin America. Its commitments to sub-Saharan Africa have dropped during the 1990s in contrast to increases for both South-East Asia and Latin America (Watkins, 2000).

36. It is equally important that international grant financing be reinvigorated for the least developed countries and geographical areas in particular need, such as sub-Saharan Africa and South Asia.

It would be desirable, therefore, that DAC member countries, and particularly those with large economies, consider the following steps:

- Increase overall ODA and ensure that the grant element constitutes at least the norm of 86 per cent. A norm of 100 per cent should be considered.
- Increase the share of total sector allocable ODA for basic social services from the current 10 per cent (OECD/DAC, 2000, Table V-A2) to fulfil the principles of the 20:20 Initiative. Allocations must be based on country-specific circumstances.
- Set specific financial targets for basic education in the light of calculated resource gaps at the country level. As a minimum, total DAC support for education should be increased from the current level of \$3.5 billion to constitute \$7 billion by 2005, \$10.5 billion by 2010 and \$14 billion by 2015. Support for basic education must constitute the predominant part of this overall education assistance which must be allocated in view of country circumstances.

<sup>1</sup> IDA funding constituted 40% of total lending for education in the financial year 1999, 69% in 2000 and is estimated at 51% in 2001 (World Bank, 2000b).

- Use the HIPC Initiative and other debt relief schemes as creative mechanisms to channel support for Education for All (see below).
- Ensure coherence and coordination of all assistance internationally and nationally, and monitor progress towards calculated financial targets (see below).
- Target assistance for optimal effect, including support for innovative approaches to Education for All, building on best practices, strengthening decentralization processes, heightening the use of beneficial NGO experiences, and reconsidering the traditional division of labour among different financial sources (see below).

### *Expanding the sources of financing*

37. Due to the political climate and policy-making processes in the individual DAC member countries, the perspectives for increased ODA would be medium to long term rather than short term. New sources of financing are therefore essential. These may include, for instance, certain former aid recipient countries and non-DAC OECD member countries, as has happened in the case of the Republic of Korea.

38. Private investment financing currently represents a far more important source than ODA. Since these flows are directed towards investment-safe environments, they are less prone to support the least developed countries or less profitable areas, such as education. ODA must, therefore, support the creation of enabling environments through stable macro-economic and political circumstances and act as a catalyst to attract private investment as well as external lending.

39. New partnerships may be forged among the financial services industry, the state and civil society to promote educational and social development and to link private and public finance with public education (Berg, 2000; Findakly and Berg, 1997). The overall purpose would be to build solid financial systems, *inter alia* through benefiting from the potential of private financial markets, which are growing in many parts of the world where basic challenges for education remain, and to use different funding mechanisms to relieve pressure on the public systems. Multilateral capital could be used for intermediation purposes, i.e. to facilitate the flows of savings from economies that have managed to accumulate capital to the ones that are in urgent need for it. Intergovernmental and regional development banks could assist in

fostering the growth of debt markets in developing countries by, for example, deploying liquidity in order to attract private capital, and by devising specific financial instruments to leverage the private market while providing risk reduction and security.

40. Contributions may be increased through intensified collaboration with national and international non-governmental organizations (NGOs), private foundations and large-scale corporate foundations. At the national level, NGOs, community-based organizations and other private, charitable organizations are a potentially strong mechanism for collaboration among government, the business community and private citizens that could lead to focusing private charity towards organized investment in human and social capital and, therefore, educational development. This can be exemplified by indigenous philanthropy in Pakistan which has been estimated at an aggregate amount of Rs 70 billion in charity donations for 1998 (Bonbright and Azfar, 1999).

41. National and international NGOs are particularly important as alternative service providers for education, often spearheading innovation, relevance and cost-efficient delivery. It is essential for the successful achievement of EFA goals that such experiences are internalized, multiplied and reflected in wider systemic development. Other innovative programming, such as inter-agency flagship programmes (see (d) below) and other kinds of multi-country programmes, represent new ways of both increased and more effective use of education financing.

42. A number of private foundations, such as the Ford Foundation, the Rockefeller Foundation, the Aga Khan Foundation and the Bernard van Leer Foundation, have long supported education programmes in different sub-sectors of education. They should be encouraged by the EFA movement to intensify or reorient their support in favour of Education for All. Other foundations, established more recently, such as the United Nations Foundation (Ted Turner), the Melissa and Bill Gates Foundation, the Gates Library Foundation and the Soros Foundation are other sources which have not yet been fully exploited for EFA. Big corporate foundations and IT companies are other potential allies in the move towards the EFA goals.

43. It is essential, however, that any established and intensified cooperation with the private sector is undertaken in consideration of governments' declared and accepted

responsibility to provide free and compulsory basic education for all. The right to free education must be simultaneously secured through abolition of direct and indirect user fees at the basic level, while cost-sharing may be considered by national governments at other levels of the education system.

44. All EFA partners have a critical role in public awareness-raising and appropriate communication concerning Education for All as means to sustain political will and increase national support for Education for All. Such communication and awareness-raising could be accompanied by innovative fund-raising through market-oriented events, such as concerts or lotteries, and through brief news broadcasts on Education for All on the major international television channels.

45. In order to reinforce increased external financing, the EFA movement should *design advocacy and communication strategies for Education for All addressed at the different key education audiences, including the general public, and lobby parliamentarians and other potential financial sources.*

**(b) Ensuring greater predictability in the flow of external assistance**

46. Predictability in the flow of external assistance rests, on one hand, on the capacity of aid providers to fulfil negotiated commitments according to specified time schedules and, on the other, on the capacity of aid-receiving countries to absorb and use the funding in accordance with defined goals and targets. This underlines the need for coherence and coordination of cross-sectoral policies and plans within and between aid-providing as well as aid-receiving countries, and for governments and development partners to agree on stipulated goals and targets for overall development and specific sector development. Uniformity and mutuality will necessarily be constricted by the diversity of interests which continues to exist within and across aid-providing countries, partly based on underlying differences in the purposes for external assistance.

47. Both national governments and development partners should set financial targets for Education for All which reflect sincere political commitment. Particular understanding must be reached at the national level between Ministries of Finance and Ministries of Education concerning the appropriate proportion of the government budget that would reflect such clear commitment. Both governments and

development partners should guarantee commitment for the medium (5-8 years) to long term (10-12 years) rather than the short term (three years). Predictability should, moreover, be based on removal of bottlenecks because of aid conditionalities or deficient human and institutional capacities which prevent implementation of programmes to meet the identified goals and targets.

48. Predictability and mutuality in support should be reflected in transparent procedures which take their point of departure in recipient country needs rather than aid-providing country interests. This includes improving and/or removing a number of constrictions and conditionalities which have long been identified as impeding national ownership and holistic development efforts. These include: tying of aid, freezing of staff recruitment and wages, specified budget cuts, lack of indexing to inflation and delays in disbursement.

49. In addition to reviewing specific constricting aid conditionalities, development partners must, individually and collectively, re-examine whether the areas and modalities of their support favour the broad concept of Education for All. Thus, in 1996, of total ODA education support, the majority (52%) supported the areas of secondary, post-secondary and higher education, against 48% for adult, pre-primary and primary education (of which primary-school education alone constituted almost half (22%)).<sup>2</sup> Similarly, World Bank lending to the Africa region during financial years 1995/99 was allocated to the formal education system, with pre-primary education constituting only 2% of the total and primary education 46%.<sup>3</sup> Development partners and national governments must, furthermore, review the implications for financial predictability and holistic educational development of the persisting division of funding responsibilities at the country level through which governments cover teacher salaries, communities and parents cover recurrent expenditure, and international funding and technical assistance agencies cover capital and development expenditure.

<sup>2</sup> The distribution was as follows: adult education 19%; pre-primary-school education 7%; primary-school education 22%; secondary-school education 20%; post-secondary-school education 12%; and higher education 20% (ADEA PRISME, 1998).

<sup>3</sup> The distribution was as follows: pre-primary-school education 2%; primary-school education 46%; general secondary-school education 17%, vocational education 4%; teacher training 5%; higher education 7%; and other 19%.

50. The current climate of scarce aid resources and the associated concern with aid effectiveness have led both lending organizations, such as the World Bank and IMF, and DAC member countries, such as the Netherlands and the United Kingdom, to underline that aid provision must be determined by the existence of “good” national policies, based on macro-economic reform and political criteria associated with democracy (OECD/DAC, 2000). This approach relies on extensive research on the impact of aid which claims that economies lag more because of policy gaps and institutional failures in recipient countries than because of financing. Aid should, therefore, support the policy and institutional environment as a basis for effective service delivery, for example of education (Dollar and Pritchett, 1998).

51. In the context of the global initiative, it is significant to reiterate the importance of stipulating social development and Education for All goals as core objectives for national development processes alongside macro-economic targets and political criteria. It is also important to underline the understanding of the initiative as an inclusive, rather than an exclusive one. This is partly because the attention to aid effectiveness has happened as the collapse of communism and expanded globalization have further marginalized certain regions, countries and population groups, and established new, or reinforced existing, poverty pockets within countries in the North and the South. Civil war, natural disasters and the HIV/AIDS pandemic have created the need for additional and innovative international assistance in environments with unstable economic and political conditions, HIV/AIDS now receiving special attention through recently established global funds. Recent economic and political developments, such as the East Asian financial crisis, the effects of the oil shock and responses to terrorism, highlight the likelihood of further increased dependence on international assistance on the one hand, and risks of reduction and unpredictability of funding on the other. Information technology represents another mechanism either to develop or to divide regions, countries and population groups even further.

52. Support for Education for All through the global initiative must be strategically targeted in response to diversified country needs. It could act as an incentive mechanism for countries which make a particular effort to reorient their policies, plans and programmes towards national EFA goals and targets. It must also, however,

recognize the key unifying role which education plays in post-conflict countries that are more often characterized by macro-economic instability than stability. Similarly, education is of key importance in countries characterized by political crisis situations, often associated with the collapse of the state, or in other emergency situations causing economic and political disruption. Even in attractive macro-economic circumstances, political will and supportive national and sub-national policies, including distribution policies – determined by the complexity of social factors in the specific context at the specific time – are necessary preconditions for education to become a lever for economic growth, for economic growth to become a lever for educational development, and for educational development and economic growth to result in decreased poverty and sustainable development.

53. To reinforce the predictability of external financing, the EFA movement should *organize national and regional high-level meetings involving Heads of State, Prime Ministers, Ministers of Education and Ministers of Finance in order to ensure long-term financial support for Education for All in light of nationally determined resource gaps. It should, furthermore, strengthen coordination and coherence in the thinking and action on the financial aspects of Education for All among international bodies, such as G8, OECD, intergovernmental and regional development banks, and the wider EFA movement.*

#### **(c) Providing debt relief and/or cancellation for poverty reduction and basic education**

54. Debt relief and/or debt reduction have been identified as one of the potentially most important catalysts, particularly in the HIPC countries, for poverty reduction and social and educational development, and for bringing the internationally agreed development targets within reach. It is, therefore, essential to explore their full potential as a resource base for EFA goals and targets. The use of debt relief must form part of establishing coherence both across different policy areas, such as development policy, foreign policy, and international trade and investment policies within and among countries in the North and the South, and between nations and external agencies (Forster and Stokke, 1999). The debt relief schemes are intended to free up national resources that through pre-agreement between the creditor and

the debtor government, are converted into support, for example, for Education for All. Debt-for-development-swaps are another possible way for bilateral and multilateral agencies, which are the main creditors in Africa, to support EFA (Saravanamutto and Shaw, 1995). The swaps would also imply that an amount of debt would be forgiven if a government pledges to allocate the equivalent amount in local or foreign currency for agreed activities, such as support for Education for All. This is similar to the principles of the 20:20 Initiative.

55. The benefits of debt schemes must be urgently examined if they are to form part of the financial basis for reaching EFA. This is highlighted by the facts that between the beginning of the debt schemes in the 1980s until 1996, the debt stock in the HIPC countries *increased* by a factor of four and 40% of bilateral aid to HIPC countries was used to repay debt to multilateral creditors (IMF and the World Bank). Furthermore, debt forgiveness has constituted only 2% of the total net flow of financial resources from DAC countries to developing countries during the 1990s. Six of HIPC sub-Saharan countries spend more than one-third of the national budget on debt servicing, while spending 4 to 11% on basic social services (Oxfam, 1999a, pp. 7, 11-12; OECD/DAC, 2000). The African region as a whole spends more on paying debts than on health and education combined. In 1999, African public debt was estimated at \$235 billion whereas annual debt service amounted on average to \$17 billion, the equivalent of 35% of education spending for all African countries (ADEA, 2001). A successful HIPC Initiative must translate into immediate generation of *new* resources that are *additional* to, not diverted from, ODA (Oxfam, 1999b).

56. The Initiative was enhanced in June 1999 at the Cologne summit of the G8. It is linked to strategic frameworks for poverty reduction which would be prepared locally by the government after extensive consultation with the stakeholders concerned, including civil society and external partners. The country will be offered debt relief subject to conditions related to eligibility, democratic governance, macro-economic stability and formulation and implementation of a poverty strategy. The number of eligible countries has increased to 37 of which 31 are in Africa, partly because debt relief is now fixed at the Decision Point rather

than at the Completion Point.<sup>4</sup> To date, 22 countries, including 18 in Africa, have entered the HIPC process. It is expected that the initiative will reduce the total foreign debt stock for the 22 countries in question by 45%, from \$44 billion to \$24 billion while huge variations will remain among the countries.

57. Although lending agencies have recently eased some of the conditions for access to the scheme – for example, proof of good performance in an official lending programme over several years – the precondition for countries to join the scheme is the production of a complex poverty strategy with plans for social development in interrelated areas that details the roles of the government, the private sector and civil society. The production of national poverty strategies, therefore, in many cases depends on the provision of technical assistance. In the context of EFA, it is particularly important to link EFA action and other education sector plans with poverty strategies and to clearly establish how EFA and wider education development can contribute to poverty reduction. This is, first, to ensure that some of the resources made available by debt relief are actually channelled into support for EFA and, second, to use them in an efficient and equitable way in order to obtain tangible systemic and societal improvements.

58. To reinforce the probability of successful use of debt relief for achievement of EFA, the EFA movement should *provide the necessary supportive efforts to link EFA action plans and poverty strategy papers at the country level.*

#### **(d) Facilitating more effective donor coordination**

59. Effective donor coordination is considered to be particularly important to realize efficiency gains and heighten the impact of international aid. It is also considered to be an absolute precondition for holistic national development processes. Its purpose is to ensure consistency in

---

<sup>4</sup> The HIPC Initiative involves two stages. According to the original terms, the country would work during a period of up to three years with IMF/the World Bank to establish a record of good economic policies and poverty reduction related to improving social programmes, particularly in education and health. At the end of the period, i.e. at the Decision Point, some debt relief would be provided and a full package of debt relief would be identified if needed by the country. This full package would be provided at the Completion Point, after up to another three years, based on an evaluation of good policy performance (UNESCO, 2000a).

the goals and strategies of all partners. It must be based on coherence both within and across all sectors and sub-sectors, and between nationally and internationally developed strategies and plans.

60. The nature and forms of coordination in the education sector have varied in different contexts and over time. It has included all or part of: consultation and exchange of information; common understanding of policy and programme objectives and priorities; policy and sector analysis at the country level; cooperation in project and programme design and execution; and cooperation in policy formulation (Sack, 1995). All of these aspects are now expected to form an integral whole in the kind of coordination effort represented by sector-wide approaches (see (v) below) and can be considered to be a prerequisite for a successful EFA movement. Coordination is expected to take place both among all funding and technical assistance agencies, and between national governments, agencies, and non-governmental and other civil society organizations at the country level. Governments are expected to lead national coordination efforts (King and Buchert, 1999).

61. As indicated in the Dakar Framework for Action, the EFA movement, facilitated and coordinated by UNESCO, must build on existing coordination mechanisms at global, regional and national levels. Coordination at the global level is to facilitate coordination at the country level. At the global level, UNESCO has become a member of the United Nations Development Group in order to strengthen coordination of EFA with other United Nations development initiatives. Collaboration is being strengthened among the five core EFA partners (UNESCO, UNICEF, UNDP, UNFPA and the World Bank) in maintaining EFA high on the agenda both of the respective organizations and internationally. Collaboration is also being strengthened with other multinational organizations, such as WHO and ILO, and with bilateral agencies individually and collectively. Special efforts are being made to incorporate non-governmental and other civil society organizations as full partners of the EFA movement. The Working Group on Education for All has been set up to provide a global forum for professional dialogue among all EFA partners, i.e. regions, countries, multinational and bilateral agencies, and non-governmental and other civil society organizations. In accordance with the Dakar Framework for Action, the High-Level Group acts as a

mechanism to maintain high-level commitment and resource mobilization for EFA internationally.

62. The established global coordination mechanisms tend, however, to exist in isolation from other relevant international forums and mechanisms. EFA must, for example, form part of all high-level discussions of sustainable development and poverty reduction. In particular, the global initiative must be recognized as a global mechanism for coordinated resource mobilization which should form part of ongoing discussions on financing for development facilitated, for example, by the World Bank and OECD. It is also of absolute importance that the G8 Task Force, set up after the Genoa meeting in July 2001, works closely with the EFA movement coordinated by UNESCO.

63. According to the Dakar Framework for Action, countries and regions are encouraged to establish national, subregional and regional forums as mechanisms for interaction among all EFA partners. In-country coordination is to be led by governments with extensive participation of all stakeholders, including civil society. In addition to the numerous forums established at the national level, there are others at the regional and subregional levels, for example the EFA Forum for the Arab States, the Sub-regional Forum for South Asia and the Central Asia Education Forum. In Africa, national EFA coordinators have been appointed in 45 out of 46 countries while wider coordination is undertaken through existing networks, in particular the Association for the Development of Education in Africa (ADEA) and the Regional Conferences of Ministers of Education of African Member States (MINEDAF). Existing mechanisms are also being utilized in the Pacific. In Latin America and the Caribbean, regional efforts have, so far, been limited to the establishment of the Inter-Agency Regional Group on EFA in Latin America and the Caribbean. In Europe, there are considerations to set up a sub-regional forum for the Baltic States. The E-9 Initiative represents a coordinated South-South EFA effort among nine high population countries.

64. The national forums are particularly important as mechanisms for the preparation of national EFA plans of action by 2002 and for their longer term processes of implementation and monitoring. Each forum should foster partnership among all EFA actors and consensus focused on the achievement of EFA goals and related information-sharing. While *Guidelines*

*for the Development of National Action Plans for Education for All* (prepared by UNESCO) can form the background for this work, national authorities must take the lead in focusing attention to Education for All. This may include the following actions: to make basic education one of the top national priorities as reflected in legislation and government budget; to promote a basic education model in consideration of all six Dakar goals and pertinent themes adapted to the needs and resources of the country; to include representatives of both government and civil society at all levels in the planning, implementation and monitoring processes; to seek consensus with its international development partners on processes and plans; and to develop a strong communication policy in order to make the goals and strategies known and to mobilize the support of civil society for the reforms.

65. In the context of linking the global initiative as a financial resource mechanism with the formulation and implementation of national plans, the EFA movement must agree on a number of strategic steps, in particular appropriate criteria and mechanisms for review of national EFA plans (whether new or modified). Appropriate criteria would include country needs and country commitment for the Education for All process as expressed in effective national EFA action plans and/or education sector plans, their inclusive formulation process, and their harmonization with national development strategies and with CCA/UNDAF and PRSP/CDF.

66. Such criteria must be flexibly applied since many countries may need technical assistance to produce EFA action plans and PRSPs in the first place and since many also have to await the formulation of the wider policy frameworks. The relationship between the World Bank and the United Nations-initiated policy frameworks must also be determined. Thus, as of July 2000, of 59 least developed countries in Africa, very few had the full set of policy frameworks, while a larger number of countries had access to a part of them. As of October 2001, of 131 countries in all regions, 13 countries in Africa, 3 in the Arab region, 6 in Asia, 1 in Europe and 6 in Latin America had a completed CCA and UNDAF. In some cases, countries with access to some or all of the policy frameworks have undergone a dynamic and mobilizing process of target-setting and creation of plans of action for Education for All, for example Gambia, Guinea, Madagascar, Mozambique, Uganda and the United Republic

of Tanzania. In others, little or no dynamics have taken place and substantial improvement of the formulation of national action plans is required. Some 20 to 30 countries in Africa have education sector strategic plans.

67. In terms of substance, what are called inter-agency flagship programmes constitute encouraging examples of coordinated work in some of the most critical thematic areas in Education for All, for example girls' education, HIV/AIDS and education in situations of emergency and crisis. These programmes may constitute the way forward in other critical areas as well as long as they are rooted in national plans, form part of government-led development processes and represent additional funding for achievement of EFA goals.

68. In order to reinforce more effective donor coordination, the EFA movement should *map the different kinds of resource needs at the country level as a basis for coordinated EFA efforts by the different partners of the movement. It should also highlight and disseminate good examples of country-led, effective coordination.*

#### **(e) Strengthening sector-wide approaches**

69. At the country level, sector-wide approaches are currently advocated by many international agencies and national governments as the potentially most important way to achieve coherence and effective use of international assistance in support of national development efforts. The approaches are specifically regarded as the best alternative, or supplementary, mode to the kind of fragmented international project support that characterized international development cooperation in earlier decades.

70. The approaches must be understood as a process, not as a blueprint, and must, therefore, be based on careful analysis of specific country conditions. In addition to analysis of the macro-economic and political environment, this must include analysis of the readiness of the education sector to absorb increased funding and implement sector-wide as opposed to project-specific activities. Consideration of the pace of home-grown versus induced change in innovation and reform at the country level is essential. Since current practices indicate many difficulties and uncertainties in the design and implementation of sector-wide approaches, lessons learnt and best practices need to be systematically accumulated and applied.

71. The sector-wide approaches are intended to support government leadership and ownership

through establishing a working relationship based on partnership and policy dialogue. All partners are expected to work within the framework of government programmes which provides an opportunity for national authorities and development partners to be aligned with shared priorities. It also permits the agencies to provide longer term support against well-defined policy objectives and to support reforms through agreed operational commitments and devolving greater authority to national governments concerning resource decisions (Ratcliffe and Macrae, 1999). The approaches are, therefore, a potentially very critical means to negotiate appropriate emphasis on Education for All in national development processes and to strengthen understanding and collaboration between Ministers of Finance and Ministers of Education.

72. In contrast to the project approach, sector-wide approaches often translate into an agreed framework for medium-term financing and budgeting. International support is to be provided as pooled funds channelled through national and sectoral budgets for a common programme of work. This is intended to achieve better correlation between budget and performance targets for individual sectors and to provide longer-term assurances of international support, including for the recurrent budget. It must be matched by corresponding transparency and accountability on behalf of the national governments. All partners are also expected to work according to a common set of procedures for procurement, reporting, joint appraisals and evaluations. This would reduce the transaction costs of aid and alleviate the management burden of international aid on national governments (Buchert and Epskamp, 2000; Forster et al., 2000). The approaches can therefore assist in readjusting the traditional funding division of labour between governments and agencies, and in prioritizing Education for All within education sector support.

73. The successful use of sector-wide approaches rests on a number of pre-conditions related to both country and agency circumstances. At the country level, these include the existence of a supportive national policy and institutional environment characterized by longer term macro-economic planning, government leadership, cross-sectoral understanding and widespread involvement in planning, implementation and monitoring processes, including by non-governmental and other civil society organizations and by the

private sector. It is particularly important that the absorption and implementation capacity of large-scale programmes be in place. Agencies, on the other hand, need to cooperate flexibly irrespective of national differences and interests and to accept negotiations based on government leadership and priorities. On both sides, the approaches have major implications for institutional arrangements and staff capacity to master process and other skills in addition to narrower technical skills.

74. Capacity and institution building both at the country and the agency levels are, thus, essential for the successful application of the approaches. This must rest on up-to-date knowledge of the ongoing experiences in sector-wide approaches in different country contexts and must involve targeted training efforts of all involved partners. The preparation and implementation of the approaches must be done in consideration of reduced transaction costs for the governments.

75. To strengthen the application of sector-wide approaches in the move towards Education for All, the EFA movement should *set up a forum to monitor the experiences of sector-wide approaches as a basis for their strengthened use in achieving EFA goals and targets at the country level.*

#### **(f) Monitoring of progress towards EFA goals and targets**

76. Fulfilment of expressed commitments at Dakar would be reflected in achievement of the stated goals for 2005 and 2015 by country, region and globally. The UNESCO Institute for Statistics has been charged with the task of establishing an objective, reliable system of evaluation and assessment based on EFA baseline indicators and regular statistics collection through its EFA Observatory. Its work is concentrated in four major areas: data collection, development of new methodologies, capacity-building in collection and use of statistics, and data analysis and interpretation of cross-national data. The statistical work is set in the context of creating a culture of evidence-based policy-making at the national level which necessitates the existence of disaggregated data. The work of the Observatory is complementary to that of other statistical institutes and organizations, such as the World Bank and OECD. Judicious use is made of relevant, existing data sets, models and analyses.

77. Success in this task can only be achieved if monitoring forms an integral part of national and regional EFA plans for action, is conducted at

regular intervals at all levels in order to allow for adjustments during the process, and involves all stakeholders, in particular civil society.

Monitoring must be based on common output and outcomes indicators which can facilitate the production of national plans and be included in other activities which can act as proxies for national plans, such as PRSPs and HIPC. The 18 core EFA indicators should be used and modified in light of the expanded Education for All concept. Particular attention must be paid to developing indicators for measuring the quality of education and other areas, for example learning outcomes, out-of-school youth and HIV/AIDS. Common indicators must be adapted to the particular circumstances in individual countries.

78. Monitoring of progress must rely on a collaborative effort across countries, regions and institutions; it must be cooperative through the sharing of expertise, knowledge and experience; it must build capacity in the countries; and it must enhance communication. Governments and communities must be supported in the collection and utilization of data. A mapping of country needs to fulfil their monitoring task must be urgently undertaken related to, for example, their capacity to undertake baseline surveys in order to enhance the quality, accuracy and validity of the data used to monitor progress, the appropriateness of their education management and information systems, and the existence of national capacities for evaluation and monitoring.

79. In the context of the global initiative, early agreement must be reached on a set of indicators related to better understanding and monitoring of international aid flows and private sector contributions as well as costs of and expenditures for education at the national levels. This work relies on improvement of data on aid flows, for example availability of disbursement rather than commitment figures, better classification and interpretation of assistance to basic education, and a clearer breakdown between support for capital and recurrent expenditures. Furthermore, a range of core education finance indicators must be improved, for example expenditure by resource category and per student expenditure.

80. To strengthen monitoring of progress towards EFA goals and targets, including establishing financial targets at the national level, the EFA movement should *produce an annual EFA progress report based on inputs from regional and national levels and from all development partners.*

### III. CONCLUSION

81. The EFA goals are ambitious and need urgent implementation. The global initiative is a multifaceted effort supportive of country level actions in their various settings towards the goals and targets. The initiative rests on six identified elements which must be mutually supportive when applied in various ways in specific country contexts. The design and application of the initiative in response to country circumstances is highly complex because of the urgency and scope of the needs, the variation in country circumstances, the multiplicity of EFA partners and the importance of understanding the fulfilment of EFA goals in a wider context of poverty reduction, sustainable development and the creation of enabling environments.

82. According to the Dakar Framework for Action, the international community has been called upon to launch the global initiative. According to some major partners, this has been interpreted to mean the need for global action aimed, in particular, at raising the estimated, additional financial assistance in order to support the formulation, implementation and monitoring of national EFA action plans. The need for a global fund, a global compact or a global financing mechanism has been central to their thinking.

83. In contrast, emphasis has in this paper been put on interpreting all six elements as part of a broader, but consolidated approach to support EFA efforts at the country level. Financial aspects related to increased and predictable external financing and the use of debt relief for EFA must, according to this understanding, be blended with consolidated coordination, strengthened sector-wide approaches and satisfactory mechanisms for the monitoring of progress at national, regional and global levels. The initiative, therefore, rests on partnership between all international and national partners coordinated in specific settings by national governments. Global coordination is necessary to facilitate national coordination and the achievement of national goals. The initiative must be implemented in accordance with generally acknowledged principles for international development cooperation based on national ownership, transparency and accountability as expressed, for example, in the EU-developed code of conduct. External financial resource mobilization must be understood in the context of domestic utilization and management of the resources. Domestic

efficiency improvements are as essential as increased external financing and its use as a catalyst for domestic resource mobilization. Resources can be financial, human, material and non-material in nature. Knowledge, and human and institutional capacity-building are as essential components of the global initiative as financing *per se*.

84. In order to serve as a supportive mechanism to national governments, the EFA movement must make immediate decisions concerning the way forward for the initiative. While some specific, limited actions have been proposed in this paper related to all six elements, the EFA movement must now decide not only how to implement these and possible other individual steps, but through what forum. In consideration of the emphasis in Dakar to not establish new coordination mechanisms, the global initiative could be put into practice through delegation of specific responsibilities to existing forums or to ad hoc established task forces, encompassing

representatives of all interested parties of the EFA movement. The necessary level of coordination and facilitation of the global initiative could also form part of UNESCO's mandate to coordinate the EFA movement.

85. This is the best and the worst of times for the achievement of Education for All. It is the best of times because governments, acknowledging the vital link between basic education and wider development, peace, tolerance and international understanding, are firm in their political commitment. The world now has the knowledge both to act and to understand the consequences of inaction. It is the worst of times because of the perturbation of the world economy and government anxieties which have resulted from global terrorism. The recent events make it more imperative than ever that undeniable progress both towards Education for All and the reduction of global poverty by 2015 enrich the lives of those millions most in need, the children, the poor, women and the excluded.

## REFERENCES

- ADEA, *ADEA Newsletter*. Vol. 13, No. 2, April-June 2001.
- ADEA, PRISME (Program and Project Information System on Education). <http://prisme.adeanet.org>
- Bentall, C. et al. 2000. *Funding Agency Contributions to Education for All*. Thematic Studies. Education for All Assessment. London, ODI.
- Berg, R.J. 2000. *Working with the Business Community to Strengthen Basic Education*. Summary of Presentation. World Education Forum. For the Strategy Session I.3. 27 April, Dakar, Senegal. (Mimeo.)
- Bonbright, D.; Azfar, A. 1999. *Enhancing Indigenous Philanthropy for Social Investment. A Report of the Initiative on Indigenous Philanthropy*. Aga Khan Foundation.
- Buchert, L. 1995. *Recent Trends in Education Aid: Towards a Classification of Policies*. Paris, UNESCO/International Institute for Educational Planning.
- Buchert, L.; Epskamp, K. (eds). 2000. Open File: Rethinking Educational Aid. *Prospects* Vol. 30, No. 4.
- Cornia, G.A.; Jolly, R.; Stewart, F. (eds). 1987. *Adjustment with a Human Face. Protecting the Vulnerable and Promoting Growth*. Oxford, Oxford University Press.
- Dollar, D.; Pritchett, L. 1998. *Assessing Aid. What Works. What Doesn't, and Why*. New York, Oxford University Press. (A World Bank Policy Research Report).
- Findakly, H.; Berg, R. J. 1997. *Promoting Financial Partnerships for Social Development*. Presentation to the UNDP Seminar on A New Paradigm of Financing Development and Development Cooperation. Stockholm, 23-24 March.
- Forster, M.; Brown, B; Norton, A.; Naschold, F. 2000. *The Status of Sector Wide Approaches*. London, ODI. (For Ireland Aid, Dublin).
- Forster, J.; Stokke, O. (eds). 1999. *Policy coherence in Development Cooperation*. London, Frank Cass. (EADI Book Series 22).
- Global Campaign for Education, 2001. *The Global Initiative on Education: meeting the promises*. (Draft. Mimeo.).
- King, K.; Buchert, L. (eds). 1999. *Changing International Aid to Education. Global Patterns and National Contexts*. Paris, UNESCO Publishing/NORRAG.
- Köhler, H.; Wolfensohn, J. 2000. *The IMF and the World Bank Group: An Enhanced Partnership for Sustainable Growth and Poverty Reduction*. 5 September. (Mimeo.).
- OECD/DAC. 1996. *Shaping the 21st Century: The Contribution of Development Cooperation*. Paris, OECD/DAC.
- \_\_\_\_\_. 1998. *Development Cooperation 1997*. Paris, OECD.
- \_\_\_\_\_. 1999. *Development Cooperation 1998*. Paris, OECD.
- \_\_\_\_\_. 2000. *The DAC Journal Development Cooperation 1999 Report. International Development*. Vol. 1, No. 1.
- \_\_\_\_\_. 2001. *The DAC Journal Development Co-operation 2000 Report. International Development*. Vol. 2, No. 1.
- Oxfam. 1999a. *From Unsustainable Debt to Poverty Reduction: Reforming the Heavily Indebted Poor Countries Initiative*. Prepared by Oxfam GB Policy Department for UNICEF. (Mimeo.).
- Oxfam. 1999b. *Debt Relief and Poverty Reduction: Meeting the Challenge*. (Mimeo.).
- Ratcliffe, M.; Macrae, M. 1999. *Sector Wide Approaches to Education. A Strategic Analysis*. London, Department for International Development. (Serial No. 32.).
- Sack, R. 1995. *Donor Coordination at the Country Level: Experience from an "Upstream" Education Policy Analysis Project and conceptual Explorations*. Paris, UNESCO. (BER95/WS/3.).
- Saravanamuttoo, N.; Shaw, C. 1995. *Making Debt Work for Education. How Debt Swaps Can Contribute to African Education*. Paris, ADEA.
- Sida. 2000. *Sida's Policy for Sector Programme Support and Provisional Guidelines*. Gotenburg, Novum Grafiska AB.
- Srinivasan, T.N. 2000. *Growth, Poverty Reduction and Inequality*. (Mimeo.).
- UNESCO. 2000a. *Debt Relief for Science and Technology. Proposal and Guidelines for Stakeholders*. Paris, SC/PAO.
- UNESCO. 2000b. *World Education Report. The Right to Education. Towards Education for All Throughout Life*. Paris, UNESCO Publishing.
- UNESCO. 2001. *Monitoring report on Education for All 2001*. Paris, UNESCO.
- United Nations. 2000. *Resolution adopted by the General Assembly 55/2. United Nations Millennium Declaration*. 18 September.

- Watkins, K. 2000. *The Oxfam Education Report*. London, Oxfam International.
- World Bank. 1998. *Annual Report*. Washington D.C., World Bank.
- World Bank. 2000a. Achieving Education for All (EFA) Through Partnerships and Linkages. A presentation by the World Bank and UNDP at the first EFA Working Group, Paris, November 22-24, 2000. (Mimeo.)
- World Bank. 2000b. *World Development Report*. Washington D.C., World Bank.
- World Bank. Education Sector. Human Development Network. 2001. Education for Dynamic Economies: Accelerating Progress Towards Education for All. (Mimeo.)
- World Education Forum Dakar, 26-28 April 2000. 2000. *The Dakar Framework for Action. Education for All: Meeting our Collective Commitments*. Paris, UNESCO.
- World Conference on Education for All: Meeting Basic Learning Needs, 1990, Jomtien, Thailand. 1990. *World Declaration on Education for All*. New York, Inter-Agency Commission for WCEFA.