



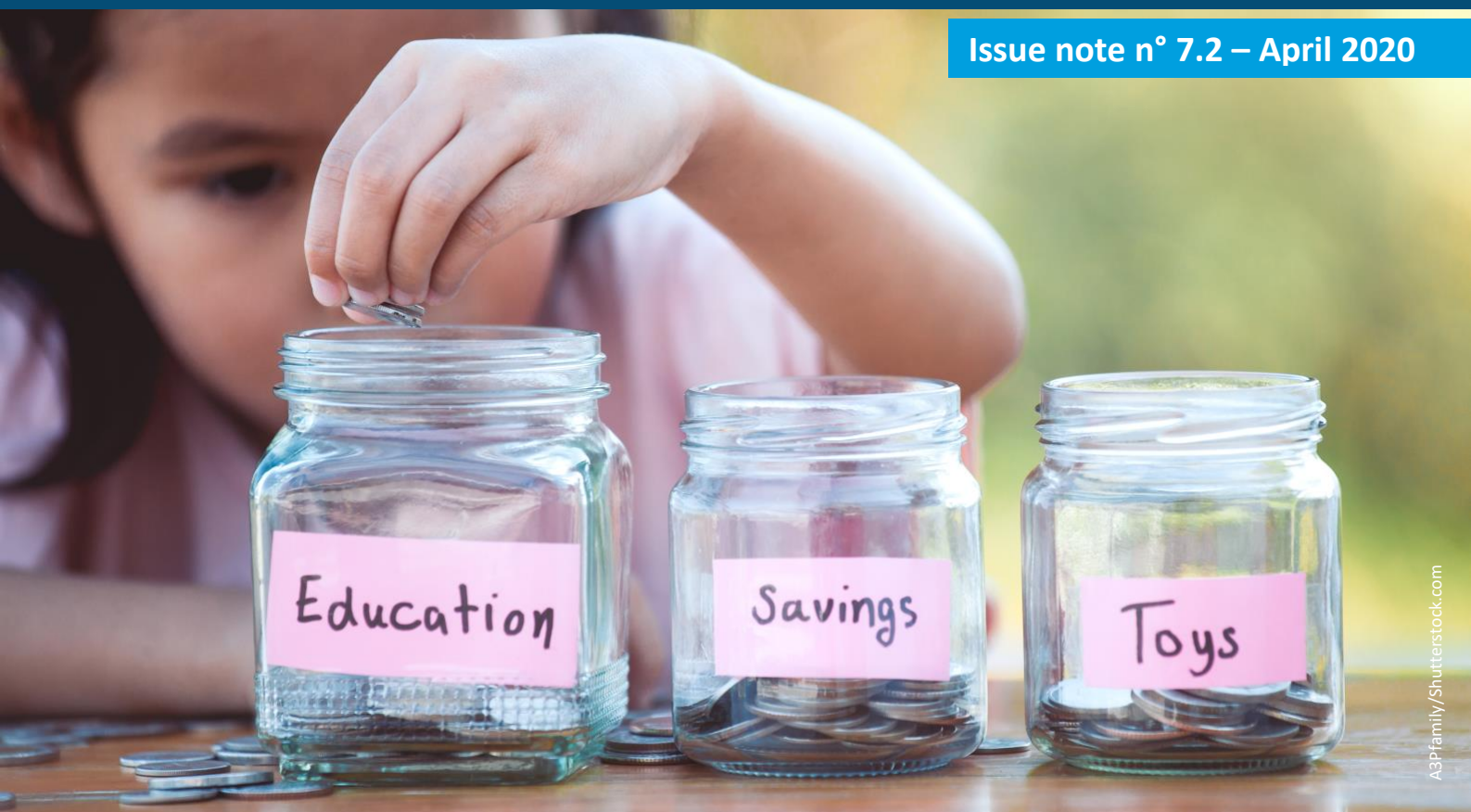
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UNESCO COVID-19 Education Response

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Anticipated impact of COVID-19 on public expenditures on education and implication for UNESCO work

Introduction

In order to address the impact of the COVID-19 pandemic on education, many countries are taking extraordinary measures. These measures include: setting up or scaling up distance learning platforms (including through traditional media such as TV and radio); re-designing scheduled exams/ assessments; providing extra sanitary measures in schools (if schools are not closed); providing additional teacher training and support; and providing support to parents and families. The additional resources required for these measures can be substantial for any country, but especially for countries with resource constraints and fragile economies. Prolonged school closure in many countries is putting a significant strain on education systems throughout the world.

Moreover, the economic impact of COVID-19 is anticipated to exceed that of the 2008 global financial crisis while its full impact is yet to be known. The [OECD](#) estimates that the initial economic impact of COVID-19 to be equivalent to a decline in annual GDP growth of up to 2 percentage points for each month during which strict containment measures are carried out. [UNCTAD](#) estimates that developing

countries will face a USD 2-3 trillion financing gap over the next two years. [African Union](#) estimates an average loss of 1.5 points on economic growth in 2020. Furthermore, school closure itself has a major economic impact. For example, closure of schools and day care centers over a one-month period in the U.S. is estimated to cost USD 50 billion (or 0.2% of the GDP), according to [a study](#) published by NYU School of Global Public Health. As the end of the current crisis is yet to be seen, a significant slow-down or a recession of the global economy is foreseen. This will in turn affect government revenues of various countries and accordingly the resources available to provide social services, including education. The global recession will also affect the demand for education especially where limited social protection measures are in place, as families with economic hardships may consider the financial and opportunity costs of education unbearable.

This issue note provides an overview of UNESCO's work on education financing during and post-emergencies, as well as key messages that UNESCO may take on board when designing country-level interventions.

Defining the topic and related key issues

The cost of additional measures taken to ensure learning during emergencies can be substantial. Some countries are able to mobilize additional resources to cope with the challenge. For instance, [the City of Seoul](#), Republic of Korea, announced that it would provide laptops to 52,000 families of the poorest. The costs (USD 36 million) will be covered by the Seoul Metropolitan Government (40%), the Seoul Office of Education (40%), and each municipality (20%) under the City. In addition, USD 1.5 million would be made available to equip 1,000 schools with WIFI. [Samsung](#) will also provide 15,400 tablets (USD 5 million worth) throughout the country.

However, many countries will have to rely on external resources for emergency responses in education. For the current crisis so far, [UNICEF](#) requests USD 133.6 million over the year 2020 to ensure continuous access to education and availability of social protection, child protection and gender-based violence (GBV) services in their programme countries. As of 15 May 2020, the Global Partnership for Education approved [5 COVID-19 grants for USD 60 million](#), with additional 38 proposals being reviewed for USD 424.5 million in the month of May. More proposals will be reviewed in June.

Once the financial resources are mobilized, nonetheless, countries may face challenges in efficiently and effectively channelling the additional resources when they are not aligned to the existing national priorities, such as the national education sector plans (ESPs) and the Ministry's contingency plans (for more details, see Issue Note 2.4: Crisis-Sensitive Planning). It is also important to note that many of the Ministry staff, teachers, and administrators may be directly or indirectly affected by the crisis, hindering the responsiveness of the education system.

Even without an emergency, many countries already struggle to meet the demand of ensuring education and learning for their people. In 2015, the Global Monitoring Report estimated that [the funding gap](#) in ensuring universal pre-primary, primary, and secondary education for all in low and lower income countries is USD 39 billion between 2015 and 2030. [The Incheon Declaration and the Framework Action for Education 2030](#) urged countries to adhere to the international benchmark of allocating at least 4-6% of GDP to education and/or allocating at least 15-20% of public expenditures to education. It also called for increased, better coordinated, and sustainable external financing to education. However, there are still a number of countries that are failing to meet this international benchmark. Many developing and/or emerging countries struggle to collect tax revenues and face difficult trade-offs when deciding the financial allocation across sectors. According to [the UIS data](#), 47 out of 141 countries with data between 2014 and 2018, or one-third, do not meet either of the abovementioned benchmarks.

The current pandemic and the expected economic difficulties are likely to exacerbate the education finance shortage for years to come, and it will disproportionately affect the low-income countries and

the marginalized populations whose demand for education may be more fragile, where access to extra resources are limited, and where opportunity costs are high.

Lessons from past practices and current crisis

UNESCO's past engagements on education finance suggest that in many countries, education remains a priority even during or after economic shocks and/or emergencies. After the 2008 global financial crisis, UNESCO conducted [a survey](#) on the impact of the crisis upon education expenditure. The survey showed that in most of the 51 countries surveyed, expenditure on education was maintained even after the economic crisis. The flow of Official Development Assistance (ODA) was also maintained.

At the same time, however, the global economic slowdown had a negative impact on education finance in both developed and developing countries. According to [the GEMR team](#), **while the governments maintained their financial commitment to education in terms of the percentage of GDP, the absolute levels of GDP were affected by the 2008 financial crisis, leaving fewer resources for education.** This was [the case for one third of OECD countries](#). The aid to education, which had increased steadily until 2008, stagnated afterwards.

There are signs that **the 2008 financial crisis may have affected both the equity and quality of education.** After the 2008 financial crisis, [teacher salaries were frozen or cut in 12 out of 25 OECD countries](#). According to the [12-county case study conducted by UNESCO](#) conducted in 2010, schools were found to have increased school fees to compensate for lost resources in some countries, at the same time an increasing number of households were struggling to pay these fees. The study also found that although the 2008 financial crisis did not seem to affect student enrolment in schools, the quality of teaching and teachers' commitments to their work were affected.

The work by IIEP/Dakar following **the Ebola outbreak in Africa also showed resilience of education financing while pointing to some challenges.** In [Guinea](#), between 2012 and 2015, economic growth slowed but remained positive. In addition, starting from 2016, education became a real priority after the years of the Ebola outbreak. The share of education expenditure as percentage of total government expenditure jumped from 12.8% in 2015 to 17.4% in 2016, although this was still below the West African countries average. On the other hand, education finance in Sierra Leone was hit more severely by the outbreak. Between 2014 and 2015, the GDP contracted by 20% in real terms. Public expenditures on education decreased by 11.8% in real terms even though the share of the public expenditures on education as percentage of GDP increased from 2.8% to 3.1% between 2014 and 2015. The level of public expenditure on education in real terms has yet to recover to the 2014 level.

These cases show that although the impact of pandemic may be felt very differently across countries, it can have long-lasting negative effects on education expenditures in most countries. According to [the recent blog post](#) by IIEP, the current COVID-19 crisis will have a significant impact on education finance on two different levels: firstly, the loss of education spending over the duration of the crisis, as well as the resulting additional cost; and, secondly, the expected downturn in future financial resources available to the education sector. Potential diversion of both domestic and international resources towards health rather than education is also anticipated. It also points out that, **without sufficient financial resources for education, "global inequalities in access to education will widen and the global learning crisis will be exacerbated"**, disrupting progress towards Sustainable Development Goal (SDG) 4, which calls for universal access to quality education.

Key messages and practical tips for designing policy interventions

*In the short-term, UNESCO may focus on supporting the Member States to **develop and/or implement the national education contingency plans.*** UNESCO may review its planned activities and mobilize

additional resources through various sources. Special attention should be given to:

- Providing the targeted support/aid to meet the needs of the most vulnerable populations with special attention to the gender perspective (e.g., students with disabilities, students from poor families, sociolinguistic minorities, etc.) to mitigate widening inequality and minimize the impact of the COVID-19 pandemic on education
- Paying due attention to support the comprehensive development of learners, including social-emotional learning and well-being
- Ensuring that the needs of the teachers and school administrators during the crisis are fully reflected
- Supporting investment in education areas that can have longer-term benefits and impact on educational innovations
- Building capacity of the Ministries of Education to respond to the emergency, including the capacity on gender-responsive, crisis-sensitive planning

For more considerations regarding crisis-sensitive planning, see Issue Note 2.4.

In the medium to long-term, UNESCO may support:

- (1) **the assessments of the impact of COVID-19 on education finance both on governments and households with the principle that education is a basic human right;**
- (2) **the development of more resilient education finance systems, integrating the contingency funding mechanism into the national education finance system;** and
- (3) **the advocacy/technical assistance to finance the transformation of the education systems** based on the lessons learned and innovations emerging from the crisis.

Key points for consideration include:

- Paying continued attention to the investment/aid to marginalized populations. Many students may not return to the classroom even once the crisis is resolved, increasing the numbers of out-of-school children and youth. Girls may be disproportionately among them, halting progress made in addressing gender disparities in education.
- Advocating for protecting the education budget, while understanding the competing financial needs of the social sectors in recovery referring to the international benchmarks mentioned above. It is also important to urge donor countries to fulfil their commitment to allocate 0.7% of their Gross National Income (GNI) to external aid with a focus on education, as reaffirmed in [the Incheon Declaration](#).
- Ensuring that the education finance system becomes more responsive and resilient, by allowing flexibility to access funds quickly in emergencies and/or establishing a contingency budget line within the Ministry of Education's budget.
- Improving the financial data management for better efficiency and transparency
- Advocating for increased investment to turn challenges into opportunities. This crisis has the potential to transform educational service delivery in many countries, especially distance learning.
- Facilitating public-private partnership with the necessary precaution to key issues, such as equity and data privacy.

Key references

Studies, Guidelines, Tools, Training Materials

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Websites

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United Nations Systems Chief Executive Board for Coordination: Principles on Personal Data Protection and Privacy <https://www.unsceb.org/privacy-principles>

About UNESCO Education Sector's Issue Notes

UNESCO Education Sector's issue notes cover key topics related to the COVID-19 education response. They provide evidence of good practices, practical tips and links to important references for each topic in an effort to mitigate the impact of school closures.

The issue notes cover several topics under nine thematic areas, namely: Health and wellbeing; Continuity of learning and teaching; Gender equity and equality; Teaching and learning; Higher education and TVET; Education and culture; Education policy and planning; Vulnerable populations, as well as Global Citizenship Education and Education for Sustainable Development

They are prepared collectively by UNESCO education colleagues across the world. The present note was developed by the Section of Education Policy and UNESCO International Institute for Educational Planning (IIEP - Paris and Dakar).

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UNESCO's COVID-19 Education Response



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