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SUMMIT 2022



TES Summit Leaders' Day Spotlight Session

Transforming the Financing of Education: Investing more, more equitably and more efficiently

19 September 16:45 – 18:15
Conference Room IV

DRAFT CONCEPT NOTE:

Introduction

The Transforming Education Summit seeks to mobilize leadership and commitment to tackle an urgent global crisis in education – one of equity, quality and relevancy. None of this will be possible without a sea-change in the way we finance education.

Public domestic investment in education is, by far, the main source of financing for education. Though rising in some cases in the first decades of this century, it is still much too low in most countries and regions. One in three countries does not yet meet the two previous educational investment benchmarks, either as percentage of GDP or as percentage of national budget. During the pandemic, over two thirds of developing countries cut their education budgets. Global inequalities are staggering, with high-income countries spending over 43 times as much on every child than low-income countries. These international disparities are compounded by disturbing inequalities in educational investment within countries. When domestic finance falters, households bear a considerable burden in financing education, particularly in low- and lower-middle-income countries. This imposes a heavily regressive burden on them. The pandemic and the ongoing global economic crisis make these inequalities even harder to confront.

International financing for education remains of critical importance for lower- and lower-middle income countries, and in some specific contexts – particularly to confront the impact on education of protracted crises. Yet, aid to education is also falling, with 43 development partners reducing their spending on education from 2019 to 2020. Education is also a low priority area for most international financial institutions and the philanthropic community.

There is urgent need to protect and increase both domestic budgets and international financing for education from all sources.

Call to Action

In this context, the UN Secretary-General is issuing an urgent Call to Action to finance education (see Annex 1) – urging all countries and all partners to invest more in education, more equitably and more efficiently.



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The Call to Action draws from the extensive work undertaken as part of the Summit Thematic Action Track on Education Finance and seeks to build on many existing efforts including the SDG4-Education 2030 commitments, the 2021 GPE's partners Call to Action on Education Finance, the Paris Declaration on Education Financing.

We must invest more in education. It is important to protect and increase the real amount every country invests in education –as reflected by the portion of GDP and national budgets going to education – but this is not enough. We must aim to increase the actual investment countries make per student and per person.

Most educational investment comes from national public budgets. Increasing educational investment, thus, requires an effective costing of what it takes to educate each and every student, and to establish ambitious national targets to reach that level over time. In most countries, reaching those targets will require increases in the proportion of taxes to GDP through significant and progressive revamping of tax systems. There is also scope to expand international financing of education, by setting and meeting new targets on levels of development assistance and concessional lending, and by advancing new and innovative financing tools.

We must invest more equitably in education: we must make sure that educational investment reaches especially those who have been traditionally excluded from this opportunity. Educational investment must reach the most rural and distant regions of every country; it must also guarantee that educational opportunities reach poor and lower-income families; and it must also be distributed as to reach of all those groups and sectors usually discriminated against in their access to these opportunities: girls, ethnic minorities, persons with disabilities, displaced children, and so on. Of course, investing more equitably in education must also mean that international gaps we see today between high- and low-income countries, are also reduced.

We must invest more efficiently in education: the objective of educational investment goes beyond that of providing mere access to the educational system; to be truly an investment, the resources we allocate to education must be efficiently used to guarantee effective access to learning. This would require efforts aimed at reducing leakages; increasing delivery capacities; strengthening accountability frameworks; and linking sector planning and budget programming.

Session objectives

The Spotlight Session on Financing Education provides an opportunity for Heads of State and Government as well as Principals of international financial institutions, development partners and others to discuss some of the key elements of the Call to Action, to demonstrate their individual commitment to increase financing for education and to generate new impetus for action that can be taken forward after the Summit.

The session will also provide an opportunity to launch the International Financing Facility for Education - an education financing engine that multiplies donor resources to give lower-middle income countries the opportunity to make urgent investments in quality education and skills. The Facility has the potential to mobilize at least \$10 billion in new financing for education in the next 5 to 7 years.



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Draft programme

16.45 Opening session

- H.E. António Guterres, UN Secretary-General
- H.E. Jakaya Kikwete, Chair of the Board of Directors of the Global Partnership for Education
- Niyati Sharma, The Global Feminist Coalition for Gender Transformative Education hosted by UNGEI
- Ms. Mari Pangestu, Managing Director, World Bank
- Mr. Patrice Evra - Football Legend and Activist

17.05 Panel discussion: Stepping up to the challenge of investing in education

Moderator: Ms Rebecca Greenspan, Secretary-General, UNCTAD

Panelists

- H.E. Jutta Urpilainen, Commissioner for International Partnerships, European Commission
- Mr. Leonardo Garnier, SG's Special Adviser for the Transforming Education Summit
- Ms. Johanna Jaara Åstrand, Vice-President of Education International

Respondents

- Mr. Werner Hoyer, President, European Investment Bank and Chair of the Multilateral Development Banks
- Mr. David Archer, co-founder, Global Campaign for Education
- Mr. Andreas Schleicher, Director for the Directorate of Education and Skills, OECD

17.45 Launch of the International Financing Facility for Education

Moderator: Mr. Hiro Mizuno, UN Special Envoy for Innovative Finance

- Mr. Gordon Brown, UN Special Envoy for Education (Video Address)
- H.E. Evelyn Wever-Croes, Prime Minister, Aruba
- H.E. Jenny Ohlsson, State Secretary to Minister for International Development Cooperation, Sweden
- H.E. Enkh-Amgalan Luvsantseren, Minister of Education and Science, Mongolia
- Dr. Rajiv J. Shah, President, Rockefeller Foundation (Video Message)
- Mr. Mark Reading, Head, Atlassian Foundation



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- Mr. Woochong Um, Managing Director, Asian Development Bank

18.10 Closing

- Ms. Amina J. Mohammed, UN Deputy Secretary-General