Achieving Education for All will require large amounts of new financial resources, a significant proportion of which must come from the individual countries themselves.

According to the World Bank, only 3 per cent of education budgets in developing countries are funded by the international community. Other estimates put this figure at 10 per cent, while in some specific countries it can be as high as 40 per cent. Although countries will continue to fund the lion’s share of their education systems, external funding will be vital to allow them to step up their EFA efforts.

The 1990 decline

Despite the pledge made by the international community in Jomtien (Thailand, 1990), Official Development Assistance (ODA) and lending declined severely during the mid-1990s although it has recovered somewhat in recent years. As a percentage of GNP of OECD/DAC countries, ODA fell by more than one-fifth in constant dollar terms, with slight recovery in 1999. Given the urgency of reaching the EFA goals, this decline is disturbing.

Even in the least developed countries, the trend has been downward. Sub-Saharan Africa has witnessed the sharpest decline, of roughly one-third. Four major economies – France, Germany, Japan and the United States – recorded the highest reductions in their assistance during the 1990s.

Although it is noteworthy that within this overall drop, education seems to have suffered relatively less, no increase was registered. Basic education, on the other hand, continues to constitute an insignificant proportion of individual countries’ development assistance.

The Dakar response

The Dakar Framework for Action calls for external funding on a systematic basis. It states: “We affirm that no countries seriously committed to education for all will be thwarted in their achievement of this goal by a lack of resources”. It also calls for a global initiative to formulate the strategies and mobilize the resources needed to provide effective support to national EFA efforts.

The global initiative

The global initiative is based on a common understanding between development partners and countries on the following basic principles:
● It is more than a financial mechanism; it is a means of tackling poverty reduction, ensuring sustainable development and creating an enabling environment nationally, primarily through human and institutional capacity-building. Resources are understood as financial, human and material.

● It favours a sector-wide approach above the fragmented project support that characterized development co-operation in earlier decades.

● It argues that greater predictability rests, on one hand, on the capacity of aid providers to fulfil medium – or long-term commitments, and on the other, on the capacity of aid-receiving countries to absorb and use funding in accordance with nationally defined plans and goals.

● It supports the identification of innovative financial schemes that can supplement official development assistance and lending. Debt relief and/or cancellation and debt for development swaps are examples of such mechanisms.

● It argues that more effective donor co-ordination could support consistency in goals and strategies by all actors and maximize the impact of international assistance.

**EFA is affordable**

The World Bank, UNESCO and other organizations are calculating the likely additional EFA funding needs by countries to achieve universal primary education. Current global estimates vary between OXFAM’s $8 billion a year and the UNESCO Institute for Statistics’ $15 billion.

However, taking the highest estimate of $15 billion a year, the cost of achieving EFA is less than 0.3 per cent of total GNP of the developing countries, 0.06 per cent of that of developed countries and 0.05 per cent of the world’s GNP.

Considering that for the period 1997-98, ODA averaged only $703 million, the resource gap compared with the lowest required figure – $8 billion – is glaring.

**What is proposed?**

Only five countries – Denmark, the Netherlands, Norway, Sweden and Luxembourg (in the case of Luxembourg, provisional indications for 2000) actually meet the UN target of 0.7 per cent or more of GNP for international development assistance. All development partners should not only fulfil this commitment but should also increase the proportion they allocate to basic education.

Another proposal is increasing ODA for basic social services from the current 10 to 20 per cent along the lines of the 20:20 Initiative, which recommends that development partners provide 20 per cent of their international assistance to basic social services and recipient countries 20 per cent of their budgets.

Support for education in countries in crisis and emergencies must be addressed now. The EFA partners must jointly find creative ways to sustain these countries, thus demonstrating their collective will to follow through effectively on the Dakar commitment.

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