
SDG4 High-Level Steering Committee and the Global Education Cooperation Mechanism

The Global Education Cooperation Mechanism (GCM) is the global ecosystem consisting of all global education actors that have agreed to work cooperatively in support of advancing Sustainable Development Goal 4 - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The High-Level Steering Committee (HLSC), the governance body of the GCM, ensures that stakeholders and constituencies are represented at the highest level to take strategic decisions and action for education, and to ensure the systematic alignment of approaches for education-related targets within the 2030 SDG Agenda at global and regional levels.

The Global Education 2030 Agenda

UNESCO, as the United Nations' specialized agency for education, is entrusted to lead and coordinate the Education 2030 Agenda, which is part of a global movement to eradicate poverty through 17 Sustainable Development Goals by 2030. Education, essential to achieve all of these goals, has its own dedicated Goal 4, which aims to “*ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.*” The Education 2030 Framework for Action provides guidance for the implementation of this ambitious goal and commitments.



Published in 2024 by the United Nations Educational, Scientific and Cultural Organization,
7, place de Fontenoy, 75352 Paris 07 SP, France

© UNESCO 2024



This document is available in Open Access under the Attribution-ShareAlike 3.0 IGO (CC-BY-SA 3.0 IGO) license (<http://creativecommons.org/licenses/by-sa/3.0/igo/>). By using the content of this document, the users accept to be bound by the terms of use of the UNESCO Open Access Repository (<http://www.unesco.org/open-access/terms-use-ccbysa-en>).

Images marked with an asterisk (*) do not fall under the [CC-BY-SA](#) license and may not be used or reproduced without the prior permission of the copyright holders.

The designations employed and the presentation of material throughout this document do not imply the expression of any opinion whatsoever on the part of UNESCO concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

The ideas and opinions expressed in this document are those of the authors; they are not necessarily those of UNESCO and do not commit the Organization.

Cover photo: © Kudryashka/Shutterstock.com, © Champ008/Shutterstock.com

Cover design: UNESCO
Graphic design: UNESCO
Icons: © M-vector/Shutterstock.com
Typeset: UNESCO

Printed by: UNESCO

Printed in Paris

TABLE OF CONTENTS

A PIVOTAL MOMENT IN HISTORY	4
A CRISIS IN EDUCATION WITH GLOBAL CONSEQUENCES	6
GLOBAL INVESTMENTS IN EDUCATION ARE INADEQUATE AND UNEQUALLY DISTRIBUTED	8
Domestic education budgets are struggling	8
International education spending is falling	9
EDUCATION: A TRANSFORMATIVE INVESTMENT	10
High economic payoffs for individuals, governments and society	10
Improving wellbeing and building more peaceful, equal and greener societies	11
CLOSING THE FINANCE GAP MUST BE A KEY PRIORITY	13
Investing more in education	13
Investing more efficiently and equitably	14
CONCLUSION: THE TIME IS NOW	15

A pivotal moment in history



KEY MESSAGE

Rapid changes in climate, technology, and demographics are reshaping our world, creating profound economic and societal impacts. Although education is fundamental to equipping humanity with the knowledge and skills needed to confront these challenges, the need to invest adequately in education is severely neglected, to the detriment of our collective future.

The world is at a pivotal moment in history. In the coming decades we are facing major shifts that will transform the way we live, work, and interact. Climate change is rapidly reshaping our built and natural environment, with far-reaching

social, economic, political and humanitarian consequences. Advances in digital technology are rewriting the future at a breathtaking pace, with profound impacts on jobs and social life. Demographic shifts are transforming economies and societies, due to the aging of the world's people, most notably in high-income countries, paired with a fast-growing youth population, especially in Africa.¹

These shifts have widespread impacts on societies and economies, both negatively and positively, with changes in global labour force impacting on productivity and economic growth, innovation capacity, pressures on pension systems and healthcare, risk of youth unemployment, and surges in migration. In the next five years, worldwide, almost 50 percent of today's jobs and workers' skills² will be disrupted by technology and automation³ – especially artificial intelligence, requiring a new skills and knowledge set. The world is less peaceful⁴ than it was pre-pandemic, and geopolitical instability, a growing number of conflicts and climate disasters, are taking their toll. Nearly one out of five children around the world is living in or fleeing from conflict⁵ and more than 120 million people are forcibly displaced, double compared to just 10 years ago.⁶ Economic inequalities are on the rise⁷, gender disparities are worsening⁸,

- 1 United Nations Department of Economic and Social Affairs. 2023. *World Social Report 2023: Leaving no one behind in an ageing world*. https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2023/01/WSR_2023_Chapter_Key_Messages.pdf
- 2 World Economic Forum. 2023. *The Future of Jobs Report 2023*. <https://www.weforum.org/publications/the-future-of-jobs-report-2023/>
- 3 McKinsey & Company. 2023. *The economic potential of generative AI: The next productivity frontier*. <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-AI-the-next-productivity-frontier#/>
- 4 Institute for Economics and Peace. 2024. *Positive Peace Report 2024*. <https://www.economicsandpeace.org/wp-content/uploads/2024/04/PPR-2024-web.pdf>
- 5 UNOCHA. 2023. *Global Humanitarian Overview 2024*. https://www.unocha.org/attachments/54c06781-48bb-4132-9d42-fc098192378c/GHO-2024-EN_full_contribute.pdf
- 6 UNHCR. 2024. *Global Trends: Forced Displacement in 2023*. <https://www.unhcr.org/global-trends-report-2023>
- 7 Qureshi, Z. 2023. *Rising inequality: A major issue of our time*. Brookings Institute. <https://www.brookings.edu/articles/rising-inequality-a-major-issue-of-our-time/>
- 8 UN Women. 2022. *Progress on the Sustainable Development Goals: The Gender Snapshot 2022*. <https://unstats.un.org/sdgs/gender-snapshot/2022/GenderSnapshot.pdf>

and children's rights – including the right to education – are being denied⁹.

Our future depends on how well-equipped tomorrow's leaders are to learn, innovate, adapt and harness the challenges these transitions present.

Yet, world leaders are failing to prioritize one of the most critical investments in our shared future: quality education.



© sahlan/Shutterstock.com

9 UNICEF. 2022. *Rights denied: The impact of discrimination on children*. <https://www.unicef.org/reports/rights-denied-discrimination-children>

A crisis in education with global consequences



KEY MESSAGE

A dire education crisis is leaving a generation of children and young people in lower-income countries without the knowledge and skills they need to thrive in the economies and societies of tomorrow. In an increasingly interconnected world, neglecting their education will have devastating global consequences.

A triple crisis in education is unfolding before our eyes, one of equity and inclusion, quality, and relevance. Despite education being a universal human right, in 2023, more than 251 million – or one in six – children and young people globally were out of school.¹⁰ Meanwhile, even those learners who are in school, are not being

equipped with the knowledge and skills they need to live empowered and productive lives. In low- and lower-middle income countries, 70% of children are unable to read and understand a simple text by the time they reach age 10.¹¹ In the poorest countries, this measure, known as learning poverty, is as high as 90%. Because of this, it is estimated that the current generation of students will risk losing US\$21 trillion in potential lifetime earnings in present value, or the equivalent of 17 percent of today's global GDP. Globally¹², there is a shortage of 44 million additional teachers, which need to be recruited just to meet universal primary and secondary education targets by 2030¹³, leaving the quality of teaching and learning in the classroom under severe pressure.

The impacts of the COVID-19 pandemic, conflicts, climate emergencies, and human rights rollbacks have deepened this pre-existing crisis in education. Half of all refugee children are out of school, and 40 million children per year have their education interrupted by climate-related disasters.¹⁴ Girls, children from poor households, children with disabilities, and internally displaced and refugee children still face significant barriers to learning.

10 UNESCO. 2024. VIEW - Visualising Inequalities in Education Website, Out-of-School Rate. <https://education-estimates.org/out-of-school/>

11 World Bank, UNICEF, FCDO, USAID and Bill and Melinda Gates Foundation, UNESCO. 2022. *The State of Global Learning Poverty: 2022 Update*. <https://www.worldbank.org/en/topic/education/publication/state-of-global-learning-poverty>

12 UNESCO and International Task Force on Teachers for Education 2030. 2023. *The teachers we need for the education we want: The global imperative to reverse the teacher shortage*. <https://unesdoc.unesco.org/ark:/48223/pf0000387001/PDF/387001eng.pdf.multi>

13 UNESCO and International Task Force on Teachers for Education 2030. 2024. *Global Report on Teachers: Addressing teacher shortages and transforming the profession*. <https://unesdoc.unesco.org/ark:/48223/pf0000388832.locale=en>

14 Theirworld. 2018. Safe schools: The hidden crisis. <https://theirworld.org/wp-content/uploads/2018/12/Theirworld-Report-Safe-Schools-December-2018.pdf>

Inclusive, quality and relevant education is also the main vehicle to equip learners with the indispensable skills for engaging actively in the changing economy, upon which long-run economic growth depends.¹⁵ However, in many lower-income countries, education systems are not adequately preparing young people for the transition to the job market by giving them the foundational skills they need to succeed. If young people are not equipped with basic literacy and numeracy skills, cognitive and foundational skills such as creative thinking and problem solving,¹⁶ as well as digital and green skills, they are less likely to thrive in the workforce, have less opportunities in the job market, and subsequently have lower earning¹⁷

potential. These skills also play a crucial role in developing individuals' abilities to learn throughout their lives, upskill and reskill to adapt to the fast-changing labour market. Without a significant change, by 2030, a staggering 880 million school-aged children in low- and lower-middle-income countries will be off-track to achieve the basic skills they need to succeed in the job market.¹⁸

The learning crisis constrains our individual and collective human rights and capacities, and poses a major threat to the future of sustainable economic, social and environmental development.



© Mircea Moria/Shutterstock.com

15 Hanushek, E. A. and Woessmann, L. 2015. *The Knowledge Capital of Nations: Education and the Economics of Growth*. <https://www.jstor.org/stable/j.ctt17kk9kq>
Schultz, T. W. 1961. Investment in Human Capital. *The American Economic Review*, Vol. 51, No. 1 (Mar., 1961), 1-17. <https://la.utexas.edu/users/hcleaver/330T/350kPEESchultzInvestmentHumanCapital.pdf>

16 Global Education Futures and WorldSkills Russia. 2020. *Future Skills for the 2020s*. <https://api.worldskills.org/resources/download/12832/14248/15165?l=en>

17 UNESCO and World Bank. 2023. *Education Finance Watch 2023*. <https://unesdoc.unesco.org/ark:/48223/pf0000387042>

18 International Commission on Financing Global Education Opportunity. 2016. *The Learning Generation: Investing in Education for a Changing World*. https://report.educationcommission.org/wp-content/uploads/2016/09/Learning_Generation_Full_Report.pdf

Global investments in education are inadequate and unequally distributed



KEY MESSAGE

Global public spending on education is woefully inadequate to address the education crisis. An urgent paradigm shift is needed to prioritize and increase investments in education, teaching and learning, and to ensure that resources for education are distributed more equally.

Despite the scale of the education crisis we are witnessing, current global education spending is far from sufficient to address the urgent and mounting learning crisis, and not enough of it is reaching the children and learners most in need. UNESCO has estimated the investment gap for

developing countries to achieve universal quality education at nearly US\$100 billion per year¹⁹.

Domestic education budgets are struggling

In 2022, total spending on education reached US\$5.8 trillion – the majority of which stems from government budgets. However, governments in low- and lower-middle-income countries, where the majority of the “learning poor” live, are not spending enough on education to close the learning gap. Among the countries with available expenditure data, 41% did not meet either of the established benchmarks of at least 4-6% of GDP and 15-20% of total public expenditure.²⁰ In 2022, governments in low-income countries spent on average just US\$55 per learner per year on education. By contrast, high-income countries spent on average US\$8,543 per capita – 155 times more. Deficits in public education budgets place a burden on households. In lower- and lower-middle-income countries, household spending accounts for more than a third of all education spending – which means that poorer children

¹⁹ UNESCO. 2023. *Can countries afford their national SDG4 benchmarks?* <https://unesdoc.unesco.org/ark:/48223/pf0000385004>

²⁰ UNESCO. 2023. *Global Education Monitoring Report 2023. Technology in education: A Tool on Whose Terms?* <https://unesdoc.unesco.org/ark:/48223/pf0000385723>

are more likely to be excluded from schooling.²¹ Governments also under-invest in teachers: half of all countries pay teachers less than other professions requiring similar qualifications.²² Unsurprisingly, key learning outcomes are lowest in countries that are spending the least per school-aged child.²³

Low levels of education spending are impacted by broader fiscal constraints. Today's economic landscape is characterized by spiralling national debt, increasing fiscal austerity, unrelenting climate disasters, and extreme inequality. Recent data shows that 58% of low- and lower-middle income countries are now either in debt distress or at risk of debt distress,²⁴ and for a growing number of countries, debt servicing is consuming a greater share of the government budget envelope than education.²⁵ Education budgets are often first to feel the pressure: during the COVID pandemic, a 1 percent increase in external debt was associated with a 2.9 percent decline in education spending per school-aged child.²⁶

International education spending is falling

In an increasingly globalized and rapidly changing world, the impact of not educating children and youth has impacts that reach far beyond national boundaries. Although education development should be a priority for global investment, official development assistance (ODA) to education is falling. Since 2002, the overall share of international aid allocated to education has fallen from about

12% to just 7.6% in 2022.²⁷ In the same period, the share of ODA for health has grown from about 15% to nearly 24%.²⁸

Between 2020 and 2022, aid to education further shrank – from US\$19.3 billion in 2020 to US\$16.8 billion in 2022.²⁹ The brunt of this decline was felt where needs are highest: the biggest drop was to basic education in low-income countries.³⁰ Sub-Saharan Africa, which has the fastest growing population and is home to more than half of the world's out-of-school primary aged children, received less than one third of all ODA to basic education. In the same period, aid to secondary education grew slightly, while aid to tertiary education remained constant – although it is worth noting that some donor countries allocate as much as 60% of their aid to post-secondary education within their own countries, for example through scholarships for international students.³¹



© Omotayo Kofoworola/Shutterstock.com

21 UNESCO and World Bank. 2024. *Education Finance Watch 2024*. <https://www.unesco.org/gem-report/en/2024efw>

22 UNESCO and International Task Force on Teachers for Education 2030. 2024. *Global Report on Teachers: Addressing teacher shortages and transforming the profession*. <https://unesdoc.unesco.org/ark:/48223/pf0000388832.locale=en>

23 UNESCO and World Bank. 2024. *Education Finance Watch 2024*. <https://www.unesco.org/gem-report/en/2024efw>

24 International Monetary Fund. 2020. *The Evolution of Public Debt Vulnerabilities in Lower Income Economies*. <https://www.imf.org/en/Publications/Policy-Papers/Issues/2020/02/05/The-Evolution-of-Public-Debt-Vulnerabilities-In-Lower-Income-Economies-49018>; and World Bank. 2023. *International Debt Report 2023*. Washington, DC: World Bank. doi:10.1596/978-1-4648-2032-8. <https://openknowledge.worldbank.org/entities/publication/02225002-395f-464a-8e13-2acfa05e8f0>

25 UNICEF. 2021. *Protecting and Transforming Social Spending for Inclusive Recoveries: COVID-19 and the Looming Debt Crisis*. <https://www.unicef.org/innocenti/media/3596/file/UNICEF-COVID-19-Looming-Debt-Crisis-2021.pdf>

26 Miningou, E. W. 2023. *External Debt, Fiscal Consolidation, and Government Expenditure on Education*. World Bank Group. <https://documents1.worldbank.org/curated/en/099748506072325934/pdf/IDU09d7e7fa50fbff046e00a8a80e07ac5341e5b.pdf>

27 UNESCO and World Bank. 2024. *Education Finance Watch 2024*. <https://www.unesco.org/gem-report/en/2024efw>

28 Ibid

29 Ibid

30 Ibid

31 Ibid

Education: A transformative investment



KEY MESSAGE

Investing in education has immense long-term rewards. It transforms lives and improves wellbeing, stimulates economies, sparks innovation and fosters more equal, inclusive and peaceful societies. It is also an untapped but critical strategy of climate action.

Education is not just a fundamental human right: it is one of the most powerful strategies for unlocking and accelerating progress towards all the sustainable development goals.

High economic payoffs for individuals, governments and society

Investing in quality, inclusive public education is a critical engine to improve economic prospects and has ripple effects, stimulating economic growth.

On the individual level, educated people have better job opportunities and earn higher wages. Each additional year of education increases a person's annual earnings by around 9 percent – a higher yield than most other investments.³² In fact, increased levels of education directly account for 70% of income gains for the world's poorest quintile of the population, and globally a 40% reduction in extreme poverty since 1980.³³

As people's economic prospects improve, so too do the prospects for their societies. Higher individual earnings translate to higher spending and increased long-term tax returns, which can be reinvested by governments, meaning that education is, essentially, a self-financing investment.³⁴ Education builds skills and fosters creativity, and educated people tend to innovate more and create new businesses and technologies, which in turn boost private sector development and generate more

32 Patrinos, H. A. 2023. *50 years after landmark study, returns to education remain strong*. World Bank Blogs. <https://blogs.worldbank.org/en/education/50-years-after-landmark-study-returns-education-remain-strong>

33 Gethin, A. 2023. *Distributional Growth Accounting: Education and the Reduction of Global Poverty*. <https://shs.hal.science/halshs-04423765>

34 Deming, D. J. 2022. *Four Facts about Human Capital*. *Journal of Economic Perspectives*—Volume 36, Number 3—Summer 2022. <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.36.3.75>

employment.³⁵ Education is also a powerful tool for fostering greater gender equality in societies and unblocking obstacles to women's full participation in the labour force, which is an essential precondition for sustained economic growth.³⁶

As a result, every US\$1 a government spends on education increases GDP on average by US\$20.³⁷ In fact, new research has shown that investments made in education are directly responsible for a staggering 50% of global economic growth in the last three decades.³⁸ Conversely, the cost of not investing in education is colossal. Governments stand to lose out on US\$1.1 trillion in foregone revenue each year for early school leavers and US\$3.3 trillion per year for children without basic skills.³⁹

Improving wellbeing and building more peaceful, equal and greener societies

The returns on education extend far beyond economic wealth. Quality education is an important driver⁴⁰ of human rights, reducing inequalities⁴¹ and improving overall wellbeing. Countries that increase levels of education over time in return see better health, lower mortality rates, and more rationalised reproduction rates. Schools are vital vehicles for health, life skills and nutrition interventions, which in turn lead

to better education outcomes in a virtuous cycle. Another reciprocal relationship exists between education and gender equality. When combined with broader interventions on social norms, gender-equitable education systems can reduce gender-based school dropouts, school-related gender-based violence, and harmful practices like child marriage and female genital mutilation,⁴² which are all major barriers to girls' education and empowerment. Increasing women's and girls' educational attainment contributes to more inclusive societies and helps close gender gaps in the work force, which in turn leads to greater social cohesion and economic prosperity. It also leads to better maternal and infant health outcomes. Fully closing the gender gap in labour markets would increase GDP by 23% on average.⁴³

Greater investments in education are also linked to more peaceful, equal, inclusive and open societies, greater civic engagement, a more likely embrace of democratic values, and stronger social cohesion.⁴⁴ On average, countries where more children complete basic education are more peaceful and experience less violence. Societies where more young people – especially women – are engaged in education, employment or training have lower levels of political instability, internal conflict and suffer less from the impacts of terrorism.⁴⁵ In addition, quality education can also be a powerful tool to combat discrimination and build learners'

35 Annabi, N. 2017. Investments in education: What are the productivity gains? *Journal of Policy Modelling*, 39(3), 499-518. <https://www.sciencedirect.com/science/article/abs/pii/S0161893817300212>

36 Halim, D. Z., O'Sullivan, M. B. and Sahay, A. 2023. *Increasing Female Labor Force Participation*. World Bank Group Gender Thematic Policy Notes Series: Evidence and Practice Note. World Bank Group. <http://hdl.handle.net/10986/39435>

37 World Bank. 2018. *World Development Report 2018: Learning to Realize Education's Promise*. Washington, DC: World Bank. doi:10.1596/978-1-4648-1096-1. <https://www.worldbank.org/en/publication/wdr2018>

38 Gethin, A. 2023. *Distributional Growth Accounting: Education and the Reduction of Global Poverty*. <https://shs.hal.science/halshs-04423765>

39 UNESCO, OECD and Commonwealth Secretariat. 2024. *The Price of Inaction: The global private, fiscal and social costs of children and youth not learning*. <https://unesdoc.unesco.org/ark:/48223/pf0000389852>

40 World Bank. 2018. *World Development Report 2018: Learning to Realize Education's Promise*. Washington, DC: World Bank. doi:10.1596/978-1-4648-1096-1. <https://openknowledge.worldbank.org/server/api/core/bitstreams/f1117ec2-e5ec-516d-98ed-c3c2f82210b3/content>

41 Brückner, M., Dabla-Norris, E. and Gradstein, M. 2014. *National Income and its Distribution*. IMF Working Paper, WP/14/101. <https://www.imf.org/external/pubs/ft/wp/2014/wp14101.pdf>

42 UNGEI and UNICEF. 2021. *Girls' Education, Empowerment, and the Elimination of Female Genital Mutilation*. <https://www.ungei.org/sites/default/files/2021-10/FGM-Education-Note-English-2021.pdf>

43 Ostry, Jonathan D., Alvarez, J., Espinoza, R. and Papageorgiou, C. 2018. *Economic Gains from Gender Inclusion: New Mechanisms, New Evidence*. <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2018/10/09/Economic-Gains-From-Gender-Inclusion-New-Mechanisms-New-Evidence-45543>

44 Badel, A. and Goyal, R. 2023. *When Will Global Gender Gaps Close?* <https://www.imf.org/en/Publications/WP/Issues/2023/09/13/When-Will-Global-Gender-Gaps-Close-537981>

45 OECD. 2012. *Equity and Quality in Education: Supporting Disadvantaged Students and Schools*. https://www.oecd-ilibrary.org/education/equity-and-quality-in-education_9789264130852-en

45 Global Partnership for Education and Institute for Economics and Peace. 2024. *Key Findings from Analyses on the Relationship Between Education and Peace*. <https://www.globalpartnership.org/node/document/download?file=document/file/2024-04-iep-gpe-key-findings-education-and-peace-rev1.pdf>

resilience to violent extremism and hateful narratives.⁴⁶

Investing in education is also crucial to helping humanity mitigate and adapt to one of the greatest challenges of this and the next generation: climate change. Quality education dramatically reduces vulnerability to death from weather-related disasters. If every child received a full secondary school education by 2030, more than 200,000 disaster-related deaths could be averted in the following two decades through improved risk awareness.⁴⁷

Girls' education has been identified as the most important socio-economic determinant in reducing vulnerability to climate change.⁴⁸ Education is also the single strongest predictor of climate change awareness, and studies have shown that educated people are more likely to engage in pro-environmental behaviour changes.⁴⁹ Education should be harnessed as a singularly powerful driver to advance climate adaptation and action, promote more sustainable ecosystem practices and develop skills to build green societies. The need to build climate-smart and climate-resilient education systems is undeniable. Yet, the amount of funding from climate finance allocated to education is limited.⁵⁰



© MikeDotta/Shutterstock.com

46 UNESCO. 2023. What you need know about preventing violent extremism through education. <https://www.unesco.org/en/articles/what-you-need-know-about-preventing-violent-extremism-through-education>

47 UNESCO. 2016. Global Education Monitoring Report: Education for people and planet: creating sustainable futures for all. <https://unesdoc.unesco.org/ark:/48223/pf0000245752>

48 Muttarak, R. and Lutz, W. 2014. *Is Education a Key to Reducing Vulnerability to Natural Disasters and hence Unavoidable Climate Change?* <https://www.jstor.org/stable/26269470>

49 Si, W., Jiang, C., and Meng, L. 2022. *The Relationship between Environmental Awareness, Habitat Quality, and Community Residents' Pro-Environmental Behaviour-Mediated Effects Model Analysis Based on Social Capital*. International journal of environmental research and public health, 19(20), 13253. <https://doi.org/10.3390/ijerph192013253>

50 UNICEF, The World Bank and International Labor Organization. 2024. *Skills for the Green Transition: Solutions for Youth on the Move*. <https://www.unicef.org/media/153076/file/Skills%20for%20a%20green%20transition.pdf>

Closing the finance gap must be a key priority



KEY MESSAGE

Education spending must be seen as a strategic long-term investment, not as cost. Bold leadership and action at national and international levels is needed to close the education finance gap and turn the teaching and learning crisis around.

Transforming education, teaching and learning should be at the forefront of the global political and development agenda. Closing the financing gap for education must be an urgent global priority. Governments and development partners should work together to devise and implement long-term sustainable investment strategies to adequately finance education. This will require bold leadership and concerted action, including towards implementing the Call to Action on Educational Investment⁵¹ that emerged from the 2022 Transforming Education Summit⁵², more particularly:

Investing more in education

National governments must protect and increase education budgets to achieve investment levels of at least 4-6% of GDP and 15-20% of public expenditure, following the Incheon and Paris Declarations, and ensure adequate budget to finance closing the teacher shortage. Governments must prioritize tax justice and adopt progressive tax reforms to enhance domestic revenue mobilization and increase the size of the public – and therefore the education – budget. The negotiations underway for a new UN Framework Convention on Tax are crucial for enabling all countries to expand their tax revenues in fair and equitable ways to finance education and other public services. Where possible, governments should avoid austerity policies such as public sector wage bill constraints that have adverse effect on the education sector.

In addition, bold initiatives such as the G20's current proposal for an internationally coordinated "billionaires' tax" should be pursued and the financing generated through these investments channelled to public sector investments including education.

International donors must meet their international commitments to ODA and reverse

51 TES Call-to-Action on Educational Investment. 2022. https://media.unesco.org/sites/default/files/webform/ed3002/TE5%2520SS6_Financing%2520Education_CtA_8%2520September_Web.pdf

52 Transforming Education Summit. 2022. Financing Education: Investing more, more equitably and more efficiently in education. United Nations. <https://www.un.org/en/transforming-education-summit/financing-education>;

the decline in ODA allocated for education. International financing institutions and regional banks must also expand access to low-cost lending to increase investments in education, and philanthropic and private sector actors should enhance their support for public education systems.

The education sector must be creative and more proactive about mobilizing resources through cross-sector investment synergies, such as with climate and health, and through innovative financing tools such as debt for education swaps, blended finance, guarantees, and other forms of crowding in of capital.

Finally, reforming the global financial architecture is essential to create increased space for countries to invest in public education. The international community must work together to reform the international financial and debt architecture to ensure sufficient and more equitable financing can be mobilized for education, including through: removing conditionalities that require cutting expenditure on education as a pre-requisite to attain new financing; enacting debt relief, restructuring and cancellation; removing obstacles such as public sector wage constraints; and advancing new or reallocated Special Drawing Rights.

Investing more efficiently and equitably

Countries can only realize the benefits from spending more on education if they are also spending it efficiently. For national governments, this means reducing financial leakages, enhancing delivery capacities, strengthening accountability frameworks, and improving transparency on education sector data and expenditures. Crucially, this entails investments in teachers. As underscored by the High-Level Panel on the Teaching Profession⁵³, it is urgent to invest in comprehensive teacher

policies including competitive salaries, decent working conditions, quality initial training and professional development, and teacher wellbeing. These investments are essential to make teaching an attractive profession and tackle the global teacher shortage. Getting investments in teachers right is particularly important as teacher salaries typically represent the largest share of education budgets. Governments can find additional efficiencies through whole-of-government approaches that put children and learners at the centre of national development strategies, allowing for pooled or joint funding across sectors.

To reap the economic and social returns of education, attention to equity in spending is equally important as expenditure efficiency. National governments should set specific goals for educational investment targeting the lowest income families, those in rural or remote areas, children with disabilities, and other vulnerable groups. They should systematically track and report educational investment and outcomes to ensure equitable distribution at all education levels, starting with pre-primary, with a focus on the most vulnerable. Additionally, governments should integrate gender responsiveness into public expenditure monitoring to correct imbalances and promote gender equality.

The international community can support efficiency and equity by accompanying lower-income countries in the above measures. Donor governments should channel a greater proportion of education ODA to countries and groups where needs are the highest, while also reducing duplication and fragmentation. One proven way of doing this is by channelling funds through multilateral organizations, which are able to pool funds and ensure resources are used more efficiently and effectively.⁵⁴

53 UN Secretary-General's High-Level Panel on the Teaching Profession. 2024. Recommendations for transforming the teaching profession to meet the needs of the future. <https://www.unesco.org/sdg4education2030/en/articles/un-secretary-generals-high-level-panel-teaching-profession-puts-forward-recommendations-allow>

54 International Finance Facility for Education. 2018. *International Finance Facility for Education Design Proposal*. The Education Commission. https://educationcommission.org/wp-content/uploads/2018/07/IFFEd_Design_Proposal.pdf.

Conclusion:

The time is now



KEY MESSAGE

Investing in education is the most powerful strategy to equip individuals and societies to navigate the complex challenges of our time, driving economic growth, social cohesion, and a sustainable future. Now is the time to invest in education and unlock the full potential of the next generation. The stakes are too high to put the future on hold.

The world stands at a crossroads, facing unprecedented challenges from climate change, technological advancements, rising inequalities, and demographic shifts. These forces are reshaping our societies and economies at a rapid pace, bringing both opportunities and risks. At the heart of navigating this complex future lies education—a powerful tool that equips individuals with the knowledge and skills necessary to adapt, innovate, and thrive.

Yet, despite its critical importance, education is mired in a global crisis characterized by inequity, poor quality, and irrelevance to the needs of today's world. Millions of children and young people, particularly in lower-income countries,

are being left behind without the foundational skills required to participate meaningfully in the workforce and society. This not only undermines their personal futures but also poses a significant threat to global stability and prosperity.

Central to this problem are the inadequate and uneven levels of investment in education. Governments and global leaders must recognize that education spending is not a cost to be minimized but a strategic investment with immense long-term rewards. It stimulates economies, fosters resilience and innovation, promotes social cohesion, peace and security, and serves as an untapped resource in the fight against climate change.

Increasing investments in education is a moral imperative and an economic and strategic necessity to accelerate progress towards all of the Sustainable Development Goals. Closing the education financing gap requires urgent action demanding bold leadership and a paradigm shift in how we value and prioritize education.

Investing in education is investing in our collective future. It is the cornerstone upon which we can build more resilient economies, healthier societies, and a more sustainable and peaceful world. Now is the pivotal moment to act decisively and commit to the transformative power of education—for the benefit of this generation and those to come. Failure to do so is equivalent to putting a better future for all on hold.



**Global Education
Cooperation Mechanism**
High-Level Steering Committee

The future at risk

Why investing in education is critical

Stay in touch



Education2030@unesco.org



www.unesco.org/sdg4education2030/en

Follow @UNESCO and @Education2030UN on social media



Sustainable
Development
Goals