Cooperating with Multilaterals for Global Education: Opportunities for the Business Community

More than 58 million children of primary school age are out of school and at least 250 million children cannot read or write. These challenges impede business growth and limit the development of local communities and nations.¹

Business can help change this. By working with multilateral organizations and supporting multilateral, multi-stakeholder priorities, the business community can engage with governments, civil society, and education professionals and others to address the growing education crisis in a coordinated way.

Multilateral partnerships and agencies like the Global Fund to Fight AIDS, TB and Malaria, The GAVI Alliance, UNICEF and the Global Partnership for Education, coordinate and leverage international resources to achieve development goals and have been essential to scaling up access to life-saving interventions.

Multilateral partnerships present opportunities for business to increase access to quality education, ensure sufficient resources for education and build the capacity of education systems. But greater support is needed to bolster and complement multilateral efforts as total aid to education continues to decline² and does not always target those greatest in need.³

This policy brief outlines four opportunities for business to support multilateral priorities in education.

Education is a Smart Investment

*Education is a priority for the business community.* In a 2013 study by the UN Global Compact and Accenture, 40% of more than 1000 chief executives surveyed identified education as one of their top sustainability challenges affecting core business.

Investing in education is beneficial to both business and society. Education leads to greater political and economic stability and improved health outcomes. A recent study shows for every $1 invested in a child’s education, there is a $53 return to a company at the start of employment.\(^5\)

**Investing in education:**

- **Boosts wages:** Education is linked to increases in individual wages and economic growth. One additional school year, for example, can increase a woman’s earnings by 10 - 20%.\(^6\)

- **Promotes economic growth:** Getting all children into primary education, while raising learning standards, could boost economic growth by 2% annually in low-income countries.\(^7\)

- **Expands business opportunities:** Investment in education leads business to new market opportunities and customer bases. Shareholders of public companies have expectations for business to manage its social impact.\(^8\)

- **Strengthens the local workforce:** Education develops the human capital required for business sustainability and growth.

Despite these benefits, aggregate data demonstrates that business investments in education tend to be small, short-term and uncoordinated, rarely reaching the most marginalized populations.\(^9\) While several businesses already lead the way in addressing these shortcomings in the education sector, more direct cooperation with multilateral agencies through multi-stakeholder partnerships can facilitate strategic and sustainable contributions from business to education.

\(^4\) The UN Global Compact has over 8,000 company participants worldwide.


\(^7\) Global Education First, 2012.


Multilateral Partnerships in Education

Multilateral donors, by definition, involve more than two parties in the disbursement of international aid. Examples include the World Bank, European Union institutions, UNICEF, African Development Bank, and Asian Development Bank. In the education sector, the Global Partnership for Education (GPE) is the only multilateral partnership devoted solely to education.\(^\text{10}\)

With a $26 billion financing gap for education each year, multilateral organizations help pool funds around strategic objectives. There is widespread consensus that multilaterals have an added value of coordinating funding, honing in on areas of need, and leveraging a broad network of partners.\(^\text{11}\) For example, the GPE involves diverse partners from government, civil society, the teaching profession, donors and the private sector in governance and project execution.

Multilateral aid also complements bilateral investment and supplements domestic investment in education. It can be less constrained by bilateral politics and priorities, which sometimes hamper the delivery of bilateral aid to areas of most need.

However, investment in education has decreased as a proportion of total aid contributions, suggesting education is a lower priority for multilaterals. For example, the five largest multilaterals\(^\text{12}\) (in terms of total financing for education) increased aid to education by 78% between 2002-4 and 2009-11, while total aid increased by 90% (a gap of \(~12\) percentage points).\(^\text{13}\) Further, despite the best efforts of both bilateral and multilateral organizations, aid to education remains uncoordinated. Some countries can have up to 22 donors - like India - all focusing on different education goals.\(^\text{14}\) Some multilaterals have shifted focus to post-primary education without ensuring other donors are able to fill the gaps in basic education, leading to unfinished agendas and areas of need that are not being met.\(^\text{15}\)

Supporting Multilateral Priorities: Opportunity for Business Partnerships

A recent Brookings Institution study identified five areas where multilateral organizations could improve their effectiveness in delivering basic education. These include (1) inspiring demand for more support for education; (2) creating high-level strategic dialogue to target countries in need; (3) improving information on financial data; (4) catalyzing domestic resources; and (5) crowding-in innovative financing. Given these recommendations and the assets of the business sector, there are several opportunities for multilateral organizations to benefit from greater engagement with business to achieve mutual social and business objectives.

Business can support the broader goals of multilateral partnerships in education by applying their core business assets and driving domestic demand for education. Multilateral organizations can play an interfacing role with business organizations to align business efforts with local needs, government priorities and those of local stakeholders.

We recommend four areas of cooperation between the business sector and the multilateral agenda to accelerate progress on getting all children and youth into school and learning. The below examples show the potential of business involvement with multilateral priorities.

\(^{10}\) Researchers have described GPE as a multilateral agency. Calculations (based on GPE’s own financial data) show it to be the fifth largest donor to education. For additional information, please review Pauline Rose, Liesbet Steer, Katie Smith and Asma Zubairi. (2013). Financing for Global Education: Opportunities for Multilateral Action.

\(^{11}\) Ibid.

\(^{12}\) These include the World Bank, European Union institutions, UNICEF, African Development Bank, and Asian Development Bank.

\(^{13}\) Ibid.

\(^{14}\) Ibid. Data Source is OECD-DAC 2013.

1) Catalyze domestic financing and create demand for education.

While universal education is a global priority, it may not be a priority at the country level. Business can be well positioned to press government to prioritize education and draw attention to education challenges that impact their long-term investments or social responsibility goals.\(^\text{16}\)

By engaging high-level business champions, primarily CEOs, in direct conversations with government leaders, business can highlight the need to target resources to those greatest in need and incentivize governments to increase domestic funding for education. By making the financing of education a top priority in government relations work, business can emphasize to government officials the importance of healthy education systems for talent creation, innovation and economic growth.

Domestic demand is critical for donors and multilateral agencies to increase aid for education. The business community can bolster domestic demand for education by drawing attention to the need for prioritizing education within domestic budgets and multi-sector development aid. Positioning business leaders as thought leaders and ambassadors for education could elevate education as a political priority in the public sector and among donors — as well as increase investments in long-term human capital production. This also places businesses in a position of positive brand leadership and enhanced corporate reputation.\(^\text{17}\)

Another way to increase domestic demand is to influence public opinion about the importance of education. This could create additional pressure on political leaders to engage more strategically with multilaterals on financing education as a priority. From media and communications campaigns to social media and cause marketing, the corporate imprint on public opinion is far-reaching and could impact overall demand for quality social services.

And lastly, business support for tax revenue collection – an important source of revenue for public education - can create a growing tax base that allows business to champion financing goals, including a 20% commitment to education within the government budget.

**Let’s talk education**
Discovery Communications - Ghana, Kenya and Nigeria (Media)

Discovery Communications and Discovery Learning Alliance developed an innovative initiative jointly funded by Discovery and the UK Department for International Development to improve education opportunities for marginalized girls and boys in Ghana, Kenya and Nigeria. “The Discovery Project,” uses a three-fold approach to increase enrollment, attendance and learning for children. The initiative will improve the quality of education through media in the classroom and teacher professional development; community engagement activities including girls’ clubs to connect out-of-school girls with educational opportunities; and national magazine-style talk shows, which will reach over 10 million people. The entertaining talk shows will engage as wide an audience as possible, and shift the knowledge, attitudes and practices around education, especially for women and girls. By leveraging their media expertise, Discovery Communications can drive domestic demand for education by providing a platform to transform public opinion about why education matters.

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2) Support education with core business.

Multilateral priorities in education vary from direct service delivery to systems strengthening, developing financing mechanisms and fostering collaboration between partners. Leveraging core business can be transformative in education by acknowledging the potential impact of business assets on education. While existing products and services could increase access to educational materials in a scalable way and improve the delivery of education, other corporate assets can facilitate the achievement of systems-change milestones. From using banking and financing infrastructures to develop new financing mechanisms to harnessing business communications and collaboration tools in the public sector, the possibilities of core business assets have no limits. The business sector also has internal policies and processes that could be applied to support education in partnership with other stakeholders. Risk management processes, like social impact assessments, can be used as opportunities to identify how companies can monitor their impact in education and contribute to education systems in a constructive way. Human resources and sourcing policies could be used to develop models for recruiting and training teachers in the public sector.

Developing Teachers’ Skills
Microsoft - Ethiopia, Kenya, Uganda, Tanzania, Ghana and Nigeria (Technology)

With the British Council, Microsoft leveraged its core expertise in technology and co-created the Badiliko project. The project was designed to facilitate more widespread and better innovation and use of information and communications technology (ICT) in schools that contributed to better achievement of student learning outcomes. The company developed a holistic and sustainable way to mainstream ICT in schools by setting up computer labs (or “Digi-Hubs”), training teachers and school leaders, and accelerating ICT adoption in schools through government policy. Each Digi-Hub is staffed with trainers who lead professional development activities and coach school leaders and teachers on effective ICT use in the classroom and how to embed technology in curricula. As of April 2014, the project spans 95 Digi-Hubs, serving 700 schools and 600,000 students. Results have shown improved ability of teachers to integrate ICT with current teaching practices, enhanced student attitudes, dispositions and ICT skills, and better capability of school leaders to exercise school-wide policies in support of ICT. Microsoft is now assessing its impact on student learning outcomes.
3) Develop products and services aligned with multilateral priorities.

Business can create new products and services to benefit the most marginalized in developing countries, helping multilaterals target those greatest in need through new models. Cost-effective services help eliminate barriers to access like cost, distance, and infrastructure. By working through multilaterals, business can connect with ministries of education and other stakeholders to identify products that are aligned with local needs.

A critical area for support is building national datasets and systems for education. Companies can support data monitoring and management by contributing employee expertise in technology and data planning or providing in-kind technology, training and maintenance. Equally important is developing systems to monitor and track financial data. Robust financial data ensures aid can go to where it is most effective.

At the same time, multilaterals can play an important role in catalyzing new research and development of education solutions to promote learning. For example, multilaterals can invest in education solutions that promote learning outcomes in the same way multilaterals invest in vaccines to improve public health outcomes. Many times, the cost of research and development for education solutions for the most marginalized does not have a rate of return high enough to mitigate risks. Business is left without incentives to tackle learning in developing countries because of a lack of market. Through partnership, multilateral organizations could identify ways to reduce investment risk by subsidizing research and development and ensuring demand in new markets. This can be done by guaranteeing the purchase of education solutions that work in improving access and learning in challenging contexts – borrowing the business engagement model from global health.

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A library in the palm of your hand
Econet Wireless - Zimbabwe (Telecommunications)

Econet Wireless used its expertise in mobile phone services to develop EcoSchool, a platform that enables students in African schools, college and universities to access thousands of books and course materials to support their learning. The platform is available on a low-cost tablet or smartphone and users can access educational content and the internet at considerably lower costs than using traditional textbooks. Through the service, Econet Wireless is ensuring better access to global educational materials in Africa, lowering costs for educational materials, and democratizing information to empower teachers and improve lesson quality. Also, as part of the effort, all Econet broadband users in Zimbabwe, can use Econet Zero, a program that offers free internet access to engage in content from 50+ world-class educational content providers like Coursera, EdX, and Codeacademy.

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Building cross-sectoral partnerships
Pearson - South Africa (Education)

The Gauteng Department for Education partnered with several education service providers, including Pearson South Africa, to execute its Gauteng Primary Language and Mathematics strategy, which ensures that at least 60% (compared to the previous year’s 36%) of learners achieve scores of 50% or higher in the Mathematics Annual National Assessments. Pearson developed the capacity of secondary Mathematics teachers (Grades 4 – 7). The company built a team of 11 coaches and a supervisor to move between 68 schools on a daily basis for teacher development. By working in a cross-sectoral partnership, Pearson helped innovate Just in Time sessions that enable participating educators to meet at central venues for training as well as Peer Learning Groups to facilitate problem solving and enhance peer support for Mathematics teachers. As a result, teachers have shown improved in their evaluation reports. Eight months into the project, there was a 10% increase in students’ Mathematics scores across all 68 schools.

Cutting costs for data collection
Microsoft - Global (Technology)

Created by Nokia prior to the companies’ merger, the Data Gathering Program is a solution for field data collection, including the ability to create customized questionnaires. It is particularly useful for gathering data from schools in hard-to-reach locations. Users download the Windows app to their device and can collect and transmit data to a remote server. In the Philippines, for example, data collection for education is extremely challenging, as there are thousands of remote islands. The program enables users to collect information efficiently on local schools and transmit the data to a central repository, helping the Ministry of Education respond to challenges more quickly. Originally intended for environmental and public health field work, the Data Gathering Program represents one of many cross-sectoral solutions that can be leveraged by the education sector. The program has been successfully used to track dengue fever in the Amazon, build decentralized birth registration centers in Liberia and map water sources in the Horn of Africa.

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19 Case study adapted from A New Global Partnership with Business: Building a Post-2015 Development Framework to Achieve Sustainable Prosperity in Africa
4) Increase financing and contribute funds.

With a $26 billion financing gap in education each year, business can bridge the gap by finding ways to finance education directly. Business can also take initiative and incentivize governments to fill gaps in education on emerging priorities that have yet to be addressed in public policy. Some business leaders have come together and put forward initiatives that require a match from the government sector, like the recent Safe Schools Initiative in Nigeria brokered by the Global Business Coalition for Education. Partnering with multilateral agencies can add to the credibility of these initiatives and ensure best delivery and monitoring practices are followed.

Business can also work with multilaterals to create innovative financial instruments for public education, like social impact bonds. Multilateral agencies can work with the business sector to develop financing frameworks and mechanisms for such models. For example, multilateral organizations could use their fund reserves to guarantee impact bonds and rates of return. Business can also support the GPE Replenishment by contributing directly to the GPE Fund, which pools resources to support national education plans.

Protecting the right to education: Safe Schools
Global Business Coalition for Education partners, led by business leader Nduka Obaigbena, ThisDay - Nigeria (Media)

In response to the growing number of attacks on the right to education, including the kidnapping of nearly 300 girls in northern Nigeria, the Nigerian business community established the Safe Schools Initiative. The initiative will be piloted in approximately 500 schools in northern Nigeria, supported with an initial $10 million from the Nigeria business community. The effort was well-received by the government, which responded by contributing an additional $10 million (reaching $20 million for the Safe Schools Fund). The initiative will start by building community security groups to promote safe zones for education, consisting of teachers, parents, police, community leaders and young people themselves. In the longer term, the program will focus on bolstering the safety of schools – training staff as school safety officers and providing counselors to schools at risk of attack as well as providing other security measures deemed necessary by the community.
Conclusion

Multilateral organizations aggregate resources for education around common objectives, align resources with national education plans and are positioned to deliver coordinated responses to education crises. With increasing uncertainty around financing for education and challenges in achieving universal primary education, multilateral efforts need to become increasingly effective. Business can help change this.

Business has four ways to support the priorities of multilaterals: (1) Catalyzing domestic financing and creating demand (2) Supporting education with core business (3) Developing products and services aligned with multilateral priorities and (4) Increasing financing and contributing funds. Business can also strengthen multi-stakeholder processes through their participation and can support increased efficiency of delivery and measurement of impact.

The GPE Replenishment in June 2014 is an ideal opportunity to bring the business community together with multilateral organizations to identify how the recommendations in this paper can be put into practice. Given the mutual benefit of investing in education for both business and society, business should engage with multilaterals to develop the skills, talent and potential of every child and young person.

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About GBC-Education

The Global Business Coalition for Education (GBC-Education) brings the business community together to accelerate progress in delivering quality education for all of the world’s children and youth. We believe that education is the birthright of every child and the key to expanded opportunity and future employment. For companies, investing in education promotes economic growth, leads to more stable societies, fosters healthy communities and makes it easier to do business. Education spurs innovation and increases the skills of employees, the income potential of consumers and the prosperity of communities where business operates.

GBC-Education’s assets include the voice, capabilities, resources and innovations of our leaders and member companies. In the first year of operation, 20 of the world’s most influential companies joined the Coalition, and we are expanding significantly. Our members believe that their influence, core business, social responsibility, strategic investments, thought leadership and philanthropy – when used in collaboration with peer companies, government, nonprofit and the educational community – are powerful tools to increase the number of children and youth who are in school and learning.

By joining us, companies become part of a global movement of businesses committed to changing children’s lives through education.

A business-led, action-oriented organization, GBC-Education focuses on four core functions: Connect, Cooperate, Showcase and Discover.

CONNECT: While many companies already engage in education through philanthropic or social investment programs, these actions require coordination to have greater impact. GBC-Education’s forum increases companies’ effectiveness by creating “members-only” spaces for company leaders to connect and identify cutting-edge opportunities for collaboration. We work with our members to leverage economies of scale.

COOPERATE: In addition to connecting companies, we create avenues for cooperation with governments, bilateral and multilateral agencies, foundations and civil society organizations. We connect members with high-level policymakers to advocate for quality education and learning and expose companies to the latest initiatives being spearheaded by education organizations around the world.

SHOWCASE: We show that business is an active partner in educating the world’s children and youth. GBC-Education highlights its members’ work and their thought leadership to large international audiences to communicate the importance of getting involved in education and to inspire others to action.

DISCOVER: We facilitate research projects that identify opportunities for effective investments in education and establish best practices to guide corporate efforts, seeking to bring real educational outcomes for children and youth.
Overview of GPE

The upcoming GPE Replenishment is a critical moment in the education sector, convening donors, developing country governments and education advocates to close the financing gap and deliver quality education to the most marginalized.

What is the Global Partnership for Education (GPE)?

GPE is a multilateral partnership devoted to getting all children - especially the poorest and most vulnerable into school and learning. GPE supports the creation, implementation, monitoring and evaluation of strong education plans and policies in low-income countries through financing and technical know-how.

Who are the “Partners” in the Partnership?

GPE partners include developing country governments, donor countries, businesses, NGOs, teachers and private foundations. They collaborate to develop, implement, finance, monitor and evaluate national education plans. These are plans and policies developed and endorsed by national governments.

History and Objectives

GPE was created in 2002 (formerly known as Education for All - Fast Track Initiative) to ensure countries would not fail to achieve global education goals for lack of resources. Since 2003, GPE has allocated $3.7 billion for education and is the primary funder of education in low-income countries. GPE has increased domestic financing in low-income countries getting nearly 22 million more children in school, including 10 million girls.23

Through its policies and advocacy work, GPE seeks to (1) ensure equal access to education and quality learning opportunities for all children and youth, (2) build sustainable national education systems that can support the operations and delivery of education and (3) actively champion the education of marginalized children and those in fragile and conflict states.

How GPE Works

Partners work together at the global level through the GPE Board of Directors and through Local Education Groups (LEGs) at the country level. The Board of Directors reserves one Director position for a private sector (businesses and foundations) representative. LEGs include representatives from government, the private sector and NGOs. This dual structure enables GPE to coordinate resources at a global level while also respecting national education priorities.

GPE also oversees the GPE Fund - a pooled fund from global donors to support national education policies. The GPE Fund increases the volume and efficiency of spending on education in low-income countries and support education policies aligned with national education priorities. Funds benefit national governments and their development partners and supplements international aid.

Why should business care about GPE?

Through GPE, business efforts in education can be aligned strategically with local needs and global education priorities - a best practice for business engagement in education.24 GPE’s LEGs for example, allow business to connect with Ministries of Education, NGO implementing partners, and education leaders who can make a project a success. Engaging in GPE is one way to ensure corporate social investments in education follow best practice.25

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20 As of May 2014, developing countries in the GPE Partnership are Afghanistan, Albania, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Cameroon, Central African Republic, Chad, Comoros, Cote d’Ivoire, Democratic Republic of Congo, Djibouti, Eritrea, Ethiopia, The Gambia, Georgia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Kenya, Kyrgyz Republic, Lao PDR, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Moldova, Mongolia, Mozambique, Nepal, Niger, Nicaragua, Nigeria, Pakistan, Papua New Guinea, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Somalia, South Sudan, Sudan, Tajikistan, Tanzania, Timor-Leste, Togo, Uganda, Uzbekistan, Vietnam, Yemen, Zambia, Zimbabwe
21 As of May 2014, donor countries are Australia, Belgium, Canada, Denmark, the European Commission, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, Norway, Romania, Russia, Spain, Sweden, Switzerland, the United Kingdom and the United States.
22 Results for Learning Report, 2013.
Please direct any comments or questions related to this policy brief to the Global Business Coalition for Education by contacting Kevin Kalra, Senior Project Coordinator at kevin@gbc-education.org.