



## Global Campaign for Education Briefing Paper

# Broken Promises?

## Why donors must deliver on the EFA Action Plan

Finance and Development ministers must seek a breakthrough on education financing when they meet in Washington, DC this week. After the failure of the G8 summit in Kananaskis to mobilise additional aid for education, the future of the Fast Track initiative agreed at the 2002 Spring Meetings hangs in the balance. Unless the donors give full financial and political backing for a strengthened EFA action plan, the international education agenda is set on a fast track to failure, threatening to jeopardise broader poverty reduction and development goals.

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Brazilian  
National  
Campaign for  
the Right to  
Education



## Executive summary

### ***'Will our legacy be more than a series of broken promises?'***

Nelson Mandela, speaking on the Millennium Development Goals, February 2001

At the 2002 IMF-World Bank Spring Meetings, Development and Finance Ministers gave strong backing to a new Education For All Action Plan, which set out concrete actions for reaching universal primary education in the world's poorest countries. The plan represented a major breakthrough. For the first time since the Dakar summit<sup>1</sup> promised that no country seriously committed to Education for All would be allowed to fail for lack of resources, the Action Plan produced agreement on how to mobilise the extra financing needed. It set out a practical way to meet countries' needs for predictable long-term support, while also satisfying donors' needs for tough criteria and robust accountability mechanisms so that additional aid is directed towards countries that are on a sound and sustainable path to education reform.

As a first step, donors identified 18 of the world's poorest countries – representing 17 million of the world's 125 million out of school children - - for immediate 'Fast Track' assistance. A further five countries, representing another 50 million out of school children, were selected for technical support to help them gear up their education reform programmes, so as to qualify for Fast Track status. Donors also agreed to establish an education consortium, due to meet for the first time in Brussels in late November, to assess individual countries' progress towards the goals and to address their financing needs.

Yet already education is being allowed to drop down the international development agenda, while the donor community backtracks on commitments that were made in the Development Committee<sup>2</sup> in April:

- Donors have failed to deliver additional financing – About \$1bn in additional financing is needed to launch the Fast Track initiative in a pilot group of 18 countries, yet so far only \$120m over a period of several years has been pledged by one donor, the Netherlands
- Implementation of the EFA Action Plan has slipped – While at least 10 of the 18 pilot countries have produced detailed Fast Track proposals and have already begun implementing positive policy changes, they have yet to hear whether and how their requests will be funded. Little has happened in the five countries slated for intensive analytical support. The Development Committee's agreement to expand the Fast Track initiative to other countries from 2003 onwards is also slipping, with no clear international commitment to a timetable for expansion.
- The financing framework is still not finalised – the donors have so far failed to agree on the role of the EFA donor consortium planned for November, and are backing out of earlier

commitments to use the meeting to fill financing gaps in education plans

The Annual Meetings come at a critical juncture. Unless there is a breakthrough on education, political momentum will be lost and the progress that was achieved at the Spring Meetings will have been wasted. The donors' legacy will then be little more than another set of broken promises to the 125 million children who are out of school. If the donor community is serious about addressing the education crisis in the world's poorest countries, Development and Finance Ministers meeting in Washington, DC must address the following issues:

- Donors must commit additional annual financing of \$5bn to implement the EFA action plan. Without additional donor funding, or an effective mechanism for coordination, the Fast Track initiative will become simply another set of conditionalities imposed on low-income countries. If the donor community is serious about achieving the MDGs, it needs to act now on the pledges made in Monterrey, and meet financing gaps on a country-by-country basis. This will not be achieved by business as usual, and requires a multilateral framework within which national plans are systematically developed, funded and monitored.
- We propose that the framework operate as follows:
  - The compact commits donors to an *a priori* guarantee that any country meeting the criteria set out in the indicative framework will have its external resource needs met. On the principle of subsidiarity, financing needs would be met through donor coordination in-country as much as possible.
  - The Annual EFA Monitoring Report will identify financing and policy gaps, on a country-by-country basis.
  - The EFA donor consortium will respond by mobilising additional resources to fill remaining financing gaps, with bilateral donors invited to contribute in their preferred way.
- The policy benchmarks enshrined in the Fast Track initiative need to be revised through genuine dialogue between donors, governments and civil society. Without broader ownership, the Fast Track reform package is unlikely to reflect accurately the needs and priorities of developing countries, thereby reducing political commitment, and slowing implementation.
- A strategy and timetable to expand the Fast Track list beyond the initial 18 countries must be finalised. According to the Bank, 47 low-income countries are off-track for achieving Universal Primary Education. Yet if a full PRSP is the main criterion for fast tracking, the Fast Track initiative will not reach enough of these countries to make a real impact on the 2005 and 2015 goals.

## EFA progress under threat

*'We strongly endorsed the action plan presented by the Bank as a basis for reaching international consensus to help make primary education a reality for all children by 2015'*

Development Committee communiqué, World Bank and IMF Spring Meetings, April 2002

Education is a basic right. It is also the keystone of poverty eradication efforts. Yet more than half a century after this right was enshrined in the UN Declaration, education is in crisis in the world's poorest countries. 125 million children – nearly 60 percent of them girls - are out of primary school. Many times that number of children receives an education that is so curtailed, or of such low quality, that they acquire few of the tools needed to escape from poverty. Nearly one billion adults are unable to read or write. The education crisis is a massive violation of basic rights, and threatens to undermine global efforts to eradicate poverty.

At the Millennium Summit in 2000, the governments of the world promised concrete steps to tackle this education crisis – since reaffirmed at the Special Session on Children this May and the World Summit on Sustainable Development this August:

- Gender equity in primary and secondary education by 2005
- Universal completion of Primary Education, and a 50% reduction in adult illiteracy, by 2015

Yet without concerted action by both donors and developing countries governments, these promises will be broken. On current trends, the goal of Universal Primary Education will be missed in 88 countries, and 75 million children will remain out of school in 2015. Already, the 2005 goal of gender equity in education appears beyond reach.

Despite the scale of task, the education goals are achievable. At the Spring Meetings in April, Development and Finance Ministers achieved a breakthrough by strongly endorsing an Action Plan for getting every child into school. The action plan contains the following elements:

- Education reform plans, grounded in poverty reduction strategies, for reaching the 2005 and 2015 education MDGs as well as the other four EFA goals<sup>3</sup>
- Transparent benchmarks, forming an 'indicative framework' to assess the strength of education plans
- Ongoing monitoring of progress towards the goals, and of financing requirements at the national level, pulled together in an annual international EFA report
- Predictable and coordinated additional donor support to countries that prioritise quality, free basic education, with an international donor consortium meeting regularly to identify and tackle unmet needs.

As a first step, eighteen countries<sup>4</sup> have been identified for immediate support under a Fast Track initiative, while the Development Committee adopted plans to expand the number of Fast Track partners in early 2003. Donors have also agreed to establish an education consortium, due to meet for the first time in Brussels in late November, to assess individual countries' progress towards the goals and to address their financing needs.

Yet this progress is now seriously under threat. At the G8 summit in Kananaskis, the world's richest countries conspicuously failed to deliver the resources needed to kick-start implementation of the Fast Track initiative. Since Kananaskis, education has been allowed to slip down the international development agenda.

At the Spring Meetings in April, the Development Committee committed to a full review of progress on the Fast Track initiative at the 2002 Annual Meetings. Yet now education has been downgraded from a full agenda item at the annual meetings and will only be discussed in the context of follow-up to the Monterrey Financing for Development summit.

Meanwhile, donors' failure to provide the necessary funding is holding back the Fast Track process at country level. The Fast Track secretariat expects that at least 10 of the 18 pilot phase countries will have submitted detailed proposals by November, committing themselves to substantial increases in their own spending on education as well as difficult and ambitious system reforms. Donors should not lose any more time in announcing the funds to back these plans, and should also agree now on a timetable for expanding the initiative. Only if the initial 18 countries experience speedy, coordinated and transparent donor action to meet their financing needs will the Fast Track initiative begin to create strong positive incentives for other countries to join a rising tide of countries delivering education for all.

The Global Campaign for Education believes that a serious discussion on the Fast Track initiative's progress is urgently needed at the Annual Meetings. The remainder of this paper sets out the steps that must be taken to implement the Fast Track initiative and mobilise the additional funds that are urgently needed.

## Getting the Fast Track back on track

*'We committed ourselves to work together ... to provide the necessary additional domestic and external resources'*

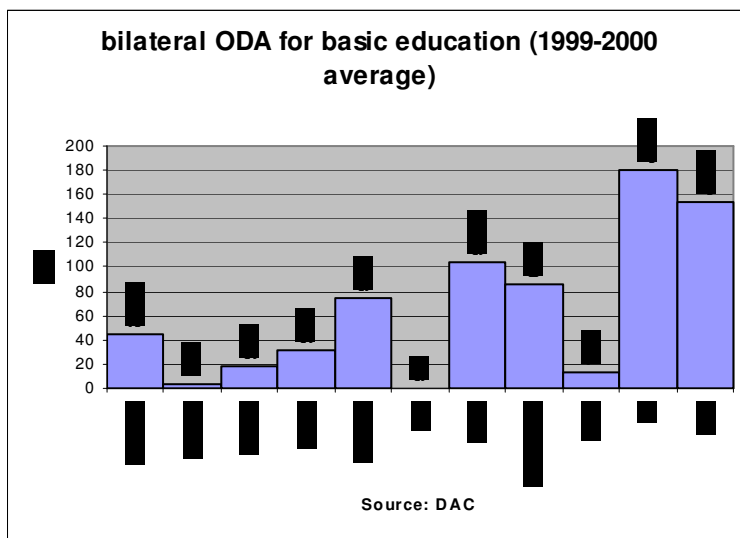
Development Committee communiqué, April 2002

### 1 Financing framework

Existing aid flows to education are grossly inadequate given the scale of the challenge facing the world's poorest countries. Recent estimates show that \$10bn to \$13bn in additional aid is needed annually to achieve the 2015 UPE goal. Yet between them, the major bilateral donors are

currently committing just \$700m a year to basic education – or just over 2 cents in every dollar of aid.

**Table 1: Donors fail to measure up**



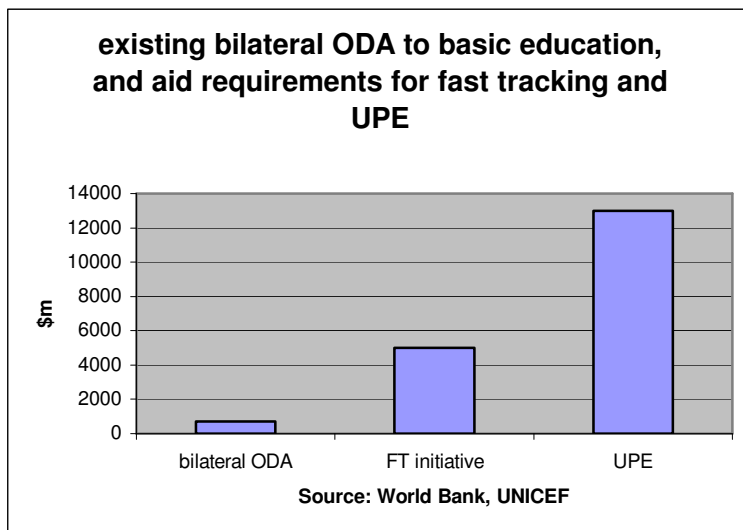
The recent Financing for Development Summit in Monterrey promised to reverse declining aid levels, and improve on this dismal situation, by targeting resources strategically at achieving the MDGs. Building on the Monterrey consensus, the April 2002 Development Committee communiqué made a commitment to, ‘provide the necessary additional domestic and external resources’ to achieve the education goals. Yet so far, donors have conspicuously failed to deliver on this commitment.

The World Bank has estimated that US\$ 1 bn is sufficient to begin Fast Track implementation in the initial group of 18 countries, with \$5bn required annually once the framework has expanded to include all 47 off-track low-income countries.

But to date, only the Netherlands has made a concrete commitment, offering US\$125m over a period of several years. The German government has said it will support three countries in the initial Fast Track group, and is doubling its aid budget over the next five years, but has yet to specify the amount of money it will make available to the Fast Track initiative. Japan has announced a US\$2 billion increase in spending on education, and Canada a doubling of aid for education to US\$65 million by 2005. However, neither country has specified what, if any, of this additional money will be spent on the Fast Track initiative. The US and UK have made substantially increases in their overall aid budget but have yet to announce exactly how much is likely to be spent on education and whether any of this money will be spent via the Fast Track initiative.

Therefore, as Table 2 (below) shows, despite signing up to the Fast Track initiative, most donors appear to be making little effort to better coordinate their spending on education or spread their aid budgets to increase the number of countries they support.

**Table 2: The reality gap**



Donors should be increasing spending for those countries furthest from meeting the education MDGs. This is the aim of the Fast Track initiative, and they are failing to support it. Many donors have rightly underlined the importance of country-led reforms in reaching the education goals. But these reforms will not happen unless donors fulfil their half of the 'compact', by providing much more predictable and intensive support to governments. Until donors commit upfront additional resources within a joint financing framework, a credibility gap will persist, with developing country governments unwilling to commit substantial time and resources to developing plans that past experience tells them may never be funded.

As the Mozambique case study (below) illustrates, additional aid for the Fast Track initiative needs to be matched by systematic efforts to dramatically improve aid predictability and coordination. Existing donor programmes are usually fragmented and incoherent, and often reflect donor priorities at the expense of country needs. This places an enormous administrative and financial burden on developing countries, and undermines their capacity to plan and budget for education.

A new financing framework is urgently needed to address these problems. The resources would come from a range of bilateral and multilateral sources, and could include project as well as budget support. Some donors may want to channel funds through a dedicated facility, or develop 'silent partner' arrangements, while other donors utilise their existing bilateral programmes. None of these funding mechanisms should stand in the way of developing a common framework. What matters is that these resources are coordinated in support of national plans, are predictable, and that plans are fully funded.

**Box 1            Mozambique: teachers and children on the  
                          frontline again**

Mozambique is one of the poorest countries in the world, but by 1981 it had achieved nearly 100% primary enrolment and equally impressive improvements in health and literacy indicators. Then, a 16-year civil war obliterated Mozambique's hard-won gains. Anti-government rebels, supplied with funds and weapons by apartheid South Africa, deliberately targeted schools, clinics and their skilled personnel as symbols of state-led development. More than 3000 schools were destroyed, along with most of the country's economic infrastructure. Tragically, a further 500 primary schools were lost in the devastating floods of 2000-2001.

Since the war ended in 1992, the Government and civil society have made remarkable efforts to rebuild the country. Thousands of classrooms have been constructed, and enrollments have climbed steadily back upwards. But more than half of children aged 6-10 are still not in school, and only a third of teachers have professional training.

Now, Mozambique is facing another war – the war against HIV-AIDS and famine. In 2001 alone, an estimated 52,000 children were born HIV positive; nearly half of the 600 new infections per day are among adolescents and young people. With the social fabric already fraying under the impact of AIDS, there is worrying evidence that children, and especially girls, will be hardest hit by the famine stalking the countryside. Hunger and disease together may force growing numbers of parents to once again withdraw their children from school, and as a result, Mozambique's fragile progress out of poverty may be halted.

In line with a comprehensive education reform programme agreed with donors, the government has already increased education spending to 18% of its budget. But a further 54 million USD per year will be needed to achieve the EFA goals. Moreover, since 1999, the ministry of education has been trying to persuade donors to integrate funding arrangements, so that all external financing goes through a single channel. This would free an understaffed Ministry to concentrate on running schools, rather than filling in donor paperwork. The Fast Track process could deliver the additional and better coordinated education funding that Mozambique so urgently needs, if its painstaking rise from the ashes of war and destitution is to continue.



## 2 Partnership, not conditionality

***'We appreciated in particular that the action plan is consistent with the new partnership for development based on mutual responsibility and accountability'***

Development Committee communiqué, April 2002

The Fast Track initiative will only succeed if it is rooted in a strong partnership between donors and developing country governments. Intensive dialogue between governments and donors is now needed, both to build broad agreement about realistic selection and assessment criteria for the Fast Track process, and to identify what donors should deliver on their side of the compact.

The indicative framework sets out a series of benchmarks or policy norms, and asks governments to demonstrate how they will progress towards these benchmarks. The principle of basing aid flows on transparent criteria is a good one, as long as there is room for developing countries to participate in establishing these criteria. Their involvement is crucial, not only to build the genuine political commitment needed to move forward with difficult reforms, but more fundamentally, to ensure that the policy changes adopted are realistic, sustainable and in line with country needs and priorities.

The following considerations need special attention:

- Developing countries should not be overloaded with heavy commitments, without corresponding undertakings from donors to improve the quality and coordination of their aid efforts.
- International priorities - the education MDGs – should not get exclusive emphasis, at the expense of other EFA goals that many governments consider equally urgent, such as reducing adult illiteracy and expanding access to early childhood education and non-formal education.
- Policy norms that would be unrealistic and/or counterproductive in some countries, for example a stipulation that teachers' salaries should be capped at a certain multiple of per capita GDP, should not be imposed as universal benchmarks.

Without the full involvement of developing country governments in shaping the terms of the Fast Track compact, the indicative framework risks being imposed on countries as a series of unrealistic conditionalities. In the longer run, these factors would slow implementation, and restrict expansion of the Fast Track initiative.

Although any decision-making process involves tensions between speed and ownership, the need to strengthen donor-country partnerships should not be used by donors as a pretext for slowing down the Fast Track initiative. Partnerships can only be built through the practical experience of developing and implementing plans, with the guaranteed financial support of donors. Revisions to the EFA action plan will emerge from this process.

### 3 Expanding the Fast Track list

***'We encourage all countries to place education at the heart of their poverty reduction strategies, reform their education policies to achieve Universal Primary Completion and monitor progress towards the 2015 education goals in line with an enhanced focus on results'***

Development Committee communiqué, April 2002

Implementation in the 18 Fast Track countries would represent a positive start to delivering on the EFA action plan. However, more countries can and should receive immediate additional assistance, given the Bank's own assessment that 33 countries are able to effectively absorb significant additional resources – and given that the 18 countries between them account for only 17 million of the 125 million children who do not now attend school.

The original timetable for the Fast Track initiative envisaged an expansion phase starting in January 2003. A clear starting point would be serious efforts to accelerate progress in the five high-population countries<sup>5</sup> slated for analytical support during the pilot Fast Track phase; for example, through sub-national partnerships with states or provinces that are ready to move forward on EFA. At the same time, the international community also needs to make a clear commitment to expand the Fast Track partnership to other countries as and when they become ready.

Mindful of past donor suspicion that any coordinated effort on EFA means writing a 'blank cheque' for undeserving countries, the architects of the Fast Track initiative made sure that all countries selected for the pilot phase were ones who had already received a donor stamp of approval in the form of a full Poverty Reduction Strategy Paper (PRSP). But many countries with strong commitment to the EFA goals are still several years away from a full PRSP. If this now becomes enshrined as a prerequisite for eligibility, educational improvements for millions of children will be needlessly postponed. Having embarked on a serious education reform programme, captured in a credible Interim PRSP, should be sufficient to kick-start the Fast Track process.

If the financing framework is going to be more than simply a way of committing additional aid to a relatively small number of strong reformers, interim strategies are needed to help countries with weak policy environments, which are often years away from developing PRSPs. These countries urgently need coordinated donor support to meet their immediate educational needs, and get 'on track' to achieve education for all, while simultaneously developing the long-term capacity to produce and implement national plans and poverty reduction strategies. At each stage of this 'escalator approach' countries should be assured of the additional donor resources they need in order to strengthen institutions, skills and systems, while continuing to improve and expand the delivery of basic education.

## Recommendations

It is time for the international community to deliver on its promises to the world's children. The Fast Track initiative represents the first serious and systematic effort since the Dakar summit to accelerate progress towards the education goals. Yet without full financial and political backing from the donors, the momentum achieved on education at the Spring Meetings will have been wasted, and the initiative will fail.

We call on the Development Committee to demonstrate leadership on education by acting on the following issues:

- Donors must commit additional annual financing of \$5bn to implement the EFA action plan. Without additional donor funding, or an effective mechanism for coordination, the Fast Track initiative will become simply another set of conditionalities imposed on low-income countries. If the donor community is serious about achieving the MDGs, it needs to act now on the pledges made in Monterrey, and meet financing gaps on a country-by-country basis. This will not be achieved by business as usual, and requires a multilateral framework within which national plans are systematically developed, funded and monitored.
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## End notes

<sup>1</sup> At the World Education Forum in Dakar in 2000, governments from 180 countries agreed to a framework for action to achieve Education for All (EFA).

<sup>2</sup> The Development Committee is the committee of the world's finance and development ministers. It oversees the work of the World Bank and meets twice yearly (the "Spring Meetings" and the "Annual Meetings").

<sup>3</sup> The six EFA goals, endorsed by world governments in Dakar in 2000, are universal completion of free, good quality education by 2015; gender equity in primary and secondary education by 2005; a 50% reduction in adult illiteracy by 2015; measurable improvements in education quality; expanded provision of early childhood education and care; and expanded access to lifelong learning opportunities. The first two goals have also been endorsed as Millennium Development Goals.

<sup>4</sup> Bolivia, Burkina Faso, Honduras, Mauritania, Mozambique, Nicaragua, Niger, Tanzania, Uganda, Zambia, Albania, Gambia, Ghana, Guyana, Vietnam, Guinea, Ethiopia, Yemen.

<sup>5</sup> Bangladesh, Democratic Republic of Congo, India, Pakistan, Nigeria.

**The Global Campaign for Education is a worldwide alliance of NGOs and trade unions active in more than 150 countries.**

Members of the GCE's elected Board are: Actionaid Alliance, African Networks Campaign for Education for All (ANCEFA), Asia-Pacific Bureau for Adult Education (ASPBAE), Brazilian National Campaign for the Right to Education, Campaign for Popular Education (CAMPE Bangladesh), Education International, Global March Against Child Labour, Oxfam International, South African National NGO Coalition (SANGOCO).

GCE thanks Actionaid Alliance for its contribution to authoring this paper. Please send comments to:

Anne Jellema, Advocacy Coordinator  
([anne@campaignforeducation.org](mailto:anne@campaignforeducation.org))

GCE-CME, 5 bd du Roi Albert II, B-1210 Brussels, Belgium  
[www.campaignforeducation.org](http://www.campaignforeducation.org)