

# DRAFT REGIONAL GUIDELINE ON INNOVATIVE FINANCING MECHANISMS AND PARTNERSHIPS FOR EARLY CHILDHOOD CARE AND EDUCATION

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Kyungah Kristy Bang

Programme Officer, UNESCO Bangkok

# Draft Regional Guideline

Step 1: Understanding the country's starting point



Step 2: Formulating a preliminary set of Goals and Milestones to achieve SDG 4.2

Step 3: Assessing gaps in financing for ECCE

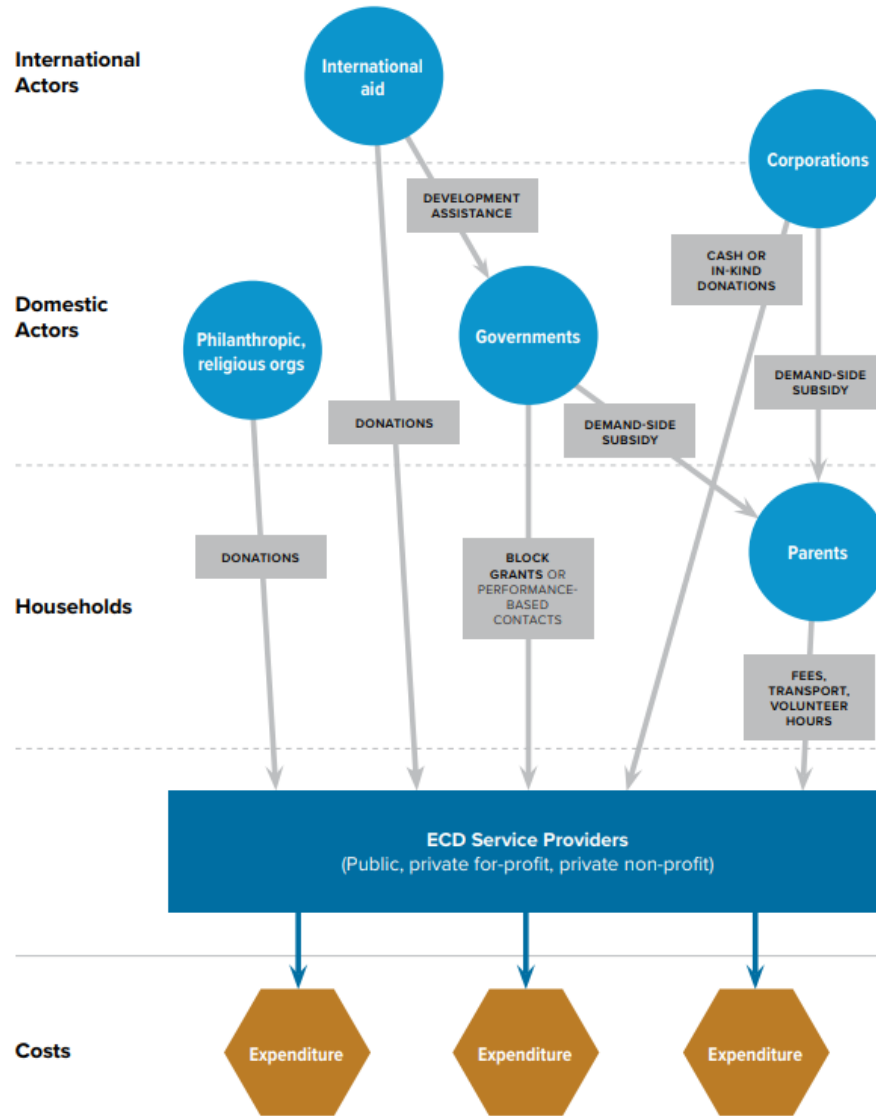
Step 4: Identifying and piloting innovative financing models in the country

Step 5: Monitoring and evaluation

## Step 1: Understanding the country's starting point

- Reviewing ECCE Policy/regulation
  - Mapping/Scoping different ECCE stakeholders
  - Collecting the Data
  - Selecting the Costing Tool(s)
- Where are we now?
  - Who is responsible to manage early childhood education in your country other than Ministry of Education?
  - In your country, how are the existing national financing in early childhood education? What are conventional and emerging funding sources for ECCE in your country?
  - Which data is needed?
  - Where can we find the data?
  - Are there any targeted financial intervention/mechanisms to address marginalized children?
  - What are the costing tools?

**FIGURE 1: EARLY CHILDHOOD DEVELOPMENT FINANCING VERSUS COSTS**



Source: Authors' elaboration

The Brookings Institute. (2017). The Standardized Early Childhood Development Costing Tool (SECT): A Global Good to Increase and Improve Investments in Young Children.

Regional Consultation Workshop on Innovative Financing Mechanisms and Partnerships for ECCE,  
24-25 September, Bali, Indonesia

# Three main categories of costs

## Overhead Costs

Upper level management  
in government

Plus design

Start-up

Evaluation costs

## Direct Costs

Infrastructure construction

Teacher Salaries

Training

Food and supplements

Uniforms

Cash transfers

Equipment

Direct administration

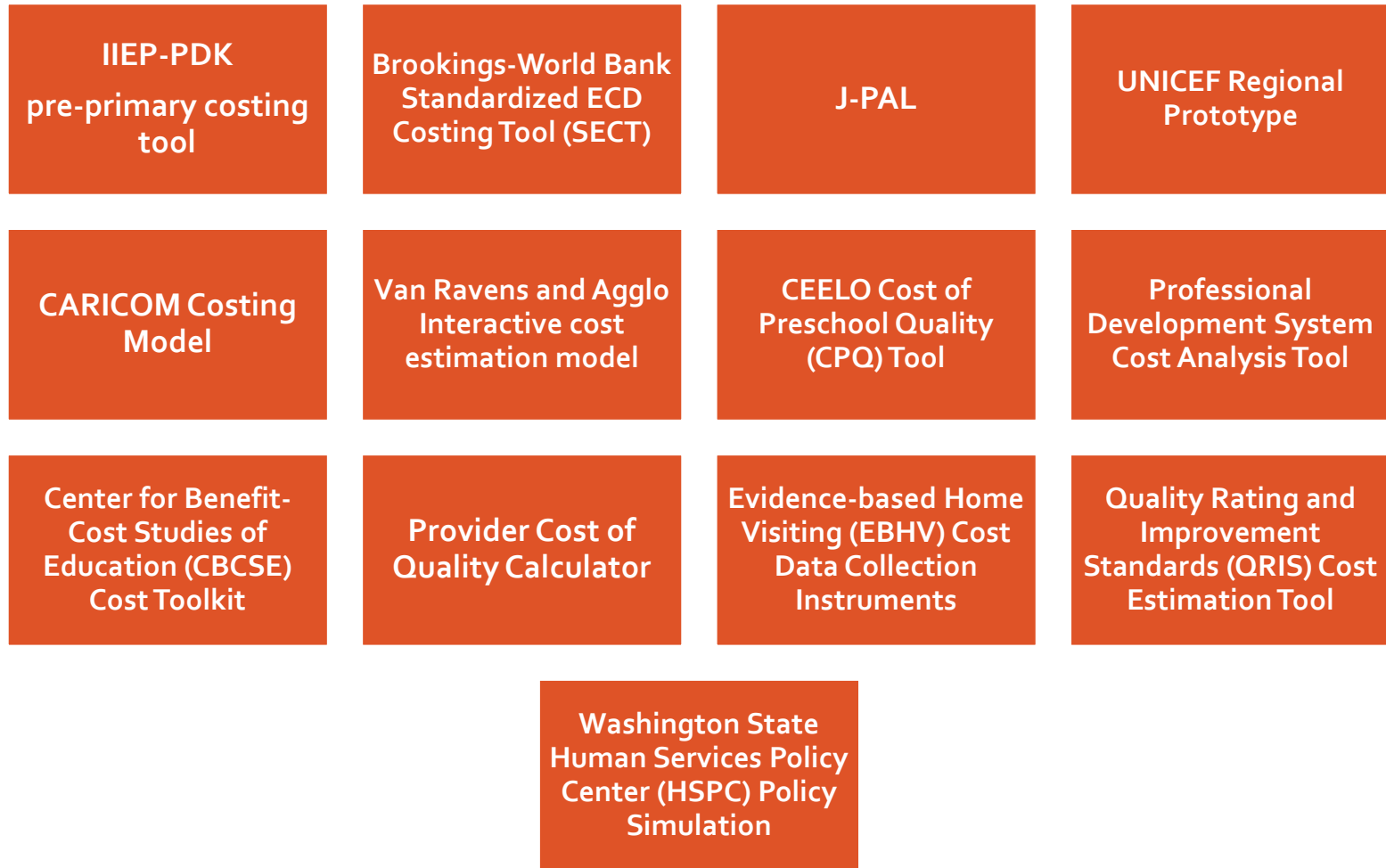
monitoring

## Imputed Costs

Volunteer time

Opportunity costs  
of buildings used

# Different Costing Tools



## Step 2: Formulating a preliminary set of Goals and Milestones to achieve SDG 4.2

- Where do we want to go?
- What are the goals and milestones to achieve SDG 4.2?
- What are the priority areas?

*SDG 4.2: By 2030 ensure that **all** girls and boys have **access** to **quality** early childhood development, care and pre-primary education so that they are ready for primary education*

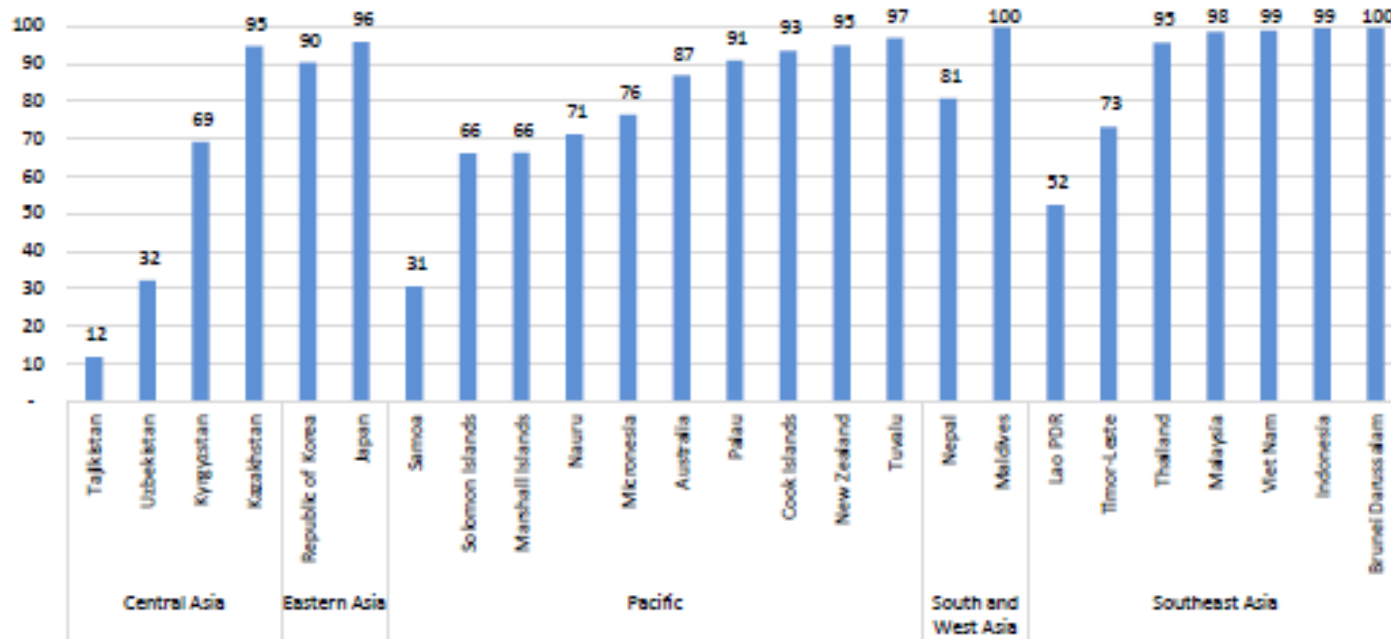
Access-  
oriented  
Goal(s)

Quality-  
oriented  
Goal(s)

# Participation in ECCE

The total enrolment in pre-primary education in the Asia and Pacific region increased by 76% from 47million to 83million between 2000 and 2015.

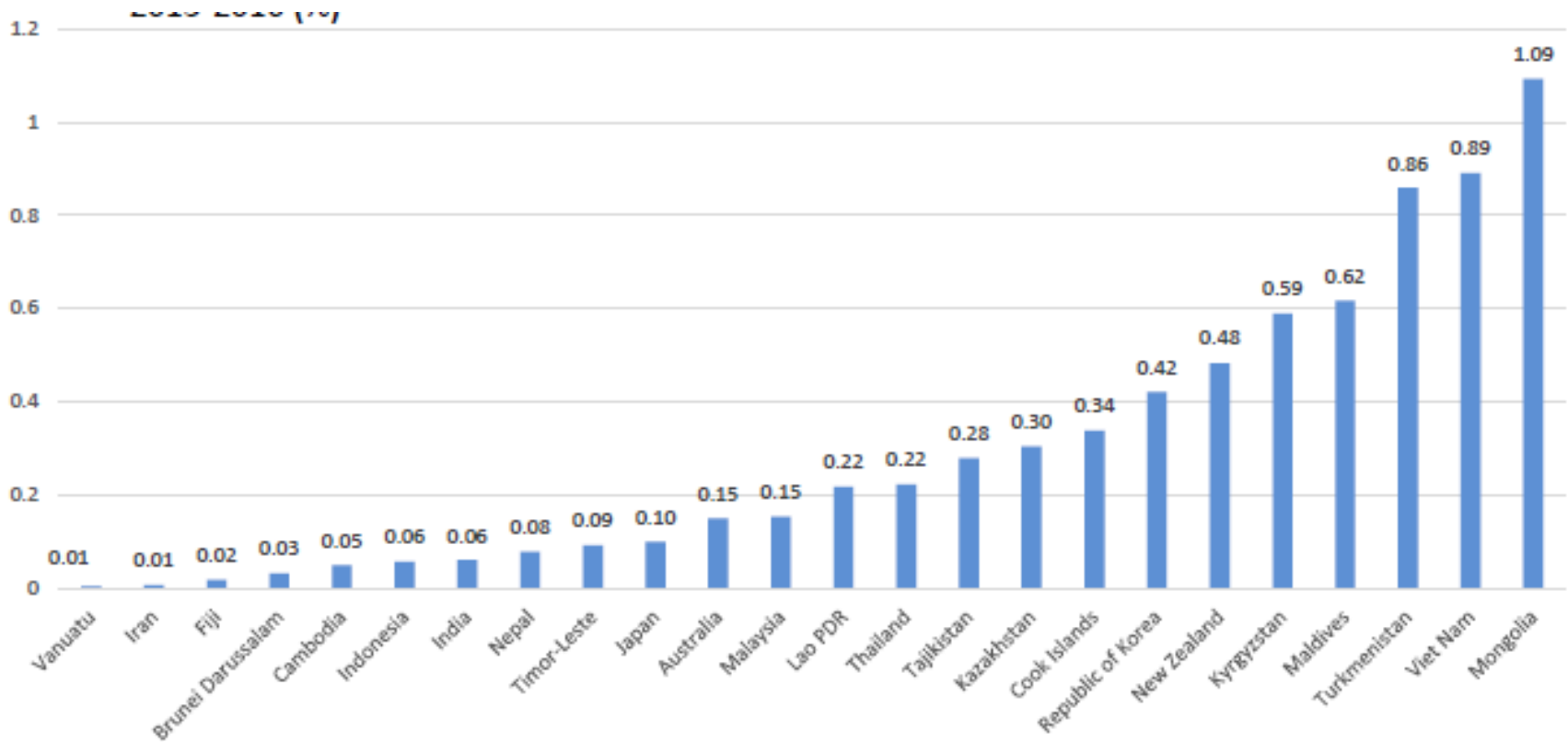
Adjusted net enrolment ratio in the last year of pre-primary education 2013-2016



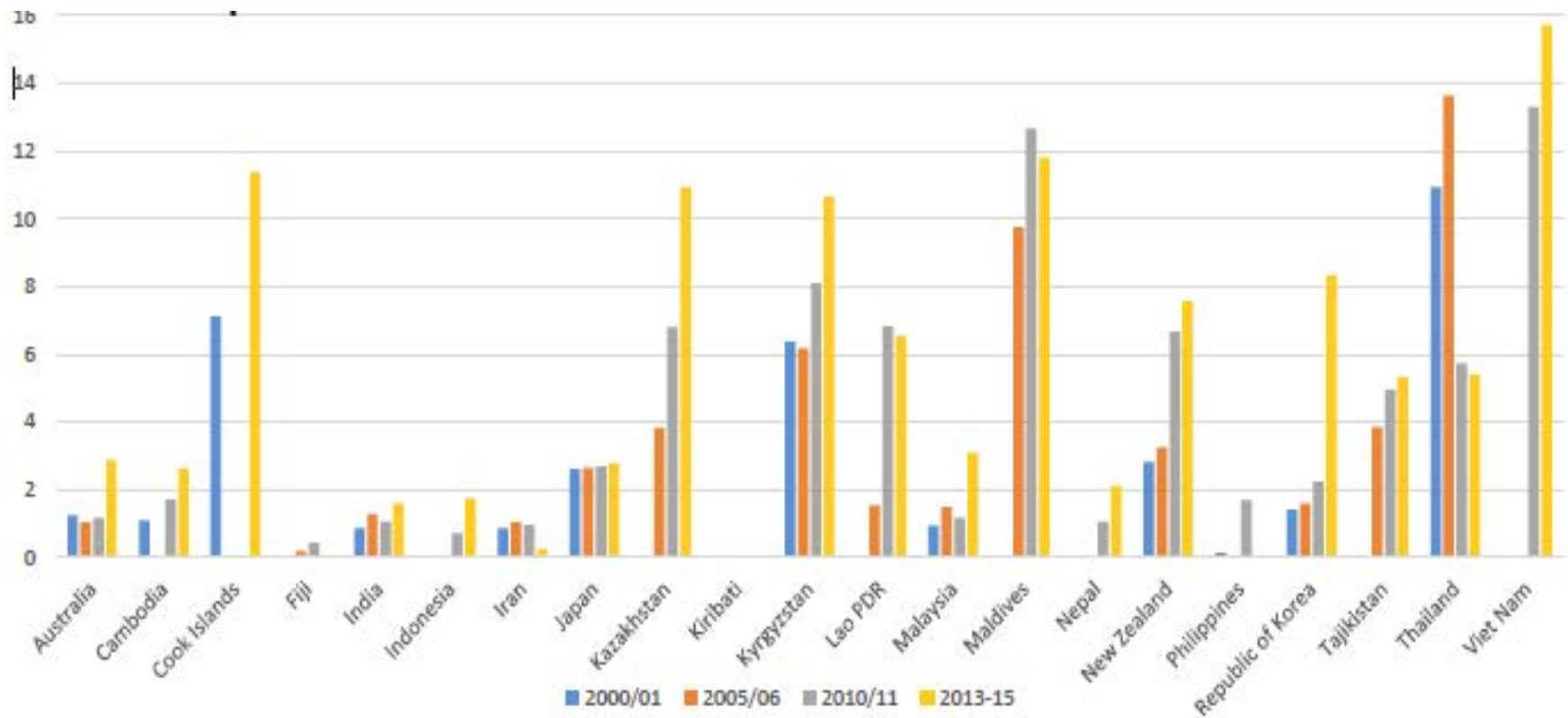
Source: UIS.Stat (accessed on 11 November 2017)



# Expenditure on pre-primary as a percentage of government expenditure on education 2013-2016 (%)



# Evolution of expenditure on pre-primary as a percentage of government expenditure on education

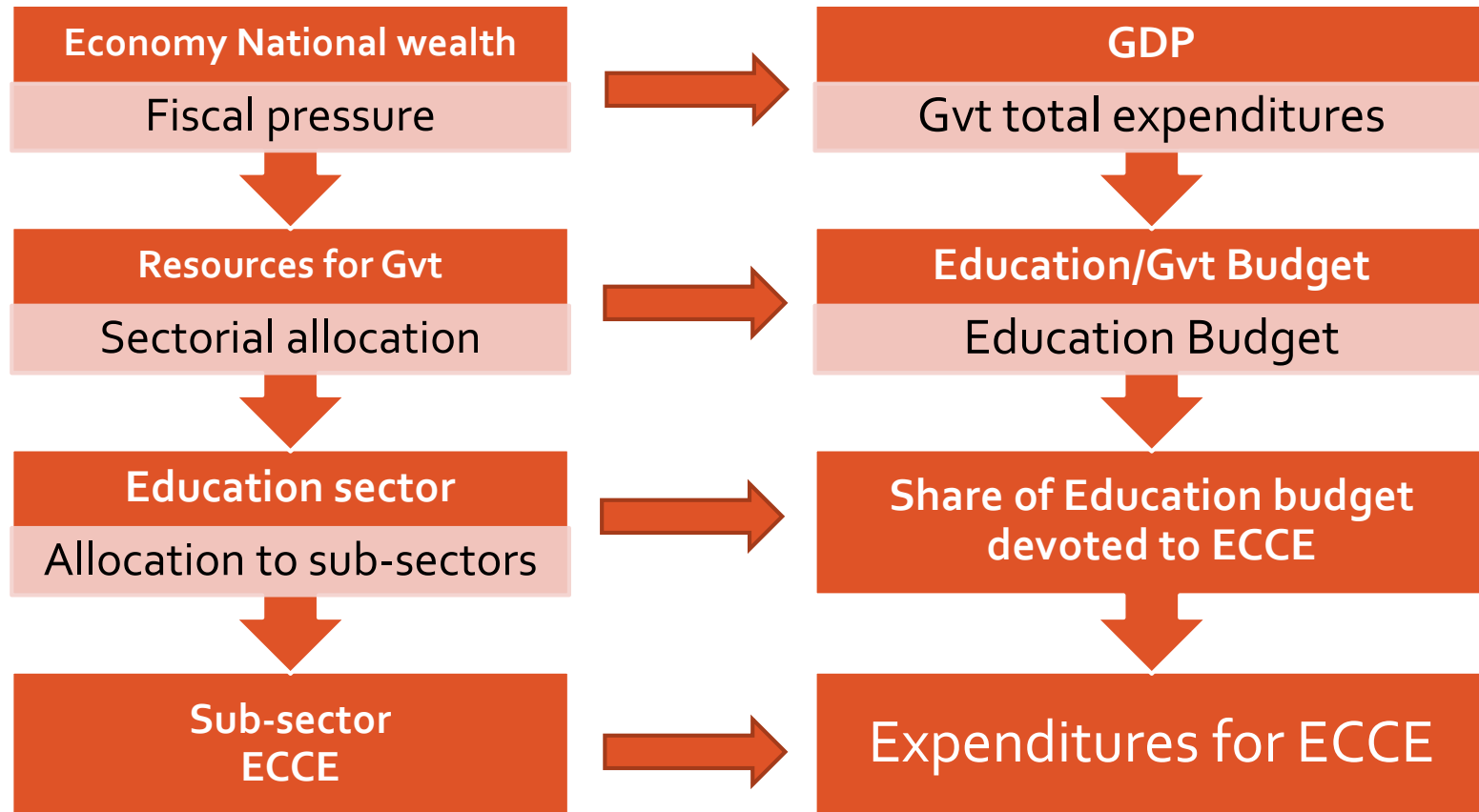


## Step 3: Assessing gaps in financing for ECCE

- How much will it cost to achieve these goals and who will pay?
- What are the gaps in achieving these goals?
- Where are the gaps? (can be national level/provincial, municipal level/school level)
- What mechanisms do your country implement to ensure, at least one year of free and compulsory pre-primary is available for every boys and girls in 2030?
- What are the challenges faced in mobilizing resources for financing early childhood education in your country?
- What are the challenges of ensuring sustainable quality of innovative financing systems in early childhood education meeting the international or national standards?

# Stages in calculating the budget for the education sector and its sub-sectors

## Macro-economic framework



UNESCO. (2015). Cost and Financing How much will it cost and who will pay?

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## Step 4: Identifying and piloting innovative financing models in the country

	Demand-side	Supply-side
Guarantee Mechanisms	Conditional Cash Transfers (Mexico) Kindergarten Fee Assistance Scheme (Singapore)	-
Taxes Based on Globalized Activities	-	Sin Tax* (India, Korea, Philippines, Thailand, Viet Nam)
Citizen Contribution	-	CSR (Sri Lanka, Japan, Bhutan), Payroll giving*
Frontloading and Debt Management Mechanisms	-	Social Impact Bonds (U.S.A), Education Impact Bond*, Debt-swaps* (Indonesia)
Partnership	-	Partnership among development partners (Viet Nam, Bhutan), Partnership between government and workplaces (Korea), Partnership between different ministries (Indonesia), Local and International partnership (Indonesia)

## Step 5: Monitoring and evaluation

- Have innovative financing for education initiatives generated additional resources for ECCE programme?
- Have innovative sources of financing delivered targeted results?
- Have innovative financing initiatives delivered stable and predictable resources?
- Is innovative financing sustainable over the long-term?
- Can innovative financing be scaled up?

# Thank you

[k.bang@unesco.org](mailto:k.bang@unesco.org)

## Group 1

Maki

Cambodia

Lao PDR

Myanmar

Nepal

Thailand

Indonesia

## Group 2

Mee Young

Malaysia

Thailand

Philippines

Viet Nam

Indonesia

## Group 3

Irwan

Bhutan

Fiji

Kiribati

Tuvalu

Indonesia

For experts from ARNEC, GPE, World Bank, Kobe University, the Australian Embassy and UNICEF, please feel free to join the group discussion.



# Discuss innovative financing mechanisms and partnerships in your own country context

- ✓ Impactful
- ✓ Solution Based
- ✓ Mobilize domestics or international source of fund
- ✓ Stable and sustainable
- ✓ Efficiency
- ✓ Equity