



United Nations
Educational, Scientific and
Cultural Organization

Organisation
des Nations Unies
pour l'éducation,
la science et la culture



Aid brief: Recent trends in aid to education

This note highlights some findings by the *Education for All Global Monitoring Report* team on recent trends in aid to education. It is based on analysis of the most recent disaggregated aid data from the OECD-DAC Secretariat.

Aid disbursements to basic education stopped increasing for the first time since Dakar. Total disbursements of aid to basic education reached US\$4.7 billion in 2008², an insignificant increase of 0.2% in real terms compared to 2007. This is the first time that disbursements have stagnated since the World Education Forum in Dakar, Senegal, in 2000, where the six Education for All goals were established. Total aid to education (all levels) decreased from \$11.7 billion in 2007 to \$11.4 billion in 2008, reflecting a drop in both bilateral and multilateral disbursements as well as a change in reporting methods.

Donors from rich countries will break the pledge they made at Gleneagles in 2005. At the G8 Summit in Gleneagles in 2005, donors promised to increase total aid to \$130 billion by 2010, but the OECD estimates that this target will be missed by \$18 billion³. A pledge to double aid to Africa was also made and will be broken: the region will receive only half of the aid it was promised.

Aid to basic education in sub-Saharan Africa decreased in 2008. While the region is in the greatest need of increased aid to achieve universal primary education by 2015, aid to basic education decreased from \$1.72 billion in 2007 to \$1.65 billion in 2008. This is a 4% drop and represents a 7% reduction in aid per primary school pupil.

Total bilateral aid to basic education has remained unchanged but this hides large changes in individual donor aid programmes. Bilateral aid disbursements to basic education fell slightly from \$3.53 billion in 2007 to \$3.47 billion in 2008. Significant decrease in aid were recorded for some of the main donors to basic education such as the Netherlands – which spent \$460 million in 2008 compared with \$656 million in 2007 – and the United Kingdom, whose aid to basic education decreased from \$617 million to \$375 million. However, Germany increased its aid to basic education from \$143 million to \$243 million, Spain from \$200 million to \$267 million and the United States from \$491 million to \$569 million.

Multilateral aid to basic education is increasing. Aid to basic education disbursed by multilateral agencies increased from \$1.17 billion in 2007 to \$1.23 billion in 2008, offsetting

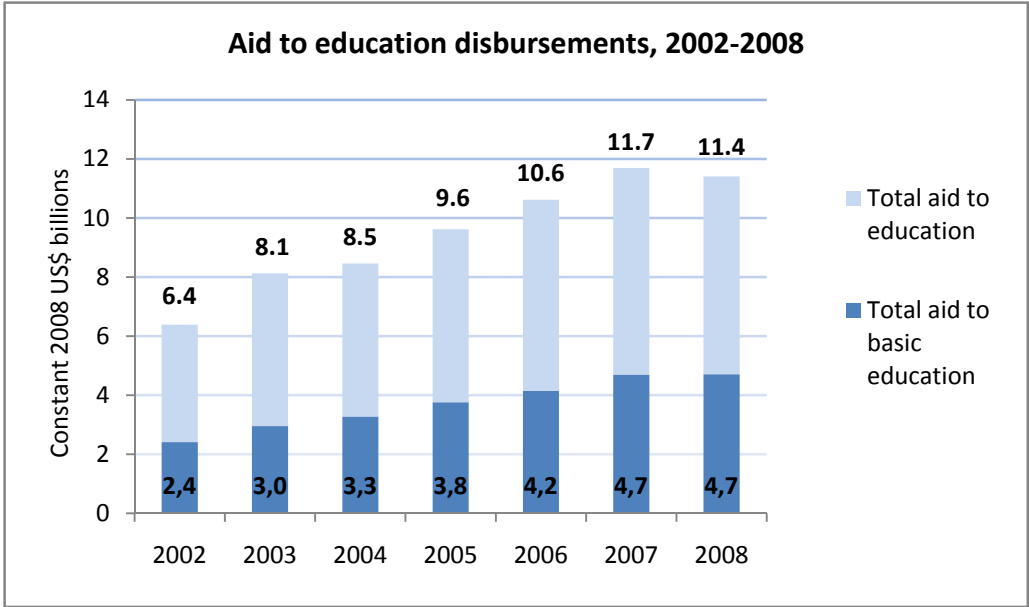
² All figures are disbursements in constant 2008 US\$. Commitments have been used in previous Global Monitoring Reports due to insufficient disbursement data. Disbursements are less volatile and a better representation of aid actually spent in developing countries. Commitments of aid to basic education rose from \$4.4 billion to \$5.2 billion in 2008—but were still below their 2006 level of \$5.4 billion.

³ The figures for the Gleneagles promises are in constant 2004 US\$.

the decrease from bilateral donors to prevent an absolute drop. This aid is also funded by DAC donor governments, with the United States, the United Kingdom, France, Germany and Japan being the largest aid contributors to basic education via their financing of multilateral agencies' core funding, mainly the International Development Association (IDA-World Bank) and the European Commission.

Aid to basic education is not directed where it is the most needed. Donors do not give a high enough priority to low-income countries. In 2008, this group received \$2.05 billion – less than half of all aid to basic education.

How much aid is needed to achieve Education for All? The 2010 Global Monitoring Report calculated that even if developing country governments maximized their efforts to increase their own resources to education, there would still be an annual financing gap of \$16 billion to reach Education for All goals in low-income countries. Current aid levels are vastly insufficient to fill that gap, and the stagnation in disbursements is a very worrying development. At the Dakar conference in 2000, donors pledged that all credible national plans for basic education would be adequately supported by external aid. The current global economic downturn makes it even more urgent for donors to fulfil these aid promises.



Source: OECD-DAC CRS database online and GMR calculations