

Achieving a Learning Generation

The Role of Donors

Over the coming decades, education and skills will matter more than ever to the prosperity of individuals and economies and to global stability. With up to half of today's jobs – especially low- and medium-skilled jobs – at high risk of disappearing due to automation, and with shifting global demographics placing greater pressures on productivity, higher levels of skills will become increasingly vital for growth. If current trends continue, over three-quarters of a billion young people in low- and middle-income countries will not be on-track to gain basic secondary skills and 1.5 billion adults will have no education beyond primary school by 2030. If education in much of the world fails to keep up with changing skill demands, the growing skills gap will stunt economic growth around the world, and threatens to have far-reaching social and political repercussions.

Without action, this learning crisis could mean that more than one-quarter of the population in low-income countries could still be living in extreme poverty in 2050. Per-capita GDP in low-income countries could be 70 percent lower by 2050 than it would be if all children were learning. The number of lives lost each year because of a failure to provide adequate access to quality education could equal those lost today to HIV and malaria, two of the most deadly global diseases.

The consequences of inaction or delay will affect us all. The widening skills gap is expected to deepen economic inequality and social divisions and increase risks of conflict. Global economic strains and mass migration could compound these pressures. Education is critical for resilience and cohesion; without it vulnerability to shocks and the risks of instability will increase. In a globalized world, these risks will cross national borders and become global problems.

The International Commission on Financing Global Education Opportunity has set out a proposal for the largest expansion of education opportunity in modern history: creating the Learning Generation. If all countries accelerate progress to the rate of the world's top 25 percent fastest education improvers, then within a generation, all children in low- and middle-income countries will have access to quality pre-primary, primary, and secondary education, and a child in a low-income country will be as likely to reach the baseline level of secondary school skills and participate in post-secondary education as a child in a high-income country today.

Achieving this will require total global spending on education to rise steadily from \$1.2 trillion per year to \$3 trillion by 2030, and it will require reforming education systems to improve results and efficiency so that every dollar delivers real learning.

In presenting its conclusions and recommendations, the Commission invites donors of all types to consider in particular:

- Proposals to **increase international financing for education from today's estimated \$16 billion per year to \$89 billion per year by 2030**. While the vast majority of financing must come from developing countries themselves, international financing will still play an important role, particularly for low-income countries, covering on average half of their education costs, as well as for fragile states. International finance can also boost access to official loans in countries transitioning to middle-income status, and catalyze domestic investment and reforms in middle-income countries.
- The proposed establishment of a **Multilateral Development Bank (MDB) investment mechanism for education**. This mechanism would ensure that education benefits from the unprecedented opportunity to increase MDB financing through much greater leveraging of their capital bases. The Commission estimates that establishing such a mechanism could potentially mobilize \$20 billion or more annually from MDBs for education by 2030 (up from \$3.5 billion today).
- Recommendations to **increase ODA, from \$13 billion today to \$49 billion in 2030, and improve its allocation and impact** -- to ensure that more funding goes to those countries committed to investing in and reforming education; more goes to low-income and fragile states; more goes through multilateral institutions; and more goes on priority issues within edu-

cation. Proposals include an education equivalent of the "Equitable Access Initiative" in health, to develop a shared and coordinated approach to allocation.

- Recommendations to **increase funding for education in humanitarian crises** to a level of 4-6 percent of humanitarian assistance.
- Proposals to **expand the use of innovative financing instruments and results-focused investment approaches** – to help to strengthen the link between investment and outcomes, mobilize new sources of finance, and foster new collaborations.
- Proposals to **increase funding from philanthropists, corporations, and charitable organizations to \$20 billion by 2030** – including the development of an "Education Giving Pledge," encouraging high-net worth individuals to make a substantial and public commitment to education; new financing platforms and instruments to encourage new investors; and encouraging increased private giving through remittances.
- Recommendations to **increase funding for global public goods** – such as globally comparable data on learning outcomes, and increased research and evaluation into educational innovations.
- Proposals to **cut waste and maximize the efficiency of all education financing**. This includes a wide range of proposals for increasing accountability for results, shifting investment into the most effective practices, tackling corruption, and innovating to lower costs. If the Commission's proposed reforms are implemented, it estimates the unit cost per student reaching learning benchmarks would decline by more than 50 percent in low-income countries. Spending will still need to increase, but every additional dollar will create greater value.

the Education Commission

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