This paper is an extract from the SDG-Education 2030 Steering Committee 4th Meeting Report. The report summarized the deliberations, the main recommendations adopted, and the decisions made at the 4th meeting of the SDG-Education 2030 Steering Committee (Paris, 28 February - 2 March 2018).

Efforts to address the financing challenges and to fill the financing gap and achieve SDG4 requires strengthened domestic and external funding. Increasing the volume of resources and their effectiveness must involve a collective, harmonized combination of domestic financing, official development assistance, and innovative financing, emphasizing that the three must interact and complement each other and be consistent with the principles outlined in the Education 2030 Framework for Action.

Governments have committed to progressively allocate at least 4 to 6 percent of their Gross Domestic Product (GDP) and/or at least 15 to 20 percent of their total public expenditure to education as per agreed international and regional benchmarks, as they set nationally appropriate spending targets for education.

To reach these targets, it is estimated that low- and middle-income countries will need to increase spending on education from the current US$1.2 trillion per year to US$3 trillion, requiring an annual rate of growth in public education spending of 7 percent.
Serving as a forum for dialogue and consultation on financing of education, the SDG-Education 2030 Steering Committee recommends that:

✓ **Governments** should **increase public revenues, allocate more of these additional revenues to education** (to meet or exceed international benchmarks) and **prioritize spending on the most marginalized groups**. A share of increased revenue derived from economic growth or larger fiscal space should be allocated to the education sector, with a focus on ensuring basic education is sufficiently financed through public spending. Governments, particularly in low and middle-income countries, are encouraged to progressively enlarge and broaden the tax base to increase spending on education and meet the financing gap. Possible strategies include reducing exemptions, ending harmful tax incentives and preventing tax evasion of both domestic and international businesses operating in developing countries.

✓ **Governments** should **prioritize sensitive allocation and spending** of education resources in ways that focus on increasing equity and supporting the most marginalized groups and disadvantaged children and youth.

✓ **Governments** should **improve the availability, monitoring, transparency and use of financing data - disaggregated by education sub-sectors**. It should include data to better understand the scale and purpose of household costs of basic education in order to reduce the financial burden on families, particularly the poorest and most vulnerable.

✓ **All financing initiatives respect the principle of education as fundamental human right and a public good** of which the State is the duty bearer; and the principles of equity, quality and inclusion, as well as 12 years of free, publicly funded education.

✓ **Dialogue should be encouraged** between the bearers of innovative financing, donors, and beneficiary states and communities.

✓ **Niches in which innovative funding should have an added-value and should be identified** within a whole-sector approach and not undermine system-wide financing.

✓ The resources of the **private sector should be fully mobilized to complement the State in the financing of public education**. Successful partnerships with the private sector will require effective coordination and regulatory mechanisms to ensure transparency and accountability in compliance with established human rights instruments.

✓ In order to contribute to the increase of the overall resource base for education sector development, **innovative financing mechanisms should be explored**.

✓ **Innovative financing projects currently being implemented or designed should be subject to independent evaluation.**
The **SDG-Education 2030 Steering Committee** is the global multi-stakeholder consultation and coordination mechanism for education in the 2030 Sustainable Development Agenda. Its primary objective is to harmonize and strengthen support to countries and their partners for the realization of the global education goal and targets. The Steering Committee is composed of members representing a majority from countries, the World Education Forum 2015 convening agencies (UNESCO, UNDP, UNFPA, UNHCR, UN Women, ILO, the World Bank), the Global Partnership for Education, the OECD, regional organizations, teacher organizations, civil society networks, the private sector, foundations and youth organizations.

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