

**WORKING PAPER**

# **Asia-Pacific Regional Report: Financing for Early Childhood Care and Education (ECCE)**

Kobe University

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## Table of Contents

<b>List of Tables .....</b>	<b>4</b>
<b>List of Figures .....</b>	<b>5</b>
<b>List of Acronyms and Abbreviations .....</b>	<b>6</b>
<b>Executive Summary .....</b>	<b>7</b>
<b>1. Introduction .....</b>	<b>12</b>
Background of the study .....	12
Rationale and Objectives of the study .....	14
Scope and coverage of the study .....	14
<b>2. Methodology .....</b>	<b>14</b>
Tools, Instruments and Sampling Respondents.....	16
<b>3: Status of Early Childhood Care and Education in Participating Countries.....</b>	<b>17</b>
Trend of Decentralization in ECCE Governance System .....	17
Involvement of Multiple Stakeholders .....	18
ECCE Facilities and Enrolment.....	20
Diversity in Types of ECCE Providers.....	20
Unconventional Modes of Operation .....	21
Integration of Education and Care .....	21
Health and Sanitation .....	26
Nutrition.....	28
Social Protection .....	30
<b>4. Analysis of ECCE Financing in Selected Asia-Pacific Countries.....</b>	<b>33</b>
Public Expenditure on ECCE .....	33
Various Sources of ECCE Financing .....	37
Adequacy, Equity, and Sustainability .....	40
<i>Adequacy of ECCE Financing .....</i>	<i>40</i>
<i>Equity in resource allocation under ECCE Financing .....</i>	<i>41</i>
<i>Sustainability of resources under ECCE Financing.....</i>	<i>42</i>
<b>5. Innovative Funding and Partnerships for ECCE Development in Asia-Pacific Region .....</b>	<b>43</b>
<b>6. Conclusions .....</b>	<b>47</b>
<b>7. Policy Recommendations.....</b>	<b>48</b>
<b>Bibliography.....</b>	<b>51</b>

## List of Tables

<b>Table 2.1: Instrument, Respondent and Sampling Designed for Data Collection.....</b>	<b>16</b>
<b>Table 3.2: Type of ECCE Facilities in Participating Countries.....</b>	<b>22</b>
<b>Table 3.3: Provisions for Health and Sanitation Services for Children.....</b>	<b>26</b>
<b>Table 3.4: Provisions for Nutrition in Participating Countries.....</b>	<b>28</b>
<b>Table 3.5: Provisions for Social Protection in Participating Countries.....</b>	<b>30</b>
<b>Table 4.1: Pre-primary Education Expenditure as a Percentage of Total Government Expenditure on Education.....</b>	<b>36</b>
<b>Table 4.2: Sources of ECCE (pre-primary education) Financing and Amount by Source for Each Participating Country.....</b>	<b>38</b>
<b>Table 5.1: Innovative Financing Mechanisms and Partnerships.....</b>	<b>44</b>

## List of Figures

Figure 2.1: Research Framework.....	16
Figure 3.1: Governance Model for ECCE in Republic of Korea.....	19
Figure 3.2: Governance Model for Kindergartens and Day Nurseries of Japan.....	20
Figure 3.3: Gross Enrolment Ratio in Pre-primary Education in Selected Countries .....	25
Figure 3.4: Enrolment in Pre-school Education Organizations of Children of Ages 3-7 .....	26
Figure 4.1: Pre-primary Education Expenditure as % of Total Government Expenditure .....	34
Figure 4.2: Pre-primary Education Expenditure as % of Gross Domestic Product.....	35

## List of Acronyms and Abbreviations

CO	Cabinet Office (Japan)
CSSCC	Comprehensive Support System for Children and Childcare (Japan)
DPE	Directorate of Primary Education (Bangladesh)
ECCD	Early Childhood Care and Development
ECCE	Early Childhood Care and Education
ECD	Early Childhood Development
ELCDP	Early Learning and Child Development Project (Bangladesh)
FEG	Free Education Grant (Fiji)
MECS	Ministry of Education, Culture and Science (Mongolia)
MEXT	Ministry of Education, Culture, Sports, Science and Technology (Japan)
MHLW	Ministry of Health, Labor and Welfare (Japan)
MOE	Ministry of Education (Republic of Korea)
MoE	Ministry of Education (Sri Lanka)
MoET	Ministry of Education and Training (Viet Nam)
MoPME	Ministry of Primary and Mass Education (Bangladesh)
MOWCA	Ministry of Women and Children Affairs (Bangladesh)
PPE	Pre-Primary Education (Bangladesh)
RGoB	Royal Government of Bhutan (Bhutan)
Korea	Republic of Korea
SDGs	Sustainable Development Goals

## Executive Summary

The International Standard Classification of Education (ISCED),<sup>1</sup> designed by UNESCO, classifies pre-primary education as centre or school-based programmes designed to meet the educational and developmental needs of children at least three years of age, with staff adequately trained or qualified to provide educational programmes for children. In addition, participating countries use ECCE, ECD and Pre-Primary Education interchangeably. Research evidence from good practices of ECCE systems shows that sustained public funding, quality standards and regulations are essential factors in achieving quality ECCE for all children (International Labour Organisation, 2014). Moreover, it is important to place equal importance on the efficient use of available resources in order to increase the systemic efficiency of ECCE. The Sustainable Development Goals (SDGs), adopted at the UN Summit on Sustainable Development in September 2015, contain Target 4.2 which states, “by 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education”. Accordingly, a Framework for Action was established, which includes strategies aimed at achieving the target of “putting in place integrated and inclusive policies and legislation that guarantee the provision of at least one year of compulsory and free quality pre-primary education, paying special attention on reaching the poorest and most disadvantaged children through ECCE services”.

During the World Education Forum (Incheon, May 2015), this target was discussed in a thematic session titled: “Early Childhood Care and Education: A Critical Investment for Lifelong Learning and Development”. The session advocated for a global commitment to investing in equitable, comprehensive, quality ECCE by outlining the investment rationales for ECCE, and by sharing and discussing effective strategies for addressing and monitoring the quality, equity and outcomes of ECCE services and programmes using a holistic approach. The high-level participants in the Asia-Pacific Regional Policy Forum on Early Childhood Care and Education (Seoul, 2013), too, argued for increased investment in ECCE as a cost-effective approach for human and economic development despite the diverse financing and governance models that exist in Asia and Pacific countries. Moreover, it was noted that non-state actors play important roles in complementing the state in ensuring accessibility and quality of ECCE provisions.

Against this background, the UNESCO Asia and Pacific Regional Bureau for Education (UNESCO Bangkok), in collaboration with the UNICEF Regional Office for South Asia (ROSA), undertook a regional study on financing for early childhood care and education development. Financial support for the regional study came from the Government of the Republic of Korea. This study focused on the financing of Early Childhood Care and Education (ECCE), with emphasis on children aged three to five years-old. The study was conducted in ten countries selected from the Asia-Pacific region and its objectives were: (i) to analyze the current status of ECCE financing in the selected countries, as well as highlight some of the innovative ECCE financing

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<sup>1</sup> UNESCO. 2011. International Standard Classification of Education (ISCED).  
<http://www.uis.unesco.org/Education/Documents/isced-2011-en.pdf>

mechanisms in the region; and (ii) to provide policy makers in the Asia–Pacific region with recommendations and policy options for increasing ECCE funding, and to improve its effectiveness, efficiency and sustainability.

Qualitative research approaches, including in-depth desk reviews, interviews and group discussions were adopted and implemented in the process of achieving the objectives of the study (section 2 of the report). Among the ten countries selected, an in-depth desk review of existing literature was conducted on six of them, namely; Bhutan, Fiji, Mongolia, Japan, Kyrgyzstan, and the Republic of Korea. In Viet Nam, Indonesia, Sri Lanka and Bangladesh, field study data collection exercises were conducted. The field research exercises included interviews with relevant key informants, purposively drawn from line ministries, local governments; ECCE schools/centres and external partners (including international donors, CSOs and others).

Section 3 analyses the current status of ECCE in the participating countries and reveals some common trends as well as diversified characteristics among them. A trend of decentralization in ECCE governance systems was observed across the participating countries. In some countries, including Mongolia, the Republic of Korea, Japan, Sri Lanka and Kyrgyzstan, the ECCE is administered through collaboration between central and local governments. For example, in Mongolia, twenty-one sub-national governments called ‘aimags’ and the capital city collaborate with the central government to manage ECCE, secondary education and specialized services. The Republic of Korea and Japan were reported to have intricate structures of ECCE governance where responsibilities of each stakeholder are well-defined. On the other hand, lack of governance and weak coordination was observed in Sri Lanka and Fiji. Fiji has yet to officially enact ECCE, which compromises policy focus on pre-primary education. In Sri Lanka, unclear definitions of responsibilities among the related government agencies in their ECCE governance systems has caused overlap in the scope of their work.

This section also reveals a steady growth in pre-primary enrolment and in the number of ECCE facilities in most of the participating countries. Disparities between boys and girls were not significant, whereas enrolment gaps between urban and rural areas were observed in some countries, like Kyrgyzstan. In terms of ECCE facilities, the study found that the type of facilities varies in terms of ownership, target group and operation. In terms of ownership, countries like the Republic of Korea and Japan were reported to have high percentage of private institutions, whereas in Mongolia and Kyrgyzstan, public institutions were more dominant. ECCE facilities catering to specific target groups were also observed. Mongolia and Kyrgyzstan documented ECCE centres that were built to provide access to marginalized groups of children.

Health and sanitation form part of ECCE programmes in most participating countries. In countries such as Indonesia, Kyrgyzstan, the Republic of Korea and Viet Nam, ECCE facilities are obliged to provide health service under the auspices of the health ministry. Nutrition service is provided through provision of meals or nutrition supplements. In Japan, the Republic of Korea and Viet Nam, school feeding is obligatory in ECCE institutions. In addition, various safety and



social protection measures are taken in the participating countries although they are not obligatory to be followed within ECCE facilities except in Bhutan and the Republic of Korea.

The fourth section presents an analysis of the status of ECCE financing in the participating countries. It is imperative to acknowledge a significant challenge in the form of lack of data on ECCE financing for all three indicators under review. Therefore, assessing the insufficiency (or otherwise) of government expenditure on ECCE within and across the ten participating countries is only possible for some case studies. According to the country reports, the three main sources of ECCE financing are: i) government or public sector, constituted by central and local governments; ii) private sector, comprised of households and private corporations; and iii) external funders (donors), made up of multi-lateral agencies.

Kyrgyzstan, Viet Nam in 2012, and Mongolia in 2011 spent above the OECD average on pre-primary education as a percentage of total government expenditure (1.1 percent).<sup>2</sup> In particular, spending on pre-primary education in Kyrgyzstan increased steadily over three years, nearly doubling the OECD average by reading 1.9 percent in 2013. Similarly, while Mongolia's pre-primary expenditure as a percentage of total government expenditure in 2011 was almost three times (2.9 percent) the OECD average, and that of Viet Nam in 2012 was more than twice (2.1 percent) the average. On the contrary, pre-primary expenditure as a percentage of total government expenditure by Japan, Indonesia and Fiji (2011) was below the OECD average. Japan's average rate over a four-year period, 2011 to 2014 was approximately 0.3 percent and that of Indonesia for each of the four years was 0.2 percent, 0.4 percent, 0.3 percent 2013 and 0.3 percent, respectively. Information for four countries (Bangladesh, Bhutan, Republic of Korea and Sri Lanka) for the period under review is not available both nationally and in the UIS database. And, while Mongolia and Fiji have information for only 2011, Vietnam has information for only 2012.

In terms of expenditure on pre-primary education as a percentage of GDP, allocations by Kyrgyzstan is above the OECD average of 0.6 percent<sup>3</sup> and approaching UNICEF's (2008) proposed international benchmark of 1.0 percent.<sup>4</sup> This is evidenced by the increase from 0.6 percent in 2011 to 0.7 percent in 2012, and 0.7 percent in 2013. Viet Nam and Mongolia each have data for only one year – 2012 and 2011, respectively. Both countries recorded expenditure rates at or above the OECD average of 0.6 percent of GDP, namely 0.6 percent for Viet Nam and 1.1 percent for Mongolia. Moreover, only Mongolia's allocation to pre-primary education as a percentage of GDP was consistent with the 1 percent rate recommended by UNICEF; all the other countries with data spent less. Allocations to pre-primary education as a percentage of GDP in Fiji (0.02 percent), Japan (0.1 percent four year average), Indonesia (0.1 percent four year average) and Republic of Korea (0.2 percent two year average) are below the

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<sup>2</sup> <https://www.oecd.org/edu/Education-at-a-Glance-2014.pdf>

<sup>3</sup> <https://www.oecd.org/edu/Education-at-a-Glance-2014.pdf>

<sup>4</sup> [https://www.unicef-irc.org/publications/pdf/rc8\\_eng.pdf](https://www.unicef-irc.org/publications/pdf/rc8_eng.pdf)

OECD average. Three countries (Bangladesh, Bhutan and Sri Lanka) did not have information on this indicator for the years being reviewed.

Findings on expenditure on pre-primary education (ECCE) as a percentage of total government expenditure on education for the ten participating countries show that the same three countries (Bangladesh, Bhutan and Sri Lanka) did not have information on this indicator for the years being reviewed. In 2011, Mongolia's expenditure was the highest (23.8 percent), followed by Kyrgyzstan with 8.5 percent and Japan with 2.6 percent. In 2012, Kyrgyzstan and Viet Nam, respectively, spent 9.4 percent and 9.9 percent. In the same year, Korea, Japan and Indonesia spent 3.1 percent, 2.7 percent and 2.2 percent, respectively. In 2013, only Kyrgyzstan, Japan and Indonesia have data on this indicator, and only Japan and Indonesia have information for 2014. Fiji, Mongolia, Korea and Viet Nam each have information for only one year. The expenditure on pre-primary education as a percentage of total government expenditure on education by countries in the Asia-Pacific Region is generally below ten percent (with the exception of Mongolia and Kyrgyzstan). This trend is relatively consistent with that in developing and developed countries.

Despite the seemingly diverse sources of funding for ECCE reported in the respective country reports, the actual proportions and/or allocations appear not to be sufficient, in relative terms, to meet the financial requirements under the ECCE sub-sector. The minimal budgetary allocation is a strong indicator of both inadequacy of funding and the low priority most countries give ECCE compared to other education sub-sectors. Closely related to the challenge of ensuring adequacy of funding in participating countries is the issue of ensuring efficiency in the utilization of meagre financial resources to achieve optimum outputs.

Information from the country reports further show that concerted efforts have been made by national governments to ensure equity in ECCE financing. One of the obvious steps has been the prioritization of vulnerable groups in the provision of resources by the enactment of laws and policies committing benefits and assistance to vulnerable children. Nevertheless, some of the country reports reveal disparities in the distribution of funding for ECCE between public and private institutions, and between rural/remote areas and those in urban areas. In Fiji, for example, the central government's Free Education Grant (FEG) is targeted at only public ECCE centres, thus denying private institutions access to this grant.

Sustainability of funding towards ECCE is one of the challenges commonly highlighted in the country reports from the participating countries. For instance, in the Korea and Mongolia, sustainability of ECCE financing is a challenging issue as the public demands for increased government finances. Especially given the growing female participation in the workforce, there will be an increasing demand for affordable and quality ECCE services, which calls for efforts to secure sustainable resources for ECCE financing in the years to come. Furthermore, a majority of the participating countries that are depending on external sources of financing are at risk of discontinued funding once the ongoing programmes come to an end.

The significance of innovative financing in the education sector is something that has been recognized since before the advent of MDGs in 2000. International and national dialogues have been held for purposes of exploring innovative sources of finance, provided that those sources do not unduly burden developing countries, and that they encourage scaling up and implementation. As highlighted in Chapter 5, innovative financing for ECCE in selected countries includes utilizing innovative sources of financing, innovative partnerships and innovative distribution mechanisms of resources.

One of the key recommendations that can be derived from the findings contained in the country reports is the need for countries in the region to collect and properly manage data on education, including ECCE funding. As the results in Chapter 4 indicate, a majority of the countries do not have the required data to enable comprehensive analysis of the status of ECCE financing in the Asia and Pacific region.

In order to enhance adequacy of funding towards ECCE, there is a need to increase budgetary allocations dedicated to the sub-sector. According to the findings, expenditure on ECCE as a percentage of GDP, national income and total education expenditure in many of the countries (except Korea, Kyrgyzstan and Mongolia) are well below the international agreed targets cited above and in Chapter 4. National government budgetary allocations need to be supplemented by collaborations and partnerships with the private sector, NGOs/ CSOs and international agencies.

Coupled with the above is the need for governments to extend ECCE services and programmes to cover all social groupings in their respective countries, especially orphans and vulnerable children (OVCs), the poor, children with special needs and those living in rural-remote areas. Moreover, sustainability of funding towards ECCE is an equally important aspect that education policy makers in the region need to address. Evidence from selected countries shows that currently most funding programmes and/or mechanisms are short and, at best, medium term, which raises concerns regarding continued funding towards ECCE. One of the strategies to address this could be to diversify and out-source alternative sources of funds through partnerships and collaborative efforts with different education stakeholders in the country (national and international, as well as public and private).

## 1. Introduction

### 1.1 Background of the study

The concept of Early Childhood Care and Education (ECCE) refers to a wide range of interventions aimed at the physical, cognitive and socio-emotional development of children, theoretically, from birth to age seven or eight (UNESCO, 2005), before they officially enter primary education. Depending on different contexts in different countries, terminologies such as Early Childhood Care and Development (ECCD), which encompasses early childhood education (ECE), and Early Childhood Development (ECD) are used alternatively in some countries to indicate the aforementioned interventions. Throughout this paper, the terminology ECCE will be used for consistency although other terminologies, such as ECCD and ECD, are used in certain sections to adopt information from country reports where such terminologies were used. For example, in Bhutan, the term ECCD is used to reflect its holistic development approach for children, which includes health, nutrition, protection and psychosocial development, as well as empowerment of communities and parents through parenting education programmes (Evans, Myers and Ilfeld, 2000). In most other countries, such as Bangladesh, Japan, Korea, Viet Nam and Mongolia among others, the term ECCE is more commonly used.

ECCE, as observed internationally, is often divided into two phases. Phase I is early childhood care for children from birth to approximately three years of age (usually referred to as nursery), while Phase II is early childhood education for children aged 3-4 to 5-6 or 7 years (usually referred to as kindergarten, and also equivalent to pre-primary education) (ISCED, 2011). According to the 2015 EFA Global Monitoring Report (GMR), pre-primary education is formalized early learning immediately preceding primary school, and pre-primary schools can either be attached to primary schools or entirely separate. According to GMR, pre-primary schooling can last one to three years and cover ages three to seven depending on each country. Pre-school or pre-primary education can be compulsory or free depending on different countries' education policy. The education can also be provided at different costs depending on the level of government subsidies.

Experiences in the early years of a child's life influences the development of the brain, determines how well the brain matures, affects a broad range of skills and learning capacities, and sets the foundation for a healthy and productive life as well as for lifelong learning. Belfield (2008) and Samuelsson and Kaga (2008) demonstrate that early childhood education is a sound intellectual, psychological, emotional, social and physical foundation for children to become more productive citizens in adulthood. Moreover, intervening early requires fewer resources and less effort; fixing problems later is more expensive and less efficient to the individual and society. It is estimated that the returns to investment in ECCE for disadvantaged children can be as high as seventeen US dollars for every one dollar spent, indicating that it is one of the most cost-effective strategies for equity (CGECCD, 2013). However, ECCE is amongst the most underfunded sectors, as evidence by the data collected in these country reports. In most of the

participating countries, public expenditure falls below average levels recommended by OECD and UNICEF (Figures 4.1 and 4.2). Globally, approximately one out of three children, under five years of age, in low and middle income countries are not achieving their cognitive development potential (Grantham-McGregor, et al., 2007). ODA, as well as private sector and NGO funding, can only fill a small gap in ECCE provision. Since the conclusion of Education for All (EFA) in 2015, more focus is now given to the Sustainable Development Goals (SDGs). In an attempt to assist countries in SDG Target 4.2, this study focuses on early childhood development and education for children aged three to six years because ECCE in this period of life establishes a child's foundational life-skills to prepare them for primary education.

Evidence from good practices in ECCE systems shows that sustained public funding, combined with quality standards and regulations are essential factors to achieve quality ECCE for all children (International Labour Organisation, 2014). Moreover, it is important to focus not only on sufficient financing, but also on efficient use of available resources in order to increase systemic efficiency under ECCE. The Sustainable Development Goals (SDGs), adopted at the UN Summit on Sustainable Development in September 2015, contain Target 4.2, which states that “by 2030, [we need to] ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education”. Accordingly, a Framework for Action was established, which includes strategies aimed at achieving the following target – “put in place integrated and inclusive policies and legislation that guarantee the provision of at least one year of compulsory and free quality pre-primary education, paying special attention on reaching the poorest and most disadvantaged children through ECCE services”.

During the World Education Forum (Incheon, May 2015), this target was discussed in a thematic session titled “Early Childhood Care and Education: A Critical Investment for Lifelong Learning and Development”. The session advocated for global commitment to investing in equitable, comprehensive quality ECCE by outlining the investment rationales for ECCE, sharing and discussing effective strategies for addressing and monitoring the equity, quality, holistic approach and outcomes of ECCE services and programmes. The high-level participants in the Asia-Pacific Regional Policy Forum on Early Childhood Care and Education (Seoul, 2013), too, argued for increased investment in ECCE as a cost-effective approach for human and economic development despite the diverse financing and governance models that exist in Asia and Pacific countries, reflecting the different ECCE policy philosophies and socio-cultural backgrounds. Moreover, it was shown that non-state actors play important roles in complementing the state in ensuring accessibility and quality of ECCE provisions.

Against this background, the UNESCO Asia and Pacific Regional Bureau for Education (UNESCO Bangkok), in collaboration with the UNICEF Regional Office for South Asia (ROSA), undertook a regional study on financing for early childhood care and education development with financial support from the Government of the Republic of Korea. The next section describes the rationale and objectives of this study.

## 1.2 Rationale and Objectives of the Study

With a goal to provide policy makers in Asia and the Pacific with evidence, innovative practices and policy options for financing and partnerships for ECCE, focusing on the pre-primary education period, usually from age three to age five or six, depending on the country, this study aims to achieve the following objectives:

- (i) To analyze the current status of ECCE financing in the selected countries, as well as to highlight some innovative ECCE financing mechanisms in the region; and
- (ii) To provide policy makers in the Asia and Pacific region with recommendations and policy options for increasing ECCE funding, as well as for improving its effectiveness, efficiency and sustainability.

This study will also document innovative financing and partnerships for ECCE within and outside Asia and the Pacific for the purpose of sharing good practices in the area of ECCE financing across the participating countries.

## 1.3 Scope and Coverage of the Study

In order to ensure that each child achieves his or her developmental potential, a holistic approach to child growth, development and learning is required. Recent neuroscience research suggests that developmental domains (physical, cognitive, social, emotional and linguistic) are interrelated. Therefore, this study focuses on the pre-primary age of early childhood. Further, it has been demonstrated that integrated ECCE that combines health, nutrition and stimulation yields greater benefits for children's health and development than health and nutrition alone. Therefore, the present regional study will cover the key intervention areas for young children of pre-primary age and their families, including health, nutrition, water and sanitation, education and social protection.<sup>5</sup> In order to achieve the aforementioned objectives, this study was conducted in ten countries of the Asia-Pacific region. Among them, four countries were selected for field studies, namely, Viet Nam, Sri Lanka, Indonesia and Bangladesh.

The main research question to guide the study is: What is the status of ECCE financing in selected Asia-Pacific countries, especially in terms of highlighting the components of public, private financing and international donors in financing ECCE? In addition, some of the innovative financing mechanisms and partnerships for ECCE programmes currently operating in the participating countries are identified and presented for building broad-based and effective ECCE partnerships in the participating countries.

## 2. Methodology

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<sup>5</sup> See key interventions and indicators suggested, for examples, in UNESCO. 2014. *Holistic Early Childhood Development Index (HECDI) Framework: A Technical Guide* and Denboba, A. D., Elder, L. K., Lombardi, J., Rawlings, L. B., Sayre, R. K. and Wodon, Q. T. 2014. *Stepping Up Early Childhood Development: Investing in Young Children for High Returns*.

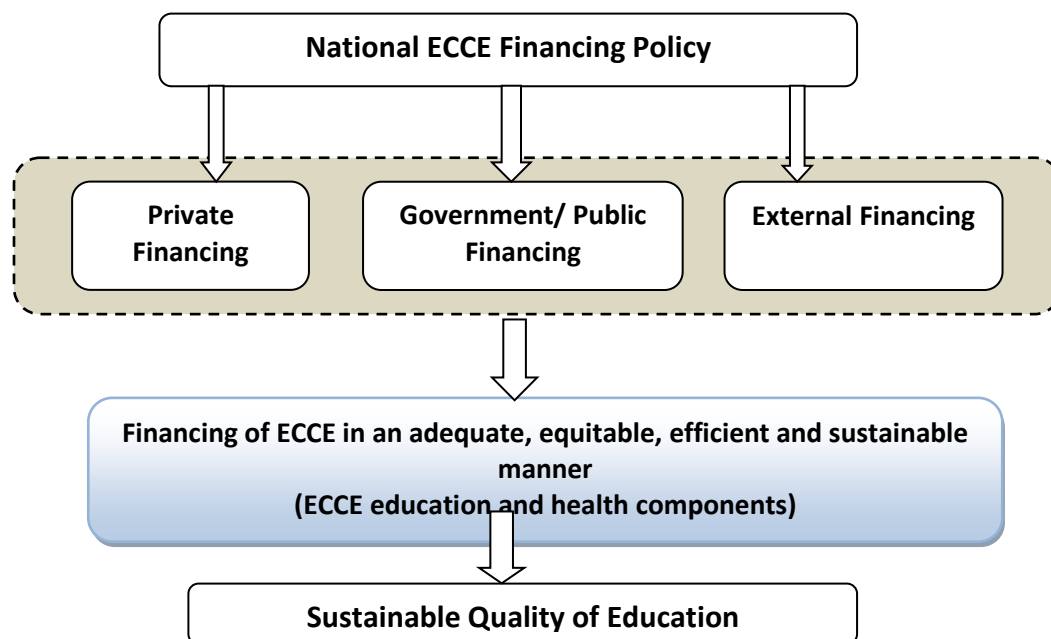
Due to the nature of the research questions and objectives of the study, qualitative research approaches were applied to obtain the study objectives based on the research framework developed in the inception report (Figure 2.1). These qualitative approaches include in-depth desk reviews, interviews and group discussions. This regional study encompasses Asia and the Pacific, which includes East Asia, Southeast Asia, South and West Asia, Central Asia and the Pacific, so at least one country from each of these sub-regions is included in the study. With the goal of the study to document innovative financing in the Asia-Pacific region, both countries with the potential for innovative financing and countries with existing innovative financing documented were selected to conduct a country case study for this regional report. In total, ten countries from different sub-regions were chosen as follows:

- North East Asia: Japan, Mongolia and the Republic of Korea
- Southeast Asia: Indonesia and Viet Nam
- South Asia: Bangladesh, Bhutan, and Sri Lanka
- Central Asia: Kyrgyzstan
- The Pacific: Fiji

Among them, a desk review was conducted for six of the countries, namely, Bhutan, Fiji, Mongolia, Japan, Kyrgyzstan, and the Republic of Korea, based on in-depth analyses of policy documents, and financial and funding reports by international and national organizations.

In four countries – Bangladesh, Sri Lanka, Indonesia and Viet Nam – where field studies were conducted, consultants interviewed relevant key informants from each country, including: (i) ministry officers responsible for ECCE (e.g. the Ministry of Education, Ministry of Welfare, Ministry of Women and Children) and who are in charge of education planning and budgeting; (ii) selected head-teachers/principals of ECCE centres/schools (which are privately and publicly owned) and ECCE teachers (male and female); (iii) heads of ECCE in respective UNICEF and/or UNESCO country offices; and (iv) selected civil society organization (CSO) or NGO officers in charge of ECCE. In particular, primary data in each sampling country was collected at four levels: central level, provincial level, district level and at the ECCE centre/school level. In addition, policy and project/funding documents are also used as a tool for a situation analysis.

**Figure 2.1 Research Framework**



Source: Created by the consultancy team based on UNESCO, ILO, and UNICEF (2014)

## 2.1 Tools, Instruments and Sampling Respondents

As stated in the previous section, in order to partly achieve the study objectives, a field study was conducted in four out of ten countries in this study. This part of the paper will explain the tools, instruments and sampling respondents in these four countries (Bangladesh, Indonesia, Sri Lanka and Viet Nam). A number of qualitative research instruments from semi-structured and open-ended questionnaires to group discussions were used for data collection; documents collected at the field were also used for data analysis. Semi-structured and open-ended questionnaires were designed for interviews at various levels (central, provincial and district) and for different participants (international donors and schools) (Table 2.1). Group discussions were conducted at the school level with classroom teachers (male and female) using the designed guiding questions, while consultants served as facilitators for these discussions.

**Table 2.1 Instrument, respondent and sampling designed for data collection**

Level	Institution/ Organization	Respondents	Method	Instruments	Sampling
Central	Ministries involved in ECCE management	Head of ECCE, education budget and planning	Interview	Semi-structured and open-ended questionnaires	Ministries
Provincial and District	ECCE related agencies	Head of ECCE, education budget and planning	Interview	Semi-structured and open-ended questionnaires	One capital city and one province with existing innovative funding for ECCE.



Level	Institution/ Organization	Respondents	Method	Instruments	Sampling
					Two districts at each capital city/province: one urban and one rural
School/ECCE centre	School/ECCE centre	Principal/ head teachers, and managers	Interview	Semi-structured and open-ended questionnaires	2-3 ECCE centres/ schools at each district: one public, one private and one community-based school (if any)
		Teachers (male and female)	Group discussion	Guiding questions (open-ended)	
International donor and partnership	UNESCO, UNICEF, World Bank, NGOs, CSOs, etc.	Coordinator/ head of ECCE	Interview	Semi-structured and open-ended questionnaires	Respected donors and partners

Source: Created by consultancy team based on research framework and methodology (2016)

To ensure representativeness of the samples and the possibility to obtain needed data on innovative funding, the samples in each country were prioritized to a capital city and a province with existing innovative funding. Then, in each province, two districts – one rural and one urban – were selected with two or three ECCE centres/schools at each district: one public, one private and one community-based school (if any).

This regional report is based on the ten country reports that are attached as annexes to this main paper.

### 3. Status of Early Childhood Care and Education in Participating Countries

#### 3.1 Trend of Decentralization<sup>6</sup> in ECCE Governance System

In countries such as Mongolia, Korea, Japan, Sri Lanka and Kyrgyzstan, ECCE is delivered through collaboration between central and local governments. In Mongolia, the capital city and 21 aimags (sub-national governments) manage ECCE, secondary education and specialized services, such as health care, in their regions. In Viet Nam and Korea, municipalities and districts

<sup>6</sup> According to the World Bank Institute, “decentralization” is the transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organizations or the private sector; it covers a broad range of concepts. Each type of decentralization—political, administrative, fiscal, and market—has different characteristics, policy implications, and conditions for success. All these factors need to be carefully considered before deciding whether projects or programmes should support reorganization of financial, administrative, or service delivery systems.

<http://siteresources.worldbank.org/WBI/Resources/wbi37142.pdf>

as well as local offices of education play an important role in delivering ECCE at local levels. A similar role is played by provincial councils (PCs) in Sri Lanka and Aiyyl-okmotus (local self-government bodies) in Kyrgyzstan. In 2015, the Government of Viet Nam launched Decree No. 16/2015/ND-CP, stipulating the mechanism for exercising the autonomy of public administrative units including schools of all levels, which has provided more autonomy for provinces in managing the education finances at their level. Overall, the central government continues to play the role of developing overarching ECCE policies, and the local governments implement the policies with increased autonomy.

### **3.2 Involvement of Multiple Stakeholders**

In most sampled countries, the ECCE is governed by several different government ministries such as the Ministry of Education, Ministry of Health, and Ministry of Women and Children Affairs, among others. In addition, as the role of local governments is strengthened, the stakeholders for the ECCE system in a given country have been greatly diversified. Most of the sampled countries reported to have legislation governing ECCE, whereas Fiji and Sri Lanka have yet to establish a legal foundation for ECCE. The absence of a national policy on ECCE in Sri Lanka sometimes causes overlap in work scopes among different stakeholders, such as the Ministry of Education (MoE), Ministry of Health (MoH), Ministry of Women and Children Affairs (MWCA) and the Provincial Councils.

In some countries, the role played by external players was highlighted. In countries like Bangladesh, Sri Lanka and Bhutan, international development agencies and NGOs play a pivotal role in providing support for ECCE in collaboration with local governments. In Viet Nam, funding from international donors and NGOs plays an important role for ECCE development nationwide.

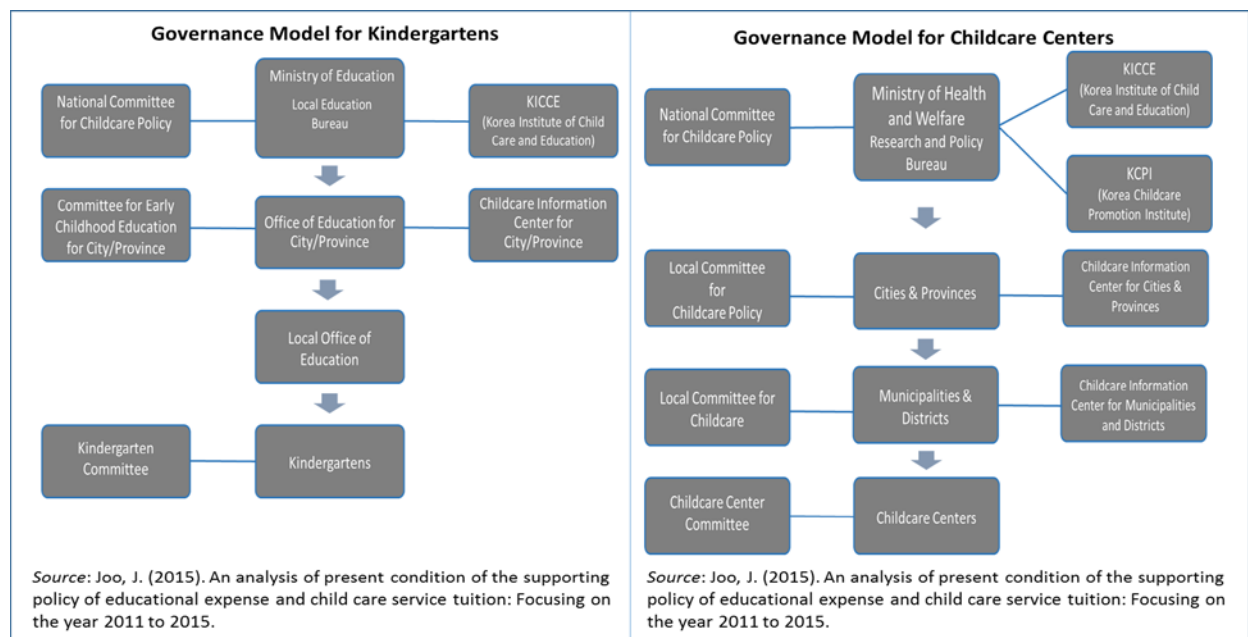
The private sector and community are other active stakeholders for ECCE in many participating countries. In Fiji, the local community is actively involved in managing the ECCE institutions that are not privately owned.

Japan and Korea have documented intricate governance models of early childhood care and education. In case of the latter, ECCE is delivered through two types of institutions, namely, kindergartens and childcare centres. Kindergartens are education oriented facilities under the jurisdiction of the Ministry of Education (MOE), while childcare centres are welfare focused institutions under the auspices of the Ministry of Health and Welfare (MOHW). Under the decentralized education system, Korea's ECCE policy is established by the central government and implemented by municipalities and districts to govern kindergartens and childcare centres according to the two governance models as illustrated in Figure 3.1. The governance model of Viet Nam is similar to that of Korea. As for the case of Japan, ECCE there is also managed by an intricate multi-level governance model. Figure 3.2 depicts the administrative structure of the kindergarten system governed by the Ministry of Education, Culture, Sports, Science and Technology (MEXT) and the day nursery system governed by the Ministry of Health, Labour and

Welfare (MHLW), which still occupy the largest share in ECCE service delivery under CSSCC.<sup>7</sup> Then the Cabinet Office (CO) supervises the “Unified Type ECCE Centre” which has a single status both as a public school education facility and a welfare facility. Japan’s central government provides administrative guidance and advice to prefectural government agencies. In turn, the Prefectural Board of Education grants permission to establish public kindergartens. The municipal Board of Education is in charge of establishing and managing these kindergartens. Permission to establish private kindergartens falls under the jurisdiction of Prefectural Governors. In the day nursery system, Prefectural Governors give permission for both public and private centres, while public nurseries are established and managed under the supervision of the Mayors.

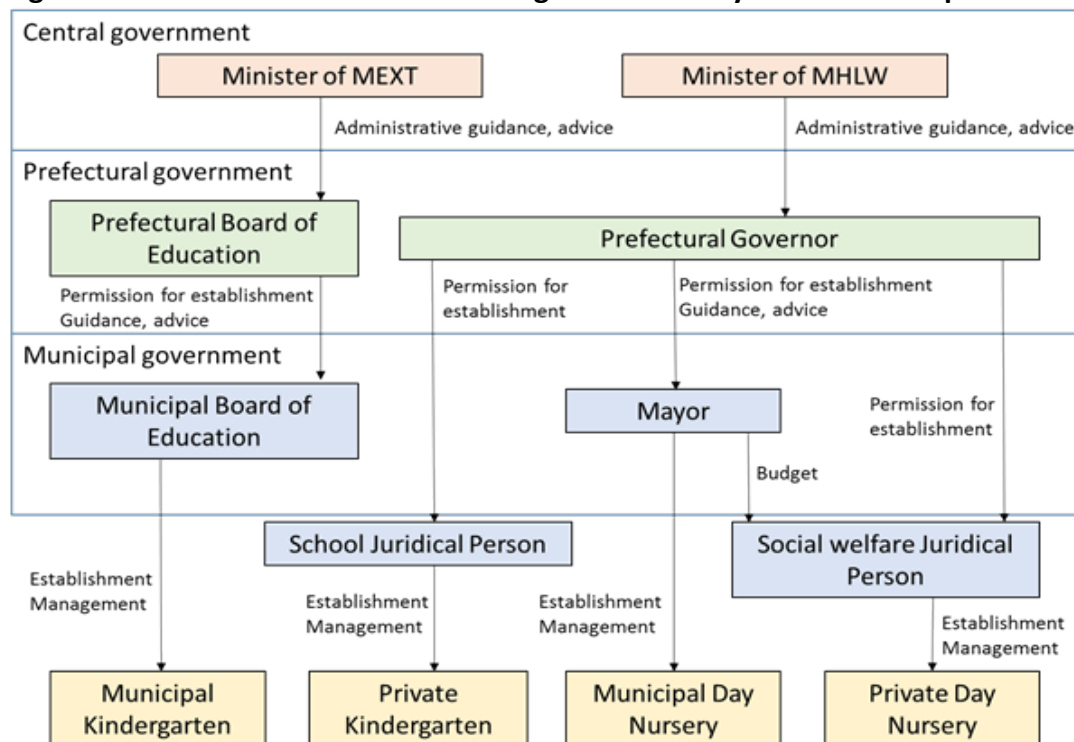
Unlike Japan and Korea where ECCE is delivered through an intricate system with the responsibilities of main organizations clearly defined in governing laws, some countries reported a lack of a structured governance system. For example, ECCE in Fiji has not yet been legislated, which leads to a lack of focus on pre-primary education as opposed to primary and secondary education; this may hinder necessary policy development. In Sri Lanka, due to unclear division of responsibilities among relevant government agencies, a certain extent of overlap has been reported in the work scope of the Ministry of Education, Ministry of Health and Ministry of Women and Children Affairs.

**Figure 3.1 Governance model for ECCE in Republic of Korea**



<sup>7</sup> Comprehensive Support System for Children and Childcare (CSSCC) was officially launched in April 2015 as a part of the Integrated Reform of the Social Security and Tax Systems. Under this new system, Unified Type ECCE Centres are given a single status as both a public school education facility and a welfare facility.

**Figure 3.2 Governance model for kindergartens and day nurseries of Japan**



Source: MEXT (n.d., 4).

Note: In addition to municipal kindergartens, there are some national and prefectural kindergartens which can be categorized as public kindergartens. There are also some prefectural day nurseries, which can be categorized as public day nurseries.

### 3.3 ECCE Facilities and Enrolment

The study revealed a significant level of diversity in the types of ECCE facilities across countries. Sometimes the age of children is defined differently from ages 0 to 8, but a majority of ECCE facilities in selected countries cater to children aged 3-5/6. The study also looked at whether countries have at least one year of free compulsory pre-primary education, but results showed that most participating countries do not, with the exception of Bhutan. In Bhutan, pre-primary refers to level 0, for which the official enrolment age is six. It is compulsory for all Bhutanese children to enrol in pre-primary for one year before their entry to Level 1.

### 3.4 Diversity in Types of ECCE Providers

Types of ECCE facilities vary in terms of ownership, target and operation. Country reports revealed that ECCE facilities can be run by the government, private entities, communities, or by joint partnerships between the government and external donors. Strong private sector participation was reported in some participating countries. In Korea, 47.7 percent of kindergartens are privately owned, whereas 66.7 percent of Japanese ECCE service centres were private institutions. On the other hand, in some participating countries including Mongolia and Kyrgyzstan, public centres were significantly more dominant than private institutions. As of

2014, approximately 70 percent of kindergartens were public in Mongolia, and 92 percent of pre-school education organizations were publicly owned in Kyrgyzstan.

The country reports demonstrate that some ECCE facilities are established to benefit specific groups of children in the population. The Alternative Training Program (ATP)<sup>8</sup> in Mongolia targets children from poor and vulnerable families with limited access to kindergartens, and the Family-Based Mini Child Care Centres in Mongolia provide ECCE to children in vulnerable areas through facilities owned by individuals. Some ECD centres in Bangladesh are built to cater to children in rural areas, whereas in Sri Lanka, pre-schools are delivered in different languages to cater to different ethnic groups in given regions. In Kyrgyzstan, the Alternative Pre-primary School Preparedness Programme is designed to target children who have never attended pre-school institutions.

### **3.5 Unconventional Modes of Operation**

The country reports document cases of unconventional modes of operation in some ECCE facilities. In Mongolia, the Alternative Training Program (ATP) provides ECCE services to children from herder families through Mobile Groups and Visiting Teachers. Mobile Groups, which open 14-21 days during the spring and summer for 8-10 hours per day, are held in ger-kindergartens,<sup>9</sup> which are constructed seasonally in gers near nomadic families. As of 2014, 60 percent of districts have fully furnished ger-kindergartens run by the main kindergarten branch. Visiting teachers deliver ECCE services to nomadic children throughout the spring, summer and winter by visiting one child at a time for 1-2 hours a day.

Kyrgyzstan operates thirty-seven seasonal schools to provide ECCE to children residing in mountain pastures. At the end of 2015, eighty-seven kindergartens were operating, benefiting 2,200 children. Kyrgyzstan reported to have made progress toward Goal 1 of Education for All, expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children.

### **3.6 Integration of Education and Care**

In countries like Korea and Japan, efforts are being made to integrate education and childcare services. ECCE services in these two countries have been historically separated into kindergartens and childcare centres (known as “day nurseries” in Japan). In the case of Korea, kindergartens and childcare centres continue to operate under two separate jurisdictions (MOE and MOHW), but the government has introduced the Nuri Curriculum, a comprehensive and integrated curriculum to be taught to all children (ages 3-5 years) enrolled in kindergartens and childcare centres in order to ensure equitable access of quality education (MOE, 2015). In Japan,

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<sup>8</sup> MECS, 2012

<sup>9</sup> Ger, the traditional nomadic dwelling is furnished and used as kindergarten premises for providing pre-school education services in rural and disadvantaged areas.

a new type of facility called an ECCE centre was developed in 2006 to combine the functions of kindergartens and day nurseries.

Table 3.2 outlines a variety of ECCE facilities documented in the country reports. As stated above, various ECCE centres by ownership and target population are presented along with the unconventional operation of some ECCE centres.

**Table 3.2 Type of ECCE facilities in participating countries**

	ECCE facility	Function	Target	Curriculum	
Bangladesh	PPE (Pre-Primary Education) Facility	Provision of free and compulsory education for children	Ages 5-6 years	Curriculum developed by National Curriculum and Textbook Board (NCTB)	
	Play Corner	Provides safe space for children while their mothers are in clinics	Mixed age groups (urban)	Play materials for children provided	
	Pre-primary	BRAC	Provides well-organized education for children	Aged 5 years (urban)	Curriculum designed to prepare children for primary education
		SARPV	Special education for the children with disabilities	Children with special needs (rural)	Materials developed for special needs
		City Corporation	Government-arranged pre-primary education	Age 5 years (urban)	Government-developed textbook and teachers' guide provided
	Child Development and Pre-primary	Establishes bridge with primary schools	Ages $\pm 4 < 6$ (rural)	Not specified	
	ECD Project (ELCDP)	Conducted by MOWCA, supported by UNICEF	Ages 4-6 years in Bangladesh Shishu Academy (BSA)	Early Childhood Care and Development (ECCD)	
	NGO-run facilities	Not specified	Ages 5-6 years	One-year pre-primary classes	
Bhutan <sup>10</sup>	Community ECCD Centres	ECCE for children in rural areas	Disadvantaged children in rural areas	New Curriculum Guide of ECCD (developed by Save the Children) based on Early Learning Development Standards (ELDS)	
	Workplace-Based Centres	ECCE catered to children of ages 0-6 whose parents	Children (Ages 0-6 years) of employees		

<sup>10</sup> MoE, Annual Education Statistic 2015, Bhutan

		work in large-size entities		
	Private Childcare Centres	ECCE primarily for children in urban areas	Ages 3-5 years	
Fiji <sup>11</sup>	Kindergarten	Not specified	Aged years	Not specified
	Pre-school	Not specified	Ages 3-4 years	Not specified
	Play-centre	Not specified	Ages 3-4 years	Not specified
	Play-group	Not specified	Ages 3-4 years	Not specified
	Child-Care Centre	Not specified	Aged 2-5 years	Not specified
Indonesia	Kindergarten	Programmes for children in a more structured way	Ages 4-6 years	National Standard for ECCE
	Playgroup	Programmes for children with limited access to kindergartens	Ages 2-4 years	National Standard for ECCE
	Day care	Education and nurturing programme for children	Ages 3 months to 6 years	National Standard for ECCE
	Family-based ECCE	Education facilitated through parenting education programme	Not specified	National Standard for ECCE
Japan <sup>12</sup>	Kindergarten	Provides sound educative environment	Ages 3-5 years	National Curriculum Standards for Kindergartens
	Day Nursery	Provides childcare to infants /toddlers	Ages 0-5 years	Guidelines for Nursery Care at Nursery Centres
	ECCE Centre	Plays the functions of both kindergartens and day nurseries	Ages 0-5 years	Curriculum for Education and Childcare
Kyrgyzstan	Day-Time Kindergarten	Provides pre-school education to children of working parents	Ages 3-6 years	Not specified
	Community-Based Kindergartens	Alternative education institution to	Not specified	Not specified

<sup>11</sup> Source: Fiji Education Commission Report (2000)

<sup>12</sup> NIER (n.d.b, 4).

		expand access to ECD programmes		
	Pre-Primary School Preparedness Programme <sup>13</sup>	To increase the level of preparedness of children	Children with no previous pre-school education	100, 240, 480-hour programmes, 32 week programme (15 hours per week)
	Seasonal Kindergartens	Provides ECD programmes to children of mobile groups	Children living in pastures	Not specified
Mongolia	Kindergarten	Provides integrated care, education, health and nutritional services	Pre-school age children	Curriculum has been renewed in 2012 under the education quality reform policies
	Alternative Training Programme (ATP)	Serves as the second major delivery mode of ECCE since 2003	Ages 3-5 years among rural and urban poor with limited access to kindergartens	Simplified version of the kindergarten curriculum, reviewed by the provincial education departments
	Family-Based Mini Child Care Centre	Provides pre-school education in vulnerable areas through facilities operated by individuals	For children with limited access to kindergartens	Not specified
Republic of Korea <sup>14</sup>	Kindergarten	Education (main) + Childcare	Ages 3-5 years	Nuri Curriculum <sup>15</sup> (Age 3-5)
	Childcare centre	Childcare (main) + Education	Ages 0-5 years	Standard Childcare Curriculum (Age 0-2) Nuri Curriculum(Age 3-5)
Sri Lanka	Pre-schools in each province	ECCE activities and implementation plans set by each province	Ages 3-5 years	Curriculum developed by each province
Vietnam	Nursery	Not specified	Ages 18 months to 3-4 years	Ministry of Education and Training
		Not specified	Ages 3 months to 3-4 years	Ministry of Education and Training combined with schools' own curriculum
	Kindergarten	Not specified	Ages 3-4 to 6 years	Ministry of Education and Training

<sup>13</sup> OECD. 2010.

<sup>14</sup> UNESCO, 2015; KICCE, 2015.

<sup>15</sup> Nuri Curriculum is an integrated curriculum developed by the central government to be taught to all children (age 3-5) enrolled in kindergartens and childcare centres.

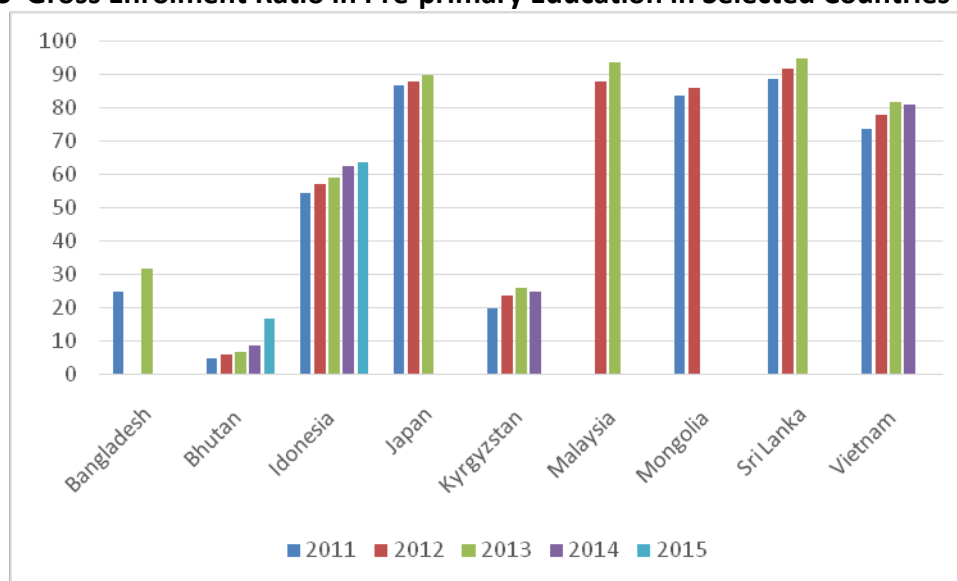


		Not specified	Ages 3-4 to 6 years	Ministry of Education and Training combined with schools' own curriculum
	ECCE School	Not specified	Ages 18 months to 6 years	Ministry of Education and Training
		Not specified	Ages 3 months to 6 years	Ministry of Education and Training combined with schools' own curriculum

Source: Created by consultancy team based on the country reports (2016)

Case studies document continued increase in ECCE facilities and enrolment in all participating countries. Most country reports reveal that both the number of ECCE facilities and enrolment rates in ECCE centres are on a steady increase. The growing enrolment rate in selected countries is depicted in Figure 3.3.

**Figure 3.3 Gross Enrolment Ratio in Pre-primary Education in Selected Countries**

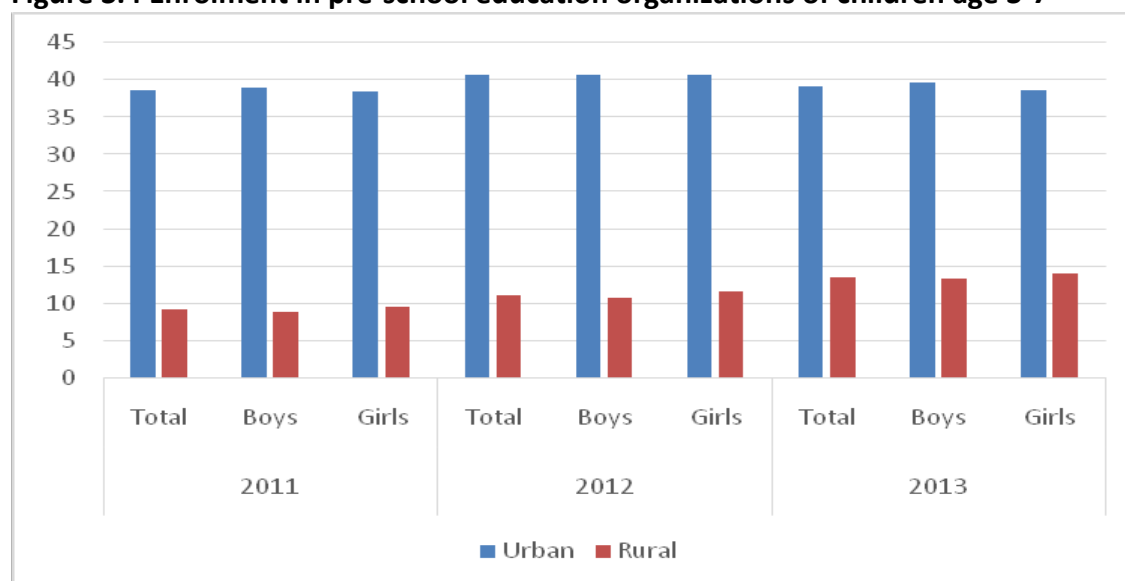


Unit: Percentage (%)

Source: UIS. 2015. (Bangladesh, Japan, Kyrgyzstan, Malaysia, Mongolia, Sri Lanka, Viet Nam). Data for Bhutan and Indonesia are based on the country reports and include enrolment of children in early childhood care facilities.

The country reports did not suggest significant disparities between the enrolment rate of boys and girls, though some countries, such as Kyrgyzstan, indicated disparities in the enrolment rate between urban and rural areas as illustrated in Figure 3.4.

**Figure 3.4 Enrolment in pre-school education organizations of children age 3-7**



Unit: Percentage (%)

Source: Created by Consultancy Team based on the country report (2016)

Similarly, in Mongolia, findings of the Social Indicator Sample Survey (SISS, 2013) revealed that the attendance rate for pre-school-age children is more than twice higher for children from the wealthiest quintile than for those in the poorest quintile, signalling existing disparities between income brackets in some countries.

### 3.7 Health and Sanitation

In many participating countries, ECCE facilities take responsibility for the health and sanitation of the children enrolled. As presented in Table 3.3, country reports reveal that in some countries including Korea, Bangladesh and Fiji, health and sanitation measures are integrated into their ECCE curriculum. Most selected countries have governing laws regarding health and sanitation of children except Fiji and Bangladesh. Provisions of health and sanitation services in ECCE facilities are the responsibilities of the Ministry of Health. In Mongolia, government-led programmes to enhance access and quality of health services have been initiated since 1998.

**Table 3.3 Provisions of health and sanitation services for children in participating countries**

Country	Governing Law and Policy	Auspices	Programmes and Undertakings
<b>Bangladesh</b>	Not specified	Not specified	Case study shows that most <b>ECCE centres</b> are kept clean but still lack adequate hygiene and sanitation systems.
<b>Bhutan</b>	Parental outreach programme ECCD	Not specified	<b>Parental ECCD outreach programme</b> incorporated with post literacy curriculum of NFE programme sensitise the child health issue among the mothers of 0-6-year-old children.

Country	Governing Law and Policy	Auspices	Programmes and Undertakings
	The National Health Policy of Bhutan (2010)	Not specified	<b>Community and work base ECCD centres</b> have the curriculum package that will equip them with basic knowledge and skills of child health and nutrition.
<b>Fiji</b>	Not specified	Not specified	ECCE centres provide free health checks and the Ministry of Health ensures that all children are well vaccinated.
<b>Indonesia</b>	Regulation of the Minister of Education and Culture, Number 137/2014	Ministry of Health Ministry of Education and Culture	ECCE centres are obliged to abide by the standard level of achievement of child development. The Ministry of Health screens children's growth and development on a regular basis and ensures children receive nutritional supplements.
<b>Japan</b>	Maternal and Child Health Act	MHLW Article 31 of the Infant Care Act,	Health check-ups and counselling for expectant mothers from their 23rd week pregnancy and up to three year-old children are provided (Katsumata 2014).
<b>Kyrgyzstan</b>	The Law on Health Care of the Citizens (2005) The Law on Preschool Education		Package of childhood immunizations Health/medical services of children in pre-school education organizations Medical services for children in pre-school education organizations
<b>Mongolia</b>	The Health Law <sup>16</sup> The Citizens' Health Insurance Law	Ministry of Health and Sports (MOHS) Aimag governments	<b>Health Sector Development Programme (1998)</b> is focused on improving the access and quality of health services. <b>Health Sector Strategic Master Plan (2005-2015)</b> aims at improving the health status of Mongolian people. <b>MDGs-based Comprehensive National Development Policy (2008)</b> sets certain targets in relation to child health situations.
<b>Republic of Korea</b>	Infant Care Act (Article 31)	MOHW	Childcare centres need to conduct regular health check-up of the enrolled children and ensure they are vaccinated Nuri Curriculum teaches health and physical activities with an aim to teach children healthy and sanitary habits <sup>17</sup>
<b>Sri Lanka</b>	Not specified	Ministry of Health (MoH)	Health and nutrition for children aged 0-3 years Regular home visits to the homes of infants to check infants' health, nutrition and sanitation (MoE, 2013)
	Not specified	MoE and	Health and nutrition for children aged 4-5 years

<sup>16</sup> Health Law of Mongolia

<sup>17</sup> Ministry of Education (MOE, 2015)

Country	Governing Law and Policy	Auspices	Programmes and Undertakings
		MWCA	
	Not specified	UNICEF, NGOs	<b>UNICEF, NGOs<sup>18</sup></b> and private companies have constantly endeavoured to improve the sanitation, water and hygiene facilities in schools.
<b>Viet Nam</b>	Not specified	Ministry of Education and Training	<b>Districts</b> provide health check-ups for children at ECCE, kindergartens and nursery schools. Teachers keep record of children's growth.

Source: Created by consultancy team based on the country reports (2016)

### 3.8 Nutrition

Case studies indicate that nutrition is closely linked with issues of health and sanitation, and are governed by a largely identical set of laws and policies. In Japan and Sri Lanka, for example, policies on nutrition are linked to other policies on ECCE and are not mentioned separately. In Korea and Bangladesh, as in the case of health and sanitation, nutrition is the responsibility of the ECCE facilities where children are enrolled. Table 3.4 presents efforts of each country to ensure adequate provision of nutrition to children. In Mongolia, nutrition is emphasized in the National Programme on Nutrition (2016-2025) as well as the Comprehensive Implementation Plan on Maternal, Infant and Young Child Nutrition (2014) supported by WHO. In the Republic of Korea and Viet Nam, ECCE centres are obligated to provide healthy meals that are supervised by a designated nutritionist to children within their service centres. In countries like Fiji and Bangladesh, ECCE centres do not provide food (except ICDP<sup>19</sup> in Bangladesh), although parents are encouraged to ensure children's adequate nutritional status.

**Table 3.4 Provisions of nutrition in participating countries**

Country	Governing Law	Auspices	Programmes and Policies
<b>Bangladesh</b>	ICDP (Integrated Community Development Project)		✓ Among all ECCE centres, only ICDP provides nutrition supplies (nutrient power) to children of 6-34 months and iron tables to adolescent and pregnant women.
<b>Bhutan</b>	See Table 2.5. Health and Sanitation		
<b>Fiji</b>	Not specified	Not specified	✓ Healthy eating is emphasized in all ECE centres. ✓ The Ministry of Education's ECE policy encourages parents to provide healthy meals to their young children, preferably a balanced meal in their diet

<sup>18</sup> Save the Children, Child Fund and World Vision

<sup>19</sup> Integrated Community Development Project

			each day in any ECE centre.
<b>Indonesia</b>	Not specified	Ministry of Health	<ul style="list-style-type: none"> <li>✓ ECCE centres are required to keep track of children's growth and provision of supplementary food.</li> <li>✓ The Ministry of Health runs various health programme for communities.</li> <li>✓ Every neighbourhood has an integrated service centre which provides health and nutrition services to children.</li> </ul>
<b>Japan</b>	Child Welfare Law and Basic Law for Food and Nutrition	MHLW	<ul style="list-style-type: none"> <li>✓ ECCE facilities have an obligation to ensure the provision of nutrition through school feeding.</li> <li>✓ Japan also implements policies for food and nutrition education.</li> </ul>
<b>Kyrgyzstan</b>	Laws on Pre-school Education (Article 22)	<ul style="list-style-type: none"> <li>✓ Head of the pre-school education organization</li> <li>✓ Authorized government bodies of education and healthcare</li> <li>✓ Authorized government bodies of education and healthcare</li> </ul>	<ul style="list-style-type: none"> <li>✓ Kyrgyzstan has a legislative base to address nutritional deficiencies.</li> <li>✓ It has adopted the Law on Prevention of Iodine Deficiency Disorder in the 2000s, Law on Mandatory Fortification of Flour and on Marketing Regulations for Substitutes to Breast Milk.</li> <li>✓ These legislative base and strategies on nutrition improvement are believed to improve nutrition of at least 500 thousand children (UNICEF, 2011).</li> </ul>
<b>Mongolia</b>	The Pre-school Education Law (2008)	MOHS	<ul style="list-style-type: none"> <li>✓ National Programme on Nutrition (2016-2025)</li> <li>✓ Strategy to Improve Early Childhood Nutritional Condition (2015-2020)</li> <li>✓ Comprehensive Implementation Plan on Maternal, Infant and Young Child Nutrition (2014); supported by WHO</li> </ul>
<b>Republic of Korea</b>	Infant Care Act (Article 33)	MOHW	<ul style="list-style-type: none"> <li>✓ Article 33 of the Infant Care Act obligates the childcare centres to provide balanced and sanitary meals to enrolled children.</li> <li>✓ Childcare centres must follow the dietary plans</li> </ul>

			<p>prepared by a certified nutritionist.</p> <p>✓ If any service centre is reported to have serviced unsanitary meals to children, the centre can be suspended from operation for 6-12 months (Korea Ministry of Government Legislation, 2015).</p>
<b>Sri Lanka</b>	See Table 2.5. Health and Sanitation		
<b>Vietnam</b>	Not specified	ECCE Institutions	<p>✓ Each ECCE institution has a division of nutrition responsible for food and meals for children: from the selection of food to how to design a meal to meet children’s nutritious needs and cook the meals of good quality for the children.</p>

Source: Created by consultancy team based on the country reports (2016)

### 3.9 Social Protection

In countries that implement comprehensive ECCE, social protection is one of the responsibilities of ECCE facilities. Table 3.5 outlines varying social protection measures undertaken in each country. Detailed measures vary across countries, but the underlying responsibility of service centres in this domain is to ensure that teachers are equipped to keep children safe within the premises of their facilities. In Bangladesh, the Basic Education for Hard to Reach Urban Working Children (BEHTRUWC) provides comprehensive life skills based on non-formal basic education, while the Disaster Risk Reduction (DRR) of UNICEF contributed to enhancing the Sri Lankan people’s awareness in ensuring a safer school environment for young children.

**Table 3.5 Provisions of social protection in participating countries**

Country	Governing Law	Auspices	Programmes and Policies
<b>Bangladesh</b>	✓ The Protection of Children at Risk (PCAR) project		✓ PCAR protects children living on the street from violence, abuse and exploitation and provides non-formal education.
	✓ Amader Shishu (Our Children) project		✓ Amader Shishu creates opportunities for orphans and vulnerable children to grow up in a family environment with proper protection and development opportunities.
<b>Bhutan</b>	✓ The Childhood Care and Protection Act of Bhutan (2011)	✓ ECCD centres	✓ The facilitators in ECCD centres are obliged to take measures of child safety at all times, and if disasters, such as earthquakes and other natural calamities befall, they impart basic knowledge and skills to the

Country	Governing Law	Auspices	Programmes and Policies
			children.
<b>Fiji</b>	Not specified	✓ Buildings and associated infrastructure of ECCE centres must be safe and teachers are obliged to attend trainings	
<b>Indonesia</b>	Law No. 3/2014	Not specified	The law stipulates that the government is obliged to ensure; <ul style="list-style-type: none"> <li>- The fulfilment of children's rights</li> <li>- Guaranteed access to education according to each child's religion and their right to voice an opinion.</li> </ul>
<b>Japan</b>	✓ Child Welfare Law	✓ MHLW	<ul style="list-style-type: none"> <li>✓ Short-term Therapeutic Institution for Emotionally Disturbed Children</li> <li>✓ Children's Self-reliance Support Facility</li> <li>✓ Maternal and Child Living Support Facility</li> <li>✓ Self-reliance Assistance Home</li> <li>✓ 4,731 orphans are in foster family system</li> <li>✓ 1,172 orphans are fostered as a small group (MHLW 2016c)</li> </ul>
<b>Kyrgyzstan</b>	<ul style="list-style-type: none"> <li>✓ Law on Pre-school Education</li> <li>✓ Code of Children (2012)</li> <li>✓ Law on Social and Legal Protection from Abuse in Family (2003)</li> </ul>	✓ Ministry of Labor and Social Protection	<ul style="list-style-type: none"> <li>✓ Social Protection Development Programme (2015-2017), provides funds for orphanages and social benefits</li> <li>✓ Monthly Benefit for Poor Families with Children (MBPF)</li> <li>✓ Monthly Social Benefits (MSBs)</li> </ul>
<b>Mongolia</b>	<ul style="list-style-type: none"> <li>✓ The Law on Protection of the Rights of Children (1996)</li> <li>✓ The Social Welfare Law (defines benefits and assistance to</li> </ul>	<ul style="list-style-type: none"> <li>✓ Ministry of Population Development and Social Protection</li> <li>✓ National Children's Committee (NCC) under the Prime Minister</li> <li>✓ National Children's Agency under the</li> </ul>	✓ The government laid out the law to help children in difficult circumstances to have access to education, rehabilitation of health facilities, free provision of items such as artificial limbs for disabled children, and assistance to families who want to adopt a child in difficult circumstances.

Country	Governing Law	Auspices	Programmes and Policies
	vulnerable children).	Government Cabinet ✓ UNICEF ✓ Save the Children ✓ World Vision	✓ Families with vulnerable children receive monthly incentives as social welfare benefit from the government.
<b>Republic of Korea</b>	✓ Infant Care Act (Article 23)	✓ MOHW	<ul style="list-style-type: none"> <li>✓ Childcare centre teachers need to receive training on safety against crime, natural disasters and traffic hazards.</li> <li>✓ Teachers are obliged to protect the children at all times during both indoor and outdoor activities.</li> <li>✓ Children must also receive training on safety at least once a year (Korea Ministry of Government Legislation, 2015).</li> </ul>
<b>Sri Lanka</b>	<ul style="list-style-type: none"> <li>✓ UNICEF<sup>20</sup> and WFP, NGOs</li> <li>✓ Disaster Risk Reduction (DRR) of UNICEF</li> <li>✓ UNICEF, UNOPS and KOICA</li> </ul>		<ul style="list-style-type: none"> <li>✓ DRR of UNICEF contributed to enhancing the Sri Lankan people's awareness in ensuring a safer school environment for young children.</li> <li>✓ Activities such as home-visits, consultation<sup>21</sup> and School Development Committee (SDC) meetings (2010-2015)</li> </ul>
<b>Viet Nam</b>	Not specified	✓ School's management committee (SMC)	✓ Human resources of the schools will be divided into division of education, health, nutrition, and social protection (normally school guards). All these divisions are under the control and supervision of the school's management committee (SMC).

Source: Created by consultancy team based on the country reports (2016)

<sup>20</sup> UNICEF Country Office is in Colombo and Field Offices are in Northern Province and Eastern Province.

<sup>21</sup> In Northern Province and Eastern Province, some challenging issues still exist since the end of Civil War (i.e. single-parents, drug abuse, child abuse and alcoholism).



## 4. Analysis of ECCE (Pre-primary education) Financing in Selected Asia-Pacific Countries

The International Standard Classification of Education (ISCED),<sup>22</sup> designed by UNESCO, classifies pre-primary education as centre or school-based programmes designed to meet the educational and developmental needs of children at least three years of age, with staff adequately trained or qualified to provide educational programmes for the children. In addition, participating countries use the terms ECCE, ECD and pre-primary education interchangeably. The results from the country reports illustrate three main sources of ECCE or pre-primary education financing as follows: i) government or public, constituted by central and local governments; ii) private sector, comprised of households and private corporations; and iii) external funders (donors), made up of multi-lateral agencies.

The analysis is structured into three parts, namely: a) public expenditure on ECCE as a percentage of internationally recognized financing indicators (i.e. total government expenditure, gross domestic product (GDP) and total education expenditure); b) various sources of ECCE and amounts from each source; and c) adequacy, equity and sustainability of ECCE financing in the context of participating countries. It is imperative to acknowledge a significant challenge in the form of a lack of data on ECCE financing for all three indicators under review (see Figures 4.1 and 4.2 and Table 4.1). Therefore, assessing the insufficiency (or otherwise) of government expenditure on the ECCE within and across the ten participating countries is only possible for some case studies.

### 4.1 Public Expenditure on ECCE (Pre-Primary Education)

Guided by the above internationally recognized classification, ECCE and pre-primary education are thus used interchangeably when analysing public expenditure on ECCE. As alluded to above, this section first looks at pre-primary education expenditure as a percentage of total government expenditure, then as a percentage of GDP, and finally as a percentage of total government expenditure on education.

Figure 4.1, which illustrates ECCE expenditure as percentage of total government expenditures during the past five years, demonstrates that Kyrgyzstan and Viet Nam in 2012, and Mongolia in 2011, spent above the OECD spending average on pre-primary education (1.1 percent).<sup>23</sup> The figure shows that Kyrgyzstan's public expenditure on pre-primary education increased in the recent years. Such steady increase is in line with the fact that pre-primary education is highlighted as a national priority in the National Sustainable Development Strategy 2013-2017<sup>24</sup>

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<sup>22</sup> UNESCO. 2011. International Standard Classification of Education (ISCED).

<http://www.uis.unesco.org/Education/Documents/isced-2011-en.pdf>.

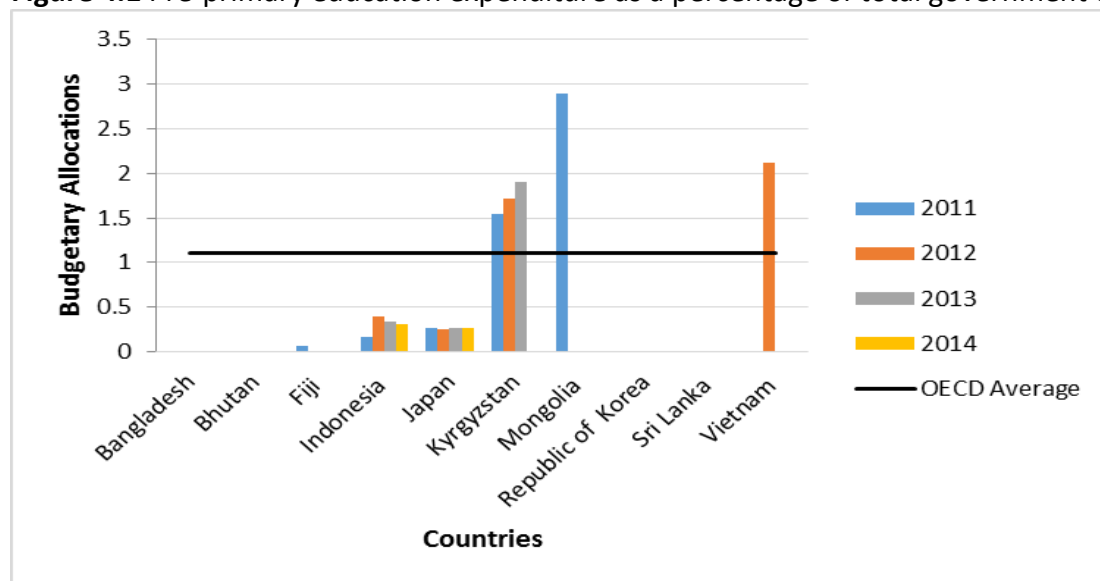
<sup>23</sup> <https://www.oecd.org/edu/Education-at-a-Glance-2014.pdf>

<sup>24</sup> [https://eiti.org/files/Kyrgyz\\_NSSD-final-version-eng-Feb4.pdf](https://eiti.org/files/Kyrgyz_NSSD-final-version-eng-Feb4.pdf)

and Education Development Strategy 2012-2020.<sup>25</sup> In Mongolia and Viet Nam as well, the government’s pre-primary education expenditure as a percentage of total government expenditure recorded more than double the level of OECD average by reaching 2.9 percent in 2011 and 2.1 percent in 2012, respectively.

In Japan, Indonesia and Fiji (2011), pre-primary education expenditure as a percentage of total government expenditure was below the OECD average. During the period from 2011 to 2014, Japan’s pre-primary education expenditure was approximately 0.3 percent and Indonesia’s expenditure during the same period was 0.2 percent in 2011, 0.4 percent in 2012, 0.3 percent in 2013 and 0.3 percent in 2014. Data for some selected countries, namely, Bangladesh, Bhutan, Korea and Sri Lanka during the same five years is not available in the UIS database (Figure 4.1). Mongolia and Fiji have information for only 2011, while Viet Nam’s data is only available for 2012.

**Figure 4.1** Pre-primary education expenditure as a percentage of total government expenditure



Source: UIS Data Centre (2015)

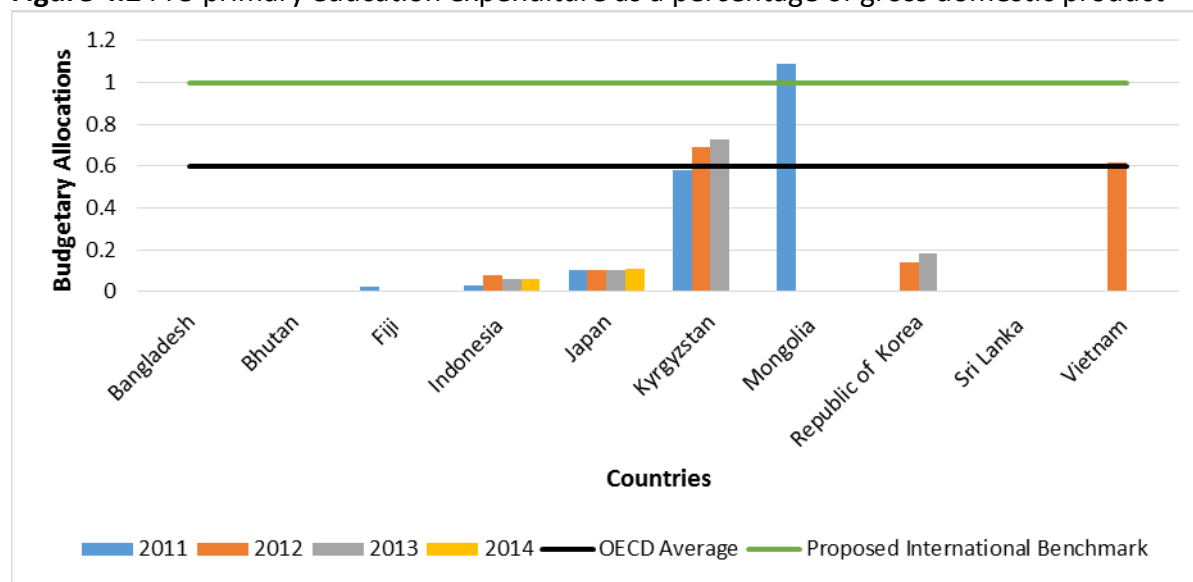
Figure 4.2 demonstrates pre-primary education expenditure as a percentage of GDP in the selected countries. Over the five-year period from 2011 to 2015, allocations by Kyrgyzstan were in line with the OECD average of 0.6 percent<sup>26</sup> and UNICEF’s (2008) recommendation of 1.0 percent.<sup>27</sup> Viet Nam and Mongolia each have data for only one year – 2012 and 2011, respectively. Both countries recorded expenditures above the OECD average of 0.6 percent of GDP. Mongolia was the only selected country whose expenditure for pre-primary education as percentage of GDP was consistent with the 1.0 percent rate recommended by UNICEF.

<sup>25</sup> <http://www.globalpartnership.org/fr/download/file/fid/44406>

<sup>26</sup> <https://www.oecd.org/edu/Education-at-a-Glance-2014.pdf>

<sup>27</sup> [https://www.unicef-irc.org/publications/pdf/rc8\\_eng.pdf](https://www.unicef-irc.org/publications/pdf/rc8_eng.pdf)

**Figure 4.2** Pre-primary education expenditure as a percentage of gross domestic product



Source: UIS Data Centre (2015)

Based on UIS data, Table 4.1 illustrates governments' expenditure on pre-primary education (ECCE) as a percentage of total government expenditure on education for the ten participating countries during the period of 2011-2015. (UIS did not have information for Bangladesh, Bhutan and Sri Lanka for this period.) In 2011, Mongolia's expenditure was the highest (23.8 percent), followed by Kyrgyzstan with 8.5 percent and Japan with 2.6 percent. In 2012, Kyrgyzstan and Viet Nam, respectively, invested 9.4 percent and 9.9 percent of their education budget on ECCE. Such relatively high expenditure on pre-primary education in Kyrgyzstan, Mongolia and Viet Nam can be attributed to their respective education policy initiatives. Pre-primary education in Kyrgyzstan is one of the national priority areas in the National Sustainable Development Strategy 2013-2017<sup>28</sup> and Education Development Strategy 2012-2020.<sup>29</sup>

In the case of Mongolia, the National Policy on Integrated Early Childhood Development was endorsed jointly by the Ministry of Health, the Ministry of Education and the Ministry of Labour and Social Welfare (2005).<sup>30</sup> Also, a new government budget to cover the kindergarten fees and various costs for children attending both public and private kindergartens<sup>31</sup> was introduced as part of the *Mongolian Law on Pre-school Education* (2008).<sup>32</sup> The Vietnamese government established a target of ten percent of total public expenditure on education to be allocated to pre-school education (MoET, 2014), which is supported by Prime Minister Decision no.

<sup>28</sup> [https://eiti.org/files/Kyrgyz\\_NSSD-final-version-eng-Feb4.pdf](https://eiti.org/files/Kyrgyz_NSSD-final-version-eng-Feb4.pdf)

<sup>29</sup> <http://www.globalpartnership.org/fr/download/file/fid/44406>

<sup>30</sup> <http://unesdoc.unesco.org/images/0014/001471/147198e.pdf>

<sup>31</sup> Mongolian Law on Pre-school Education, 15.1

<sup>32</sup> <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/71503/105360/F-1157543910/MNG71503%20Eng.pdf>

239/2010/QD-TTg (2005)<sup>33</sup>, approving a proposal to universalized pre-school education for children age five, for the period 2010-2015.

In 2012, Korea,<sup>34</sup> Japan and Indonesia spent 3.1 percent, 2.7 percent and 2.2 percent of their education budget, respectively, on pre-primary education. In Japan, the Ministry of Education, Culture, Sports and Technology (MEXT, 20014),<sup>35</sup> the Ministry of Health, Labour and Welfare (MHLW, 2014)<sup>36</sup> and the Cabinet Office (CO, 2014)<sup>37</sup> provide for ECCE in a cost-shared manner (involving the central government, prefectural government, municipal government and the private sector) under the Comprehensive Support System for Children and Childcare (CSSCC). The relatively low government spending on pre-primary education in Japan can be attributed to the lack of awareness in Japanese society on the important social benefits of investing in ECCE. Another factor behind low investment in ECCE can be stronger priority placed on the financing of social security for the senior population. Indonesia's low budgetary allocation to pre-primary education can be explained by budget limitations caused by additional funding channelled to senior secondary education which was being expanded at the same time.<sup>38</sup> In 2013, there is no data on this indicator for Bangladesh, Bhutan, Fiji, Mongolia, Korea, Sri Lanka and Viet Nam, while in 2014 only Japan and Indonesia have data on this indicator (Table 4.1). The expenditure on pre-primary education as a percentage of total government expenditure on education by countries in the Asia-Pacific region is generally below the international benchmark<sup>39</sup> of ten percent, with the exception of Mongolia and Kyrgyzstan.

**Table 4.1** Pre-primary education expenditure as a percent of total government expenditure on education

Country	Years			
	2011	2012	2013	2014
<b>Bangladesh</b> <sup>40</sup>	NA <sup>41</sup>	NA	NA	NA
<b>Bhutan</b>	NA	NA	NA	NA
<b>Fiji</b>	0.4	NA	NA	NA

<sup>33</sup> [http://www-](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/EAP/2012/11/27/090224b0817b07a7/1_0/Rendored/PDF/Project0Inform0on0Project000P117393.pdf)

[wds.worldbank.org/external/default/WDSContentServer/WDSP/EAP/2012/11/27/090224b0817b07a7/1\\_0/Rendored/PDF/Project0Inform0on0Project000P117393.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/EAP/2012/11/27/090224b0817b07a7/1_0/Rendored/PDF/Project0Inform0on0Project000P117393.pdf)

<sup>34</sup> According to compiled data from the Korea Institute of Child Care and Education and National Assembly Budget Office the expenditure on ECCE as a percentage of total government education expenditure for the years 2011, 2012, 2013 and 2014 was 20.3, 21.3, 26.9 and 29.0 percent, respectively.

<sup>35</sup> <http://www.oecd.org/edu/school/46021372.pdf>.

[http://www.mext.go.jp/b\\_menu/toukei/chousa01/kihon/1267995.htm](http://www.mext.go.jp/b_menu/toukei/chousa01/kihon/1267995.htm).

<sup>36</sup> <http://www.mhlw.go.jp/english/policy/children/children-childrearing/index.html>.

<sup>37</sup> <http://www8.cao.go.jp/shoushi/about.html>

<sup>38</sup> <http://www.adb.org/sites/default/files/publication/156821/education-indonesia-rising-challenge.pdf>

<sup>39</sup> ILO. 2014. ILO Policy Guidelines on the promotion of decent work for early childhood education personnel.

<sup>40</sup> According to the Ministry of Primary and Mass Education (MoPME, 2015) in Bangladesh, the expenditure on pre-primary education as a percentage of total government expenditure on education in 2015 was 1.8 percent.

<sup>41</sup> NA – Not Available, in reference the fact that data is not available in the UIS database and in the country reports prepared for the regional study.

Country	Years			
	2011	2012	2013	2014
Indonesia	0.9	2.2	1.9	1.8
Japan	2.6	2.7	2.7	2.8
Kyrgyzstan	8.5	9.4	10.7	NA
Mongolia	23.8	NA	NA	NA
Republic of Korea	NA	3.1	NA	NA
Sri Lanka	NA	NA	NA	NA
Viet Nam	NA	9.9	NA	NA

Source: UIS Data Centre, 2015

The relatively low levels of expenditure dedicated towards the provision and development of pre-primary education, as illustrated by Figures 4.1 and 4.2 and Table 4.1, can place financial burden on families. This can also cause disparities in access between urban and rural areas, potentially resulting in children's unequal opportunities to receive quality ECCE (Final Report of the Asia-Pacific Regional Policy Forum on Early Childhood Care and Education, 2013<sup>42</sup>).

#### 4.2 Various Sources of ECCE Financing<sup>43</sup>

The information summarized in Table 4.2 illustrates common sources of funding towards ECCE in the ten sampled countries. The sources fall in three broad categories: a) government (comprised of central and local); b) private sector (mainly households and private corporations); and c) international organizations (external and/or donors). These sources are contained in the country reports and are consistent with internationally recognized funding sources including OECD countries. One of the outstanding features per Table 4.2 is the significant lack of data on ECCE financing across participating countries (with the exception of Korea). Respective country reports generally acknowledge the fact that governments, private sector (including households), donors, as well as NGOs and CSOs provide funding towards ECCE provision and development. However, in some countries there is no framework for tracking the amounts coming from each funding source (either monthly, quarterly, bi-annually or annually). The situation is further complicated by the fact that in most of the participating countries, households, NGOs and CSOs provide funding directly to the ECCE centres/schools. Moreover, in some countries where ECCE financial data is collected, it is not easily accessible due a variety of reasons, including unsystematic record keeping and/or storage.

From Table 4.2 it can be noted that for countries for which some data is available, ECCE funding by the central government is a common theme. While private funding, including households, may be occurring in all the participating countries, it may not be documented in many of them.

<sup>42</sup> <http://unesdoc.unesco.org/images/0022/002253/225312e.pdf>

<sup>43</sup> The financial information presented under section is contained in the individual country reports. The exact sources of the information are ministries responsible for ECCE provision and development in each of the participating countries.

For countries where data on private funding, including households, is available (Indonesia and Korea), it varies quite significantly. For example, Korea's ECCE expenditure from the private sector including households in 2011 was approximately 37.2 percent, which decreased to about 29.2 percent in 2012 before increasing to 31.3 percent in 2013, and once more declining to 21.8 percent in 2014. In Indonesia, private sector funding, including households, was about 38.01 percent in 2011, which by 2012 had increased to 50.94 percent, and by 2014 had reached 55.98 percent. In 2015, Japan's ECCE expenditure from local governments (including households) accounted for 89.89 percent and that from the central government accounted for 10.11 percent. Sieving out ECCE expenditure by households in Japan was not possible due to the fact that the data is packaged in aggregate form, with private sector funding as part of local government expenditure. It is worth noting that both Japan and Korea have successfully adopted and implemented a decentralization policy, which, it is fair to say, has enabled ECCE funding at the local level. Moreover, by virtue of the level of development in the two countries (Japan and Korea), they do not receive external (donor) funding towards ECCE provision and development.

**Table 4.2 Sources of ECCE financing and amount (US Dollars) for each participating country**

<b>Bangladesh</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	NA	NA	NA	NA	NA
	Local Government	NA	NA	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	External (Donors)	NA	NA	NA	NA	NA
<b>Bhutan</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	NA	NA	NA	NA	NA
	Local Government	NA	NA	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	External (Donors)	NA	NA	NA	NA	NA
<b>Fiji</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	598,750	742,450	1,700,450	1,652,789	NA
	Local Government	NA	NA	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	External (Donors)	NA	NA	NA	NA	NA
<b>Indonesia</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	912,147,812	504,875,771	376,768,583	329,913,156	NA
	Local Government	169,558,777	184,502,123	190,005,843	183,631,666	NA
	Private Sector (Including Household)	664,667,946	715,656,142	710,148,168	653,126,137	NA

	External (Donors)	NA	NA	NA	NA	NA
<b>Japan</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	NA	NA	NA	NA	59,600,000
	Local Government	NA	NA	NA	NA	530,200,000
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	External (Donors)	NA	NA	NA	NA	NA
<b>Kyrgyzstan</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	NA	486,792,479	593,748,176	746,188,928	NA
	Local Government	NA	252,449,375	194,386,457	98,516,829	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	External (Donors)	NA	NA	NA	NA	NA
<b>Mongolia</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	50,414,250	84,486,230	97,048,732	NA	NA
	Local Government	NA	NA	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	<b>External (Donors): (Save the children + ADB)</b>	810,000	810,000	810,000	250,000	NA
		250,000	250,000	250,000	250,000	NA
		560,000	560,000	560,000	NA	NA
<b>Republic of Korea</b>	<b>Funding Source</b>	<b>2,011</b>	<b>2,012</b>	<b>2,013</b>	<b>2,014</b>	<b>2015</b>
	Central Government	3,690,000	4,806,000	6,946,000	8,867,000	NA
	Local Government	791,000	1,024,000	911,000	927,000	NA
	Private Sector (Including Household)	2,658,000	2,409,000	3,579,000	2,734,000	NA
<b>Sri Lanka</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	NA	NA	NA	NA	NA
	Local Government	NA	NA	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA

	External (Donors)	NA	NA	NA	NA	NA
<b>Viet Nam</b>	<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
	Central Government	0	4,209,302	NA	NA	NA
	Local Government	241,474,543	306,031,102	NA	NA	NA
	Private Sector (Including Household)	NA	NA	NA	NA	NA
	<b>External (Donors):</b> (World Bank + VVOB <sup>44</sup> )					
				100,000,000 (Up to 2016)		
		NA	NA	NA	635.767	970.960

Source: created by consultancy team based on desk-review and field study country reports (2016)

According to the respective country reports, ECCE activities and programmes in Mongolia, Bhutan and Bangladesh are funded mainly by external sources (donors). For instance, Bhutan reported that from 2011 to 2014, nearly all (between 90 and 98 percent) funding towards ECCE came from donors, especially UNICEF. In Bangladesh, the amount in 2015 was 52.46 percent and 47.54 percent for central government and donors, respectively. In Viet Nam, the local government was the sole funder of ECCE in 2011, which in 2012 had declined to approximately 89.16 percent, with 1.23 percent coming from the central government. From 2013 to 2016, the World Bank funded a national ECCE project in Viet Nam with a total amount of US\$100,000,000, which appears to have implied a complete stop for funding from central and local government. For countries such as Sri Lanka, Bhutan and Kyrgyzstan, where a comprehensive ECCE policy is yet to be established, financing of ECCE is channelled separately depending on the sources— which means financial support from external sources often have specific beneficiary organizations and programmes. The largest amount of financing in most countries goes to teachers' salaries, followed by building maintenance and equipment procurement. The countries with no information at all are Bangladesh, Bhutan and Sri Lanka.

#### 4.3 Adequacy, Equity, and Sustainability

##### a) Adequacy of ECCE financing

According to a UNICEF report of 2008, countries should dedicate at least 1.0 percent of their respective GDPs towards funding ECCE provision and development. This rate is slightly higher than the OECD average rate of 0.6 percent. On the basis of these international rates, while at the same time cognizant of the nationally prevailing socio-economic situations in the selected countries, this study assessed the degree to which funding for ECCE activities and programmes is adequate. Findings from eight out of ten countries participating in this study indicate overall inadequacy of funding towards ECCE. In particular, with the exception of Korea in 2014 and

<sup>44</sup> VVOB, a Flemish Association for Development Cooperation and Technical Assistance, is an NGO committed to provide development assistance in Vietnam.



Mongolia in 2011, allotments to ECCE as a percentage of GDP in all the other countries was below the 1.0 percent rate recommended by UNICEF. Similarly, only in Korea, Kyrgyzstan and Mongolia (2011) was spending on ECCE as a percentage of GDP in line with the OECD average rate of 0.6 percent.

Findings further show that in terms of government expenditures on education, in the context of the participating countries, ECCE tends to receive significantly lower allocations compared to the other education sub-sectors (primary, secondary, TVET and tertiary). This is evident in terms of ECCE expenditure as a percentage of total education expenditure. As a consequence, the funding gap is mostly covered by the private sector, especially households or private proprietors. There is strong research evidence regionally and internationally showing that more developed countries, such as Japan and Korea, have relatively strong private sectors actively engaged in the provision and development of ECCE. By the same token, less developed countries have reported private sector participation, but at very minimal levels. With the exception of Korea and Japan, the other participating countries reported receiving contributions from international organizations, such as UNICEF, World Bank, JICA and others.

As previously highlighted, there is lack of data on the exact amount received from foreign agencies; however, the country reports (except Korea and Japan) state that financial support from these institutions is instrumental in enhancing adequacy of funding for ECCE. Despite the seemingly diverse sources of funding for ECCE, the actual proportions and/or allocations (at least for countries with information) appears to be insufficient to meet all the financial requirements under the ECCE sub-sector (see Tables 4.1 and 4.2, and Figures 4.1 and 4.2). The minimal budgetary allocation is a strong indicator in relative terms of both the inadequacy of funding and the low priority most countries give ECCE compared to the other education sub-sectors. Closely related to the challenge of ensuring adequacy of funding in the participating countries, is the issue of ensuring efficiency in the utilization of meagre financial resources to achieve optimum outputs. As a result, some countries such as Bhutan and Sri Lanka, voice concerns about insufficeint funding towards ECCE, but pay little attnetion to inefficiencies in the use of funds. It is worthy to restate the fact that the scarcity of data across selected countries greatly limited the extent to which the adequacy of ECCE funding could be examined.

#### **b) Equity in resource allocation under ECCE financing**

Equity in the allocation of financial resources under ECCE across regions, locations and various marginalized or vulnerable groups (orphans, the poor, children in rural and remote areas, and special needs children, etc.) was assessed among selected countries. Results show some concerted efforts have been made by respective national governments to ensure equity in ECCE financing. One of the obvious steps has been the prioritization of vulnerable groups in the provision of resources by enactment of laws and policies committing benefits and assistance to vulnerable children. Nevertheless, some of the country reports revealed disparities in the distribution of funding for ECCE between public and private institutions, and between rural/ remote areas and those in urban areas. In Fiji, for example, the central government's Free Education Grants (FEG) is targeted only at public ECCE centres, thus denying private institutions

access to this grant. In Bangladesh, the government provides funding support through the establishment of ECCD community-based centres. However, the urban centres (mostly privately owned) receive a majority of the benefits compared to government-supported ECCD centres, thereby increasing the equity gap in resource distribution (MOE, 2014).

### c) Sustainability of resources under ECCE financing

Sustainability of funding towards ECCE is one of the challenges commonly highlighted in the country reports from participating countries. Especially given the growing female participation in the workforce in some countries, there likely will be an increasing demand for affordable and quality ECCE services, which calls for efforts to secure sustainable resources for ECCE financing in the years to come.

From Tables 4.1 and 4.2, it can be observed that government expenditure as a source of ECCE financing is a stable and expanding source, despite its inadequate amount in some selected countries. Nevertheless, a majority of the participating countries depend significantly on external sources of financing which at times lack sustainability. In Viet Nam, the World Bank committed 100 million US dollars during the period of 2013-2016 as shown in Table 4.3. Cases such as this provide rather sustainable funding given its large amount and extended period. However, in other selected countries, ECCE is not yet sufficiently supported by external funding as reflected by Mongolia's case shown in Table 4.4. Regarding the case of VVOB in Viet Nam shown in Table 4.3, it was reported to be fairly sustainable for nearly the past two decades. However, this source is quite limited in amount, and benefits only targeted groups of the population (4 out of 63 provinces/central cities).

**Table 4.3 Viet Nam: Financing from external donors (in USD)**

Donor	2013	2014	2015	2016
World Bank	100 million			
VVOB	NA	0.64 million	0.95 million	1.01 million

Source: Created by Consultancy Team based on Viet Nam Country Report (2015)

**Table 4.4 Mongolia: Financing from external donors (in USD)**

Donor	2007-2009	2007-2011	2009-2013	2011-2014
UNICEF	-	0.24 million	-	-
Save the Children	-	-	-	1 million
World Bank	0.31 million	-	-	-
UNESCO	-	-	-	-
ADB	-	-	2.8 million	-
Project on Sustainable Livelihood	-	-	-	-

Source: Created by Consultancy Team based on Mongolia Country Report (2015)

Lack of sustainability is also observed in household expenditure on ECCE. In Indonesia, parents' contributions are one of the major sources of ECCE financing. In some community-based ECCE centres, as children come from lower to middle income families, it is difficult to secure

sufficient and sustainable funding from parents. In such cases, the owners of the schools and teachers have to consider lowering tuition fees for parents and trying to utilize houses in the neighbourhood (usually of the school owners) to decrease operating expenses. In Japan and Korea, household expenditure is one of the major sources for ECCE. Nevertheless, governments in these two countries provide large amounts of subsidies to parents, thanks to which Korea's private contribution to ECCE has decreased from 34.4 percent in 2010 to 21.8 percent in 2014.

Ensuring sustainability of ECCE financing from both government and non-government sources is particularly important for countries with growing demand for ECCE services. For instance, in Mongolia, concerns such as how to expand kindergarten access, improve facilities and equipment and recruit qualified teachers are growing with its rapid population growth. Given such growing demand for ECCE provisions, securing sustainable financing sources is increasingly important.

## **5. Innovative Funding and Partnerships for ECCE Development in Asia-Pacific Region**

Since the Millennium Development Goals were set in 2000, there have been discussions in international communities on innovative financing for development around the need for additional sources apart from traditional financing mechanisms, for example, funding from households in the form of tuition and funding from international organizations towards education in general. A series of International Conferences on Financing for Development recognized the importance of “exploring innovative sources of finance provided that those sources do not unduly burden developing countries”, and encouraged the “scaling up and implementation of innovative sources of finance initiatives”.<sup>45</sup>

With the adoption and implementation of the Sustainable Development Goals, the importance of identifying innovative financing mechanisms has been increasingly highlighted. UNESCO has also addressed the need for innovative financing mechanisms and partnerships through the UNESCO Future Seminar on “Innovative Financing for Education” in 2010, during which Irina Bokova, Director-General of UNESCO, called for identification of innovative and sustainable financing mechanisms, drawing upon creativity in partnerships (Choi, 2015).

According to UNICEF, “to be innovative, an idea or approach must be effective, gain traction, and have the capacity to function on necessary scales” (UNICEF, 2014). The Leading Group on Innovative Financing for Development defines innovative financing mechanisms as “all mechanisms for raising funds for development that are complementary to official development assistance, predictable and stable, and closely linked to the idea of global public goods” (UN Department of Economic and Social Affairs, 2012). Nevertheless, there is no clear internationally accepted agreement on the definition of innovative financing (Choi, 2015).

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<sup>45</sup>Doha Declaration on Financing for Development: Outcome Document of the Follow-Up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, (2008).

This regional study has found that the concept of innovative financing for ECCE has not been widely explored in most participating countries. Nonetheless, based on the working definitions and case examples provided in the country reports, the study presents financing mechanisms. Table 5.1 lists some existing innovative financing mechanisms and partnerships that are currently operating both in and out of the Asia-Pacific region. Examples of Corporate Social Responsibility (CSR) were cited by Sri Lanka, Japan and Bhutan, where companies contribute financially to promote ECCE or host childcare facilities within their premises. Diverse cases of partnership among development partners were identified in country reports. Viet Nam documented a partnership between VVOB and Plan International, while Bhutan cited two cases of joint programmes involving Save the Children and UNICEF. Outside of the Asia-Pacific region, Social Impact Bonds (SIB) currently operating in the US and Conditional Cash Transfers (CCT) implemented in Mexico are recognized as innovative financing mechanisms for ECCE. In addition, a case of government-NGO collaboration that is implemented in Bangladesh is introduced in Box 1.

**Box 1. Case of GO-NGO collaboration in Bangladesh**

Bangladesh implemented GO-NGO collaboration guideline for Universal Pre-Primary Education to provide detailed guidance for all stakeholders. It was approved by the Ministry of Primary and Mass Education in June 2012. All Ministries were involved in collaborative initiatives with NGOs who satisfy the criteria to work collaboratively with Ministries as specified in the relevant guidelines. Bangladesh ECD Network (BEN) is a forum of GO-NGO collaboration and academic institution active in ECD including pre-school services. A representative of the Ministry of Primary and Mass Education is a member of the Executive Committee of Bangladesh ECD Network (BEN). The Campaign for Popular Education (CAMPE) is a well-established forum of NGOs active in basic education, including primary and pre-school education and is an active member of BEN. BEN and CAMPE play a facilitative and supportive role in promoting different aspects of GO-NGO cooperation as necessary and when asked by the government. This guideline is intended to indicate operational steps and actions to promote GO-NGO cooperation to achieve universal coverage of pre-primary education.

Source: Country report on Bangladesh

**Table 5.1 Innovative financing mechanisms and partnerships**

Mechanism	Operation	Actors	Case Examples
<b>Corporate Social Responsibility (CSR)</b>	<ul style="list-style-type: none"> <li>▪ Companies contribute financially to promote ECCE</li> <li>▪ Some companies initiate their own centres or house childcare facilities within their premises</li> </ul>	<ul style="list-style-type: none"> <li>▪ Companies</li> <li>▪ Corporate groups</li> <li>▪ Government agencies in partnership with companies</li> <li>▪ NGOs in partnership with companies</li> </ul>	<p><b>Sri Lanka (Hemas Holdings<sup>46</sup> PiyawaraProject):</b> Hemas Holdings has built 34 Piyawara schools nationwide in order to provide pre-school education.</p> <p><b>Japan (Stock companies):</b> Some stock companies significantly contribute to promote ECCE by inviting childcare facilities to operate in their premises.</p>

<sup>46</sup>Hemas Holdings is one of the largest Sri Lankan conglomerates engaged in businesses such as manufacturing, health service (hospital), tourism, air services and financial investment.

Mechanism	Operation	Actors	Case Examples
			<b>Bhutan (Workplace-based Centres):</b> Companies like Druk Green Power Corporation (DGPC), Royal Bhutan Police (RBP) and Dungsam Cement Project invest in construction of the ECCD centres in their workplaces and pay the salaries for the facilitators, while the development partner (UNICEF) and MoE jointly invest in the capacity-building.
<p><b>Per Capita Financing (PCF)</b></p> <p>Also referred to as:</p> <ul style="list-style-type: none"> <li>Normative Financing</li> </ul>	<ul style="list-style-type: none"> <li>Provides financing for educational institutions per each child</li> <li>Provides minimal volume of budget assignments for educational programme implementation</li> </ul>	<ul style="list-style-type: none"> <li>State authorities (salary, training, materials)</li> <li>Parents (meal and care costs)</li> <li>Local self-government bodies (maintenance)</li> </ul>	<p><b>Kyrgyzstan:</b></p> <p>The Ministry of Education is developing a pilot model for this mechanism. PCF is one of the initiatives of the Education Development Strategy 2020 to be implemented by 2020 for all levels including pre-primary level.</p>
<p><b>Partnership among Development Partners</b></p>	<ul style="list-style-type: none"> <li>Government works with development partners to bring in external funding to provide better ECCE services</li> </ul>	<ul style="list-style-type: none"> <li>National government</li> <li>NGOs</li> <li>Other development partners</li> </ul>	<p><b>Viet Nam (Innovative Partnership between VVOB and Plan International):</b> Two NGOs (VVOB and Plan International) partnered to support the development of ECCE in Viet Nam. This partnership is considered innovative as it employs a twin-track approach; a combination of the top-down approach and the bottom-up approach. That is, VVOB works with provincial governments while Plan International engages with communities. <b>Bhutan (Save the Children):</b> In 2013-14, MoE, Save the Children and school education formed partnership to finance quality ECCD programmes. This financing model focused on assuring quality delivery of ECCD services that catered to the six domains of the development of a child and environment friendliness.</p>

Mechanism	Operation	Actors	Case Examples
			<b>Bhutan (UNICEF):</b> In 2014, the Royal University of Bhutan and Paro College of Education (PCoE) along with UNICEF and MoE formed partnerships to finance facilitators to upgrade their qualification to diploma in ECCD. The important aspect of this partnership is that most of the ECCD centres will have specialized teachers for the ECCD programme, and the first cohort of 30 will graduate in 2018.
<b>Social Impact Bonds (SIB)</b>  Similar to: <ul style="list-style-type: none"> <li>▪ Post-Pay Model</li> <li>▪ Results-based Financing</li> <li>▪ Pay-for-Success Model</li> </ul>	<ul style="list-style-type: none"> <li>▪ Government entity contracts a private intermediary to secure funding to resolve a social issue.</li> <li>▪ Service providers receive funding from investors and implement programmes.</li> <li>▪ Government pays back original investment and return on investment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Government entity</li> <li>▪ Private sector intermediary</li> <li>▪ Private investors</li> <li>▪ Social service providers</li> </ul>	<b>United States (Utah High Quality Pre-school Programme)</b> Goldman Sachs collaborated with a social service provider and a private investor to finance ECCE through SIB. The partnership financed up to US \$7 million, providing a high-impact pre-school programme for as many as 3,500 at-risk children. <sup>47</sup>
<b>Conditional Cash Transfers (CCT)</b>	<ul style="list-style-type: none"> <li>▪ Cash is transferred to household members on conditions that they commit to a certain objective (e.g. sending children to school).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Government entity</li> <li>▪ Household members (children and their families)</li> </ul>	<b>Mexico (Oportunidades):</b> In 1998, this CCT programme was implemented to alleviate poverty and covered over 5 million families. <sup>48</sup> Fixed monetary transfers, equal to US \$15.50 monthly, are provided for improved food consumption and nutritional supplements for children between the ages of 4 months and 2 years and malnourished children aged 2 to 4 years. <sup>49</sup>

<sup>47</sup>Goldman Sachs. 2013. Social impact bond to finance early education: Creating a model to address social challenges without tax dollars.

<sup>48</sup> Ibid

<sup>49</sup> [http://web.worldbank.org/archive/website00819C/WEB/PDF/CASE\\_-62.PDF](http://web.worldbank.org/archive/website00819C/WEB/PDF/CASE_-62.PDF)

Mechanism	Operation	Actors	Case Examples
<b>Partnership between government and workplaces</b>	<ul style="list-style-type: none"> <li>Government provides subsidies to encourage workplaces to operate childcare centres for the employees</li> </ul>	<ul style="list-style-type: none"> <li>Ministry of Employment and Labour</li> <li>Workplaces (public/private)</li> </ul>	<b>Korea (Mandatory childcare centres in selected workplaces):</b> Workplaces of more than 500 employees or 300 female employees are obliged to operate a childcare centre. This initiative is innovative as the government utilizes the financial resources and the premises of workplaces but at the same time provides subsidies for initial set-up, salary and operational costs.

Source: Created by consultancy team based on the country reports (2016)

## 6. Conclusion

The main objectives of this study were i) to assess the current status of ECCE financing in the Asia-Pacific region and identify some of the innovative ECCE financing mechanisms currently being implemented; and ii) to provide policy makers in the region with recommendations and policy options for increasing ECCE funding and improving its effectiveness, efficiency and sustainability.

Regarding the first objective, the current levels of funding towards ECCE are relatively insufficient to adequately meet growing financial needs in the sub-sector, given the current and projected enrolment figures. Data collected from the country reports reveal that in many participating countries, expenditure on ECCE as a percentage of total government expenditure is generally below OECD average of 0.6 percent. In addition, with the exception of Mongolia, spending on ECCE as a percentage of GDP in all participating countries was below the 1.0 percent rate recommended by UNICEF, indicating the need for increased public expenditure on ECCE in the region. Moreover, the study also reveals a significant lack of data on ECCE funding in many participating countries, attributed to the fact that some countries lack frameworks for effectively and efficiently tracking both internal and external funding from different sources.

Further to the inadequacy of ECCE funding and scarcity of data on funding, the regional study identified inequity in the distribution of ECCE funding towards the various social groups in the countries selected. The study recognized disparities in subsidies provided to public and private institutions, and to those in rural and urban areas. Analysis of financing data also revealed that external funding is an essential financing source in many participating countries; however, it lacks sustainability as the provisions of such funding are sometimes sporadic and project-based. This reality calls on the countries to explore strategies to diversify and find alternative sources of financing.



With regards to the general status of ECCE in the participating countries, the study found that the number of ECCE facilities and enrolment rate in pre-primary education show steady increases in most countries. There were no significant disparities in the enrolment rate between boys and girls, although inequitable access to ECCE facilities was observed between rural and urban areas in some countries. Health and sanitation, nutrition and social protection are intricately intertwined with ECCE to the extent that some countries oblige ECCE facilities by law to follow regulations to provide services under these domains. For countries where provisions in these domains are relatively weak, it may be beneficial to strengthen such services, but an adequate coordination mechanism will need to be established among related agencies beforehand in order to avoid overlap in work scope.

## 7. Policy Recommendations

As already mentioned under the introduction and conclusion, the second objective of this study was to provide policy makers in the Asia–Pacific region with recommendations and policy options for increasing ECCE funding and improving its effectiveness, efficiency and sustainability. Hereunder, are recommendations that have been derived on the basis of the findings presented in the reports (field and desk review) from the countries that took part in the study.

**(i) Increase budgetary allocations dedicated to the ECCE sub-sector, in order to enhance adequacy of funding:**

According to the findings, expenditure on ECCE as a percentage of GDP, total government expenditure and total government expenditure on education in many of the countries is well below the international agreed targets cited in Chapter 4. National government budgetary allocations need to be supplemented by contributions from the private sector, NGOs/ CSOs and international agencies. One of the strategies is diversifying sources of funding through the creation of collaborations and partnerships with various education stakeholders. The actual process of creating ECCE funding partnerships and collaborations should be conducted in the context of socio-economic and political situations in each respective country.

**(ii) Extend ECCE funding, as well as services and programmes to cover all social groupings in their respective countries, so as to promote equity:**

National governments in the Asia-Pacific region should explore avenues of extending ECCE funding and the provision of ECCE services to all social groupings, including marginalized groups comprised mainly of orphans and vulnerable children (OVCs), the poor, children with special needs and those living in rural/remote areas. Findings contained in some of the country reports reveal disparities in the distribution of funding for ECCE between public and private institutions, between rural/remote areas and those in urban areas. In Fiji, for example, the central government's Free Education Grants (FEG) is targeted at only public ECCE centres, thus denying private institutions access to this grant. In Bangladesh, only urban centres (mostly privately owned) receive a majority of the funding provided by the government for the establishment of community-based ECCD centres. One of the strategies is diversifying sources of funding through the



creation of collaborations and partnerships with the various education stakeholders. In addition to Fiji’s FEG, there are other examples of government-provided benefits from Indonesia, Japan and Korea (See Table 7) that function as instruments to promote equity of ECCE funding.

**Table 7** Standardized government-provided benefits

Government-Provided Benefit	Operation	Sources
<b>Fiji (FEG: Free Education Grant)</b>	<ul style="list-style-type: none"> <li>Government grant provided to 5 year-old children enrolled in recognized centres.<sup>50</sup></li> </ul>	The Ministry of Education
<b>Indonesia (BOP: School Operational Fund)</b>	<ul style="list-style-type: none"> <li>Funds provided to ECCE centres to cover operational costs</li> <li>Targets small-scale private or community-based facilities prioritizing schools with poverty-stricken or handicapped students</li> </ul>	<ul style="list-style-type: none"> <li>Central government (Ministry not specified)</li> </ul>
<b>Japan (Facility-Type Benefit)</b>  Standardized provision of benefit adopted under CSSCC <sup>51</sup>	<ul style="list-style-type: none"> <li>Financial support for children regardless of the type of facility they are enrolled in.</li> <li>The level of financial support is decided based on their caregivers’ income and number of siblings.</li> </ul>	<ul style="list-style-type: none"> <li>Cabinet Office (50%)</li> <li>Prefectural government (25%)</li> <li>Municipalities (25%)</li> </ul>
<b>Republic of Korea (Nuri Allowances)<sup>52</sup></b>  <ul style="list-style-type: none"> <li>Standardized allowances provided under Nuri Curriculum for Children (Ages 3-5)</li> </ul>	<ul style="list-style-type: none"> <li>Financial support for children regardless of the type of facility they are enrolled in.</li> <li>Amount of financial support varies among public and private ECCE centres considering differing user fees.</li> </ul>	<ul style="list-style-type: none"> <li>Local education grant transferred to local offices of education by Ministry of Education</li> </ul>

Source: Compiled by Consultancy Team based on findings from the regional study (2016)

**(iii) Enhancing sustainability of the current and future funding towards ECCE:**

Sustainability of funding dedicated towards ECCE is an equally important aspect that education policy makers in the region need to address. Evidence from selected countries shows that currently most funding programmes and/or mechanisms are short-term or, at best, mid-term, which raises concerns regarding continued funding towards ECCE.

<sup>50</sup>Recognized centres are those that meet the requirements of the Ministry of Education’s policy guidelines and are not privately owned.

<sup>51</sup> Comprehensive Support System for Children and Childcare (CSSCC): Officially launched in Japan from April 2015 as a part of the Integrated Reform of the Social Security and Tax Systems.

<sup>52</sup> MEST and MOHW. 2012. Guidelines on the Nuri Curriculum for Ages 3-5.

One of the strategies would be to carry out nationwide campaigns regarding the importance of ECCE towards personal and national development. This should be supplemented by diversification and out-sourcing of alternative sources of funds through partnerships and collaborative efforts with different education stakeholders in the country (national and international as well as public and private).

**(iv) Promote Enabling Governance and Capacity Development**

Diverse resources channelled to ECCE have intensified the need for enabling governance mechanisms to best allocate the resources and to ensure efficient coordination and collaboration among participants. This requires clear legal frameworks and coherent national policies for ECCE. Such need has been recognized in several country reports. Bangladesh reported the need for systematic capacity-building at the school, district and central levels for finance and budget planning, management and accountability. In Sri Lanka, it has been recognized that ECCE curriculum, teacher recruitment, teacher qualifications, pre-service and in-service teacher education, and monitoring and evaluation need to be developed at the national level. Lack of consistency therein can deteriorate coherence of the country's ECCE system, potentially leading to less investment due to the unpredictability of policy direction and lack of financial transparency. Countries with such recognized needs can consider seeking a needs assessment and strategic planning by developing partners in order to develop or strengthen their ECCE governance to best facilitate the ECCE needs under their country circumstances. In addition, given increasingly strong authority of local governments and participation of diverse stakeholders in ECCE due to continued decentralization of ECCE provisions, capacity-building activities and technical assistance provided by developing partners may be necessary in some countries in order to ensure adequate decision-making capacity of, and strong coordination among, all stakeholders.

**(v) Regular collection and proper management of data on education, including ECCE funding:**

As the results in Chapter 4 indicate, a majority of the countries do not have the required data to enable comprehensive analysis of the status of ECCE financing in the Asia-Pacific region. Although assessing the capacity of education managers in the selected countries was not an objective of the study, one of the strategies to addressing the lack of data is building the capacity of education managers in the areas of data collection, processing and management. This is because good quality data facilitates good planning and budgeting, which in turn enhances robust policy formulation. Capacity here is considered in the context of skills/knowledge and funding geared towards a comprehensive collection of education data at all levels, and the creation of reliable databases.

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