

## **What are the key financing policy reforms and solutions that the fourth International Conference on Financing for Development should deliver? How could the Conference strengthen the follow-up process, to ensure accountability to and full implementation of commitments made?**

### **Submission from Education International**

[Education International](#) (EI) is the voice and force of teachers and education workers around the world. Through its 383 member organisations, EI represents more than 32 million teachers and education support personnel in 178 countries and territories.

EI supports the full list of intersectoral trade union demands submitted by the International Trade Union Confederation (ITUC). In addition, EI makes this submission in order to highlight the critical importance of education financing.

With the adoption of Sustainable Development Goal (SDG) 4, the world committed to achieving quality, inclusive and equitable education for all by 2030. With just 5 years left to achieve this goal and progress way off track, **we need a global financing framework that supports increased and sustainable financing for public education across the world.**

EI calls for the fourth International Conference on Financing for Development to deliver a global financing framework that advances and promotes social justice, sustainable development, human rights and equity. It also demands that the conference recognises the importance of fully funding education globally and agrees on policy which supports the implementation of quality education for all. Education is a key lever for development and a catalyst for the achievement of all other SDGs.

### **Domestic resources**

Currently, low- and lower-middle-income countries face a nearly US\$100 billion annual funding gap to reach their national SDG 4 target. Household spending accounts for more than a third of all education spending in these countries, meaning that families are filling the gap where governments are falling short, and children are denied their right to free quality education.

Insufficient resources for education leading to children and youth not learning has a social, private and fiscal cost of US\$ 10 trillion per year. On the other hand, investment in education pays dividends for peaceful, just, prosperous, equitable and sustainable societies. Every \$1 a government spends on education increases GDP on average by \$20.

Governments should prioritise investment in the education sector and supported to mobilise increased funding for all public services, including education, by increasing tax revenue through progressive taxation measures and clamping down on tax avoidance and evasion.

## **International development cooperation**

Being a global agenda, failure to achieve the Sustainable Development Goals in any country is failure for all. Large budget shortfalls in low- and lower-middle income countries mean that international development cooperation is crucial to reach SDG 4. Yet, the most recent data shows that the overall share of international aid to education fell from about 12% to 9.7% from 2020-2021.

High and middle-income countries should safeguard development cooperation budgets in the face of austerity measures. Donor countries should commit to spending 0.7% of GNI on development cooperation and should aim to spend at least 15% on education.

## **Debt and sustainability**

Approximately 50% of low income and low middle income countries are now either in debt distress or at risk of debt distress. Many countries are unable to allocate adequate funding levels to education due to debt servicing obligations. An effective and just global financing framework should start by offering debt forgiveness and relief to countries in debt distress and support all countries to invest in quality public services, which are crucial for development. The conference must recognise that debt sustainability can only be achieved when governments' obligation to provide quality public services is respected.

## **Addressing systemic issues**

Half of all countries pay teachers less than other professions requiring similar qualifications. There is a global teacher shortage of 44 million teachers in primary and secondary education and 6 million more teachers needed in early childhood education. Yet the International Monetary Fund continues to advise countries to cut or freeze the public sector wage bill. This has a particular impact on the education workforce, the largest item on most public sector wage bills. Due to this advice, governments are faced with either further reducing teacher salaries, or hiring less teachers, both of which exacerbate already acute teacher shortages. The IMF must stop advising governments to constrain the public sector wage bill, as this directly damages progress on SDG 4 and other sustainable development goals. This is particularly important in countries that already face teacher shortages.

## **Overarching reflections**

It is essential that the fourth International Conference on Financing for Development recognises the importance of protecting and increasing financing for public education. Education unions across the globe affiliated to Education International are campaigning for enhanced education budgets in their national contexts through the [Go Public: Fund Education! campaign](#). Global financing structures must support this aim.