

Philanthropy in Education

Opportunities and Challenges

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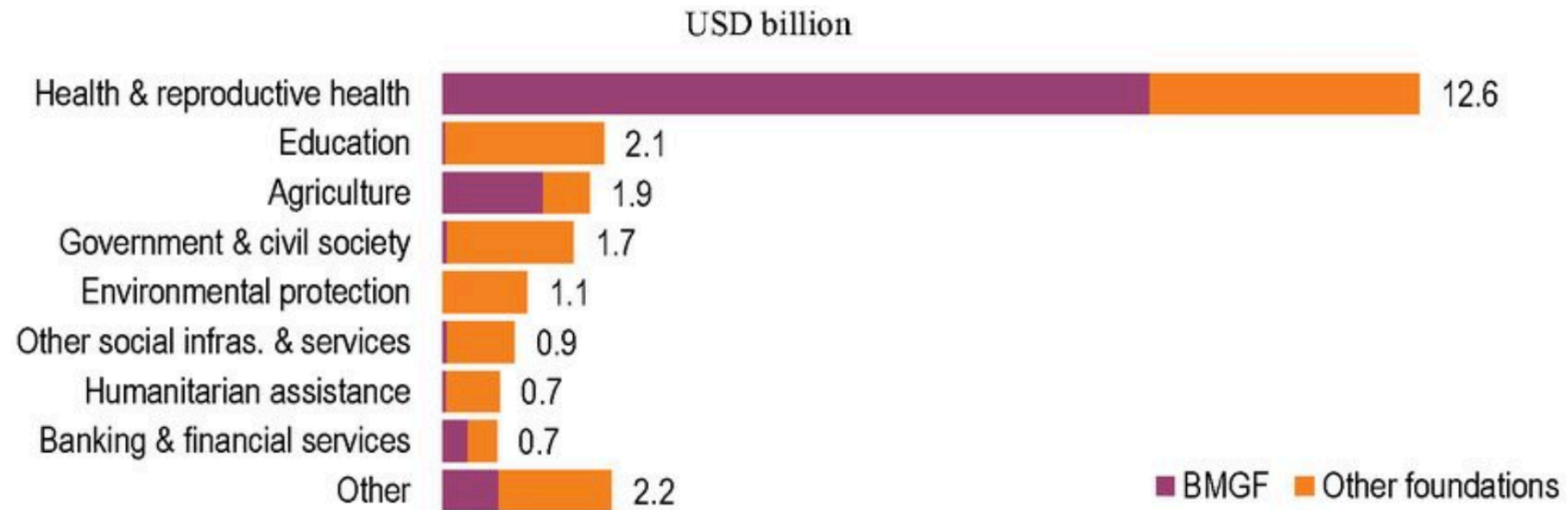
Achieving SDG4: Equitable Quality Education

- Low and middle-income countries will need to increase spending on education from the current USD 1.2 trillion per year to USD 3 trillion by 2030 (Education Commission, 2016)
 - Equitable provision of free 12 years of education
 - Low domestic budget expenditure
 - Declining Official Development Assistance (ODA)
 - Need to reduce household costs

Philanthropy for development: Financial Flows

- **Over 260,000 foundations in 39 countries** (Johnson, 2018)
 - Assets exceed USD 1.5 trillion, but 90% hold less than USD 10 million and 50% hold less than USD 1 million
 - Expenditures exceed USD 150 billion per annum
- **OECD estimate (143 foundations) = USD 24 billion or 5% of all Official Development Assistance** (OECD, 2018)
- **Education as the priority area for 35% of the foundations** (Johnson, 2018)

Philanthropic giving by sector, 2013-2015



Source: (OECD, 2018_[11]) *Survey on Private Philanthropy for Development 2013-15*: Data questionnaire www.oecd.org/dac/financing-sustainable-development/development-finance-standards/beyond-oda-foundations.htm.

Education Expenditure, 2013-2015

Purpose Description	Total ODA (USD)	Share of sector total	Total Philanthropic Giving (USD)	Share of sector total
Education Total	25 billion		2.1 billion	
Education policy and administrative management, unspecified education activities	3,179,109,896	13%	534,561,800	25%
Education facilities and training	2,043,188,638	8%	216,615,200	10%
Teacher training	498,172,997	2%	94,658,200	5%
Education research	107,479,539	0%	53,385,700	3%
Primary education	5,602,596,889	22%	134,344,600	6%
Basic life skills for youth and adults	516,695,600	2%	87,628,100	4%
Early childhood education	116,010,117	0.5%	103,698,000	5%
Secondary education	1,202,769,487	5%	82,536,800	4%
Vocational education	1,528,145,447	6%	139,619,200	7%
Higher education	9,605,279,707	38%	549,458,400	26%
Advanced technical and managerial training	452,667,901	2%	80,742,200	4%

Source: OECD DAC database

Emerging Trends

- Global philanthropic giving is on the rise – actors, funds, types, modalities
- Aligning with both SDG and government priorities
- Value partnership and collaboration
- Bringing in business practices to social development
 - Catalysing innovation, local solutions
 - Focus on measurable results
 - Increasing use of research and data
- Professionalisation of philanthropic staff
- Grant making is still the primary modality but social finance on the rise

Emerging Challenges

- Diversity of actors
- Lack of data and research
 - Impact of philanthropy on education programs and outcomes
 - Experience of non-western philanthropies
 - Financial and program transparency, knowledge sharing
 - What works in education
- Partnerships
 - High interest in Public Private Partnerships but variable experience working with the government
 - Few national level philanthropy partnerships focusing on education
- Scepticism towards adapting business or market-based approaches to social development

References

The International Commission on Financing Global Education Opportunity. (2016). The Learning Generation: Investing in education for a changing world.

Johnson, P. (2018). Global Philanthropy Report: Perspective on the global foundation sector. Harvard Kennedy School. The Hauser Institute for Civil Society at the Center for Public Leadership.

OECD (2018b). Private Philanthropy for Development. Paris: OECD Publishing