



Chapter 6

Prospects and opportunities

The EFA goals are of fundamental significance for development. This Report has shown that progress over the past ten years has been mixed. There are many cases of countries moving steadily towards achieving the goals. But there are others in which retrogression has been occurring, bringing real threats to the sustainability of the development process. New responses are needed if the future is to be any different. Accordingly, this chapter identifies some opportunities for national and international policy change. It synthesizes the major themes of the Report, and comments on some of the key issues they raise.

Progress towards the six Dakar goals is insufficient: the world is not on track to achieve education for all by 2015.

Progress

This Report has shown that progress towards the six Dakar goals is insufficient: the world is not on track to achieve education for all by 2015. This judgement is based upon a number of strands of evidence. The first of these derives from measurable trends in indicators. It will be recalled that three of the goals – universal primary education (UPE), gender equality and literacy – can presently be monitored quantitatively. Only 83 countries (accounting for just over one-third of the world's population) have already achieved the three goals or have a high chance of doing so by 2015 on the basis of recent trends. In 43 countries (with 37% of the world's population), at least one goal is likely to be missed, while a further 28 countries (with 28% of the world's population) are not on track to achieve any of them. Two-thirds of those in the latter category are in sub-Saharan Africa, but they also include India and Pakistan.

Of the three goals, literacy most frequently risks not being met: at present rates of progress, 79 countries will not be able to halve their rate of adult illiteracy by 2015. UPE is unlikely to be reached in 57 countries, 41 of which have recently even been moving in the wrong direction. The position is slightly better as regards the gender goals, with 86 countries having already achieved gender parity in primary enrolments, and a further 36 countries being close to doing so. With changes in policy – particularly selective demand-side financing – each of those countries has a reasonable chance of achieving gender parity by 2005. However, there are 31 countries, a majority of which are located in sub-Saharan Africa, which are at high risk of not achieving the goal by 2015. In those cases, even with sharp changes in policy, it is very unlikely that the 2005 goal will be reached.

The list of most vulnerable countries contains few surprises. For example, of the 28 at serious risk of not achieving any of the goals, 22 are also included in the World Bank's list of 47 'at risk' countries (World Bank, 2002a). However, there are some unexpected entries in the list of countries selected for the Fast-Track Initiative.

For example, the 18 Fast-Track countries include only 6 – Burkina Faso, Ethiopia, Guinea, Mozambique, Niger and Zambia – of the 28 countries identified in Chapter 2 as being at serious risk of not achieving any of the three quantifiable goals. They also include 5 countries which are already on track towards achieving them (Albania, Bolivia, Guyana, Honduras and Viet Nam). Many of the excluded countries have lower incomes and school enrolments, and have less chance of achieving the goals than those in the Fast-Track group. It follows that a priority ranking based on need would not lead to the list of countries currently selected for Fast-Track treatment.

Planning

There is a range of evidence about the process of achieving the goals. National planning – one of the most critical aspects of this process – is under way, but not as universally as the World Education Forum in Dakar expected and required. Our information suggests that only 22 specially prepared EFA plans will be completed by the end of 2002. However, there are a good number of other countries where Poverty Reduction Strategy Paper (PRSP) processes have produced new documents of substance. In 15 of the 16 full PRSPs examined, education goals were explicitly incorporated in the analysis. Yet these documents usually fall well short of an integrated plan. Many governments, of course, have existing planning documents that already address at least some of the Dakar goals. Most of the 40 countries assessed for the purposes of this Monitoring Report had education plans or policy papers, half of which (18) specifically addressed some or all of the EFA goals. However, all but 4 of these were in place prior to the World Education Forum in Dakar. Thus, while many planning documents addressing the Goals are available, only a minority of them is a direct product of the Dakar Framework. Furthermore, some address only one or two goals (usually at least UPE) sometimes without setting a particular date for their achievement.

Planning at the national level is fundamentally important if adequate strategies of expansion and reform are to be designed. In many of the least developed countries (LDCs), which include those where the EFA agenda is at its most demanding, there is an urgent need for better data, and for expertise to be more consistently applied to planning tasks in government, and for the stronger engagement of civil society. The statistical base for many of the key planning parameters, such as enrolments, population, teachers and so on, is usually available. However, there are major priorities for producing better financial information, particularly on expenditures at subsectoral level and on private contributions. Also needed is serious exploration of the resource implications of alternative reform strategies in the light of existing and future financial and real resource constraints.

The national 'ownership' of planning documents and processes is fundamental to their effectiveness. While this is widely acknowledged internationally, it is clear that there has recently been a notable increase in international influence over such planning. The example of some PRSPs shows that external collaboration on planning initiatives can be made to work: at best, international engagement strengthens national planning processes. However, at worst, plans are prepared and shaped quickly, simply in response to the demands of funding agencies and their internal deadlines.

The latter phenomenon is not new, but it has, if anything, intensified. The external demands presently placed on governments to produce plans for different purposes are considerable. Although the Dakar requirement to produce EFA plans is being wisely interpreted in context-specific ways by most countries, the external demands for PRSPs, sector plans, comprehensive EFA plans and, in some cases, Fast-Track proposals, amount to a very demanding agenda. These potential overlaps and conflicts need to be resolved both generically and on a case-by-case basis.

Costs and resources

The costs of achieving EFA are large, but not beyond the means of most states. Most of the recent estimates have focused only upon the costs of achieving UPE. However, they have underestimated these costs because necessary policy measures to address the demand side – particularly in connection with gender issues – and to combat HIV/AIDS have been omitted or underemphasized. Further, the unusually high costs of responding to the educational needs of countries in situations of emergency have not been integrated in the macro balances.

For the same reasons, likely aid requirements have also been underestimated. Additionally, however, the revenue assumptions made by the most rigorous, and influential, of the recent studies (World Bank, 2002a) appear to be relatively optimistic as regards both growth prospects and reasonable expectations concerning the speed of reform. Both of these tendencies lead to the underestimation of the likely financing gaps in countries facing the most severe UPE challenges.

In rough terms, and after taking account of the above omissions, this Report estimates the financing gap at up to \$5.6 billion, in comparison with the World Bank's figure of \$2.5 billion. Our figure requires further analysis at the national level, in order to become firmer. Simulations for all countries are needed, using nationally-verified data in order to build up the macro estimates. In principle, the approach used by the Bank could be extended relatively easily for these purposes. In all such work, single-figure estimates for aid requirements are best avoided; a range of figures is required. If the impact of changing the assumptions – for marginal costs, policy reforms, economic growth and public resources available for education – is made plain, the sensitivity of projected outcomes to particular assumptions and policies can be better assessed.

The costs of achieving EFA are large, but not beyond the means of most countries.

This Report estimates the financing gap at up to \$5.6 billion.

This Report has documented a startling decline in aid over the years 1990–2001, particularly in sub-Saharan Africa.

Existing aid pledges are substantial, but they do not yet appear to be nearly sufficient to match the size of the gaps.

International cooperation

This Report has documented a startling decline in the real values of both total and education aid over the years 1990–2001, which was particularly heavily felt in sub-Saharan Africa. This, moreover, occurred over a period when aid agencies were promising much greater flows. A recent assessment of the reasons for slow-down in World Bank support to sub-Saharan Africa suggested that political turmoil in some of the larger countries, the weak absorptive capacity of key institutions throughout the region, and the reluctance of some governments to introduce (education) policy reforms were each partly to blame (World Bank, 2000a, p. 56).

The Bank paper also suggests that the decline in lending to Africa may have been influenced by the shift in lending priorities that occurred during the 1990s. In particular, the Bank itself may have focused 'staff resources too narrowly on basic education, at the expense of other subsectors and portfolio diversity' (*loc.cit.*). It is presumably implied that the primary sector needs more preparatory work, or is less able to absorb funds rapidly, than programmes focused upon higher levels of the education system.

These questions assume particular significance in the context of the pledges to support primary and basic education which are currently required. As indicated above, requirements for aid financing of UPE alone may turn out to be as much as \$5.6 billion per year. Chapter 5 showed that this would require aid flows in support of UPE to increase to four or five times the levels of the recent past, particularly towards sub-Saharan-Africa. Increased aid expenditure on basic education of this magnitude within the region would clearly be possible only by using modalities that were sharply changed from those used in the past.

There are indications that the climate for policy reform is better than during the 1990s, with governments being more willing to initiate a policy dialogue with agencies than was earlier the case. The increasing prominence of PRSPs as an aid instrument in the most indebted countries, and the introduction of the Fast-Track

Initiative as a means of accelerating support to primary schooling, are both symptoms of that. In addition, new lending instruments in support of sector-wide strategies are being introduced by a number of agencies. As regards the World Bank, adjustable programme loans have been introduced. These are designed to support long-term sector-wide education development, with future loan tranches being activated by pre-determined policy triggers (and thus not needing the amount of preparation and negotiation required for new loans, nor, indeed, presentation to the Bank's Board). Equally, expanded debt relief under the debt initiative for the Heavily Indebted Poor Countries (HIPC) may provide additional support for basic education, although there are questions about the extent to which such resources are genuinely additional in some countries.

In these and other ways, the instruments used for securing rapid transfers of funds to support plans that are feasible, technically sound, and addressing the EFA goals in priority countries are being refined. However, there are challenges that must be addressed if the volume of resource transfers for EFA are to be transformed in the ways required.

First, although existing pledges of aid are substantial, their precise implications for additional funding of education remain unclear. Nevertheless, they do not yet appear to be nearly sufficient to match the size of the gaps suggested by Chapter 4. On the basis of the pledges summarized in Chapter 5, approximately \$2.6 billion may be made available for basic education from European Union, the World Bank, Japan and other non-EU bilaterals, and from HIPC funds. This leaves a possible unfunded gap of \$3 billion – rather more than double recent estimated aid to basic education. Even allowing for some shift in the composition of aid expenditures towards EFA goals (which is needed since in 2000 it accounted for only one-third of total aid to education), the overall increase in the amount of aid needed looks to be substantially greater than the amounts presently contemplated by the aid agencies. And there needs to be a much greater concentration of this aid in a relatively small number of countries.

Second, the expansion of the Fast-Track Initiative may be a very useful instrument to achieve such a change in focus. However, if so, the Initiative would need genuinely to gain the participation, and funding, of a broad cross-section of agencies, so as to allow its product, style and procedures not to be dominated by one participant in the programme. Furthermore, the criteria for inclusion would need to be broadened considerably if all countries at serious risk of not achieving EFA were to be included. The additional challenge will be to include countries in ways which secure country-ownership of the plans and programmes that are agreed by the countries themselves.

Increasingly, agencies are providing budget support to countries with well-designed poverty-reduction strategies and, in education, with credible plans. Under this mechanism, resources are provided in programme form, as direct support to public expenditures. Accounting procedures must be transparent, with acceptable financial control over the budget. Similar conditions apply to Fast-Track countries. The problem with this approach is that it tends to reward those countries with a stable political history and a developed policy tradition (or countries that are clearly making the transition to such status). Countries excluded from consideration because the criteria are not satisfied have demonstrable incentives to shift domestic governance in that direction. This inevitably means that a group of countries needing strong support are not, for other reasons, eligible to receive it.

This situation is not consistent with achieving the Dakar goals. In fact it needs to be reversed: instead of the countries with the weakest policy environments receiving least attention from the international community, they must receive most attention. The bigger the nature of the planning and implementation problems they manifest, the more assistance they should receive. Of course, the nature of this assistance would be different for each of the two groups. The countries with weak policy frameworks, planning capacity and implementation record would need to have more interaction with the agencies providing funds, and the conditions for their disbursement would be different.

This situation thus implies the need for a differentiated approach. The high risk, otherwise excluded countries, might be eligible for an 'Education Task Force', in which policy makers and stakeholders from the country and all resident agencies supporting education would participate. The brief of such a Task Force would be: i) to jointly prepare and agree a plan for EFA; ii) to design and approve its implementation mechanisms; iii) to cooperate closely in its implementation; and iv) to monitor and evaluate its progress and outcomes.

Task Forces would ideally be part of the EFA Forums, except that the international agencies providing resources would be invited to be full members. The roles and responsibilities of all participants would also be more tightly defined and action-oriented. Where EFA Forums did not exist, or where there was no significant agency presence in the country concerned, one of the multilateral agencies would stand ready to provide leadership in identifying other bilateral partners. Obviously a country would be free to accept or refuse the offer of a Task Force, but acceptance would be a condition for the receipt of enhanced levels of support under the initiative.

The most critical ingredient in national EFA plans, designed either as part of the Fast-Track Initiative, or in the context of broader agency support, is the extent to which governments genuinely embrace a process of national reform. This obviously goes far beyond, and raises much more difficult issues, than the decisions about what assumptions to incorporate in cost and revenue projections. The danger is that national governments may agree to reform proposals in financing documents that are acceptable to the agencies, even if the technical or the political capacity to implement them is absent. Typical reforms – for example, relative decline in teachers' salaries, increases in class-size, introduction of double-shift teaching, etc. – may be underpinned by a very strong logical case, yet may prove impossible to implement because of the power of particular interest groups. It will be critically important to take the planning process well beyond the level of a costing exercise, if the size of past gaps between plans and implementation patterns are not to recur.

The most critical ingredient in national EFA plans is the extent to which governments embrace a national reform process.

The quality of available data covering public spending on education has deteriorated in recent years.

There is an urgent need to improve the quality and availability of a wide range of international data.

Improving the availability and quality of data

The process of preparing this Report has highlighted the limitations of available data, both in terms of coverage and reliability. This is clear at two levels. First there are data which are critically important for the purposes of planning – such as data on unit costs – for which there are simply no reliable estimates available at the international level. It was shown in Chapter 4 that the cost estimates for achieving UPE in 2015 differed, on average, by a factor of 3 for each of the 45 individual countries included in three recent studies. Although the assumptions made by the studies about the value of future cost parameters were mainly the cause of such differences, an additional important source was the unit cost information available to each of the authors. Good public expenditure information that can be matched to particular levels of education is a *sine qua non* for financial projections. In principle, such information is not difficult to obtain, since all governments need it for their own internal accounting and auditing purposes. Significant efforts to improve and increase the coverage of internationally gathered information on public spending on education are needed. The evidence suggests that, if anything, the quality of available data covering these variables has deteriorated in recent years.

Second, there is an urgent need to improve the quality and availability of a wide range of international data. For example, regional averages have not been possible to estimate in many of the Annex tables, owing to there being too few observations in some regions. Furthermore, this Report has not been able to produce time-trends for a wide variety of basic statistics on national education systems. This is partly because of revisions to classification systems in education statistics, as the Technical Introduction to the Statistical Annex makes clear. However, it is partly because data collection methods changed between the mid- and late-1990s, making time-trends for a large number of variables difficult. By consequence, the coverage of the data presented in this Report

is less useful for analytic purposes than it needs to be. In principle, an exercise to achieve comparability between contemporary data sets and those gathered in the early 1990s would be extremely valuable.

Third, the information available to monitor aid flows to education remains open to considerable improvement in quality and coverage. The main database held by the OECD DAC is provided by the agencies themselves. Coverage and reporting improved substantially during the last decade. However, even by 2000, almost one fifth of reported commitments were not shown by subsector. The information available on disbursements is partial, and covered only 70% of education aid by 2000. These problems mean that trends in aid to education can be analysed in only a partial fashion. The limitations often reflect the nature of agencies' own information systems. If donor commitments and disbursements in support of EFA goals are to be effectively monitored, more efforts in reporting complete and consistent information are urgently required.

EFA and the Millennium Development Goals

As argued in Chapter 1, EFA is important to the development of all facets of human well-being, whether these are conceived in terms of human rights, human capabilities or development opportunities. The Millennium Development Goals refer to only two of the EFA goals. This does not mean, however, that the other elements of EFA are unimportant in the collective endeavour to eliminate extreme poverty. UPE and the elimination of gender disparities are major priorities, but a broader EFA case can be made for the contribution of basic education to sustainable livelihoods, the reduction of child mortality, improvements in maternal health, the fight against HIV/AIDS, malaria and other diseases, and a sustainable environment. The MDG framework then, should be interpreted as an opportunity, and not as a narrowing of the agenda. In this context the development of the

FTI affords a chance to promote the broader objectives of EFA and to argue their case, rather than interpreting the specificity of the MDG targets as a constraint.

Future monitoring challenges

This Report has sought to initiate a sense of international accountability towards commitments that were made at the World Education Forum and thereafter. It will be important in future years to map – more clearly than has been possible here – the extent to which a significant shift in policy and practice in support of EFA by the leading development agencies occurs. Close cooperation with OECD-DAC will be important in this regard.

Changes in national policies and planning, and the extent of progress with policy reforms will continue to be central features of future reports. However, since the World Conference on Education for All (Jomtien, 1990) there has been some ambiguity as to whether EFA underpins a global EFA movement or whether it is primarily a vehicle for focusing on developing countries, where the challenge of enabling the poorest and most severely disadvantaged people to benefit from a basic education is the priority. The balance has been more towards the latter than the former position, and has been accentuated by the very strong international focus on UPE. This Report also reflects that balance (except in its coverage of educational statistics in the annexes), as does the reporting against the MDGs.

Nevertheless, many of the challenges of EFA extend well beyond developing countries. The educational needs of those living in relative poverty in industrialized societies, questions of quality and relevance, of gender equality, of literacies responsive to the revolution in communications technology, and the challenge for education provided by the risks of drugs dependency are just some of the major issues deserving a wider, global treatment. If EFA is treated as an issue specific to particular countries and regions of the world, it runs the danger of becoming partial, and perhaps more marginal, rather than a central educational priority worldwide. The EFA Global Monitoring Report will begin to redress this imbalance from 2003.

The challenges of EFA are not limited to the developing countries.