Strategy for Australia’s aid investments in education 2015–2020

September 2015
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In the Indo-Pacific region, too many children are still missing out on the opportunity to attend school, to develop functional literacy and numeracy skills, or to continue their education to secondary school and beyond. Young girls, children with disabilities, or children who face geographic, ethnic or socio-economic disadvantage are even less likely to benefit from a decent education.

Australia’s development policy, Australian aid: promoting prosperity, reducing poverty, enhancing stability, clearly identifies education as a critical sector for investment. Education that increases children’s ability to participate productively and meaningfully in their community is one of the best investments a society can make.

This new strategy for Australia’s aid investments in education sets out how the Australian Government will work with our partner countries to help them deliver comprehensive and high-quality education services. We recognise that access to education and training for all citizens is a sovereign responsibility of our partner governments. Our investments will support reform of education systems to improve access and quality.

Australia’s aid investments in education will contribute significantly to our objectives of empowering women and girls and improving the quality of life for people with disabilities. This strategy promotes the use of innovative approaches and partnerships, including with the private sector, to reach our goals.

Education helps individuals, families, communities and nations achieve their aspirations and realise their full potential. Education can also be a powerful tool to reduce the effects of disadvantage and accelerate economic growth. Australia is proud to be an effective partner for countries on the path to building high-performing and inclusive education systems.
This strategy guides Australia’s Official Development Assistance (ODA) expenditure in education, one of the priority sectors identified in the overarching development policy framework, *Australian aid: promoting prosperity, reducing poverty, enhancing stability*, released by the Minister for Foreign Affairs in June 2014.

Effective education systems can contribute directly to poverty reduction, economic growth and stability. The acquisition of knowledge and skills through education improves individuals’ earning potential and ability to invest wisely in their future and those of their families. Educating women and girls is particularly transformative; every additional year of schooling makes a difference to marriage age, fertility rates and health outcomes for women and their children.

Since 2000, impressive gains have been made globally in access to schooling (particularly primary school), but evidence shows that many enrolled children are deriving limited benefits in terms of learning. This lack of learning is now receiving widespread attention, in large part due to the demonstrated positive link between economic growth and learning (not years spent in a classroom). Challenges remain in extending adequate education services to all children, with girls, poor children, children with disabilities, and other groups faced with disadvantage being disproportionately affected. Access to early childhood care and education, as well as secondary schooling lags well behind primary schooling in many countries.

**Australia will invest in better education outcomes for all children and youth across the Indo-Pacific region, to contribute to reduced poverty, sustainable economic growth, and enhanced stability.**

Taking a systems-based approach to education, Australia’s investments will contribute to human development through increased opportunities to access high-quality education and training. Australia will be guided by international evidence and respond to context. Support for policy dialogue and reform, evidence-based decision making, and effective partnerships (including with the private sector) will be key to efforts to promote reform. Australia will:

- Invest in **early childhood care and development**, which has been shown to deliver high returns, particularly for the poorest and most marginalised children.
- Invest in **quality at all levels** of the education system, because it is what students know and can do that matters for poverty reduction and economic growth.
- **Prioritise equity**, with a particular focus on gender and disability inclusiveness, because fairer education systems are also the most effective.
- Align education and skills with labour market needs, through investing in **relevant and high-quality secondary and post-secondary education**.

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2 Strategy for Australia’s aid investments in education 2015–2020
This strategy guides Australia’s ODA expenditure in education, one of the priority sectors identified in the overarching aid policy framework, *Australian aid: promoting prosperity, reducing poverty, enhancing stability*, released by the Minister for Foreign Affairs in June 2014.

**Australia will invest in better education outcomes for all children and youth across the Indo-Pacific region, to contribute to reduced poverty, sustainable economic growth, and enhanced stability.**

Australian aid investments in better education outcomes in partner countries have the potential to deliver high returns against the objectives of *Australian aid*. Evidence shows:

- Higher levels of education provide access to opportunity for individuals, increasing incomes and reducing poverty, and enable individuals to effectively participate in community life.
- Countries that translate expenditure on education into strong learning outcomes experience higher rates of economic growth.
- Educated populations are more capable, more stable and more productive.

To deliver the best possible results, Australia’s aid investments will be guided by international best practice and respond to the context in which they are delivered. Australia will:

- Invest in **early childhood care and development**, which has been shown to deliver high returns, particularly for the poorest and most marginalised children.
- Invest in **quality at all levels** of the education system, because it is what students know and can do that matters for poverty reduction and economic growth.
- **Prioritise equity**, with a particular focus on gender and disability inclusiveness, because fairer education systems are also the most effective.
- Align education and skills with labour market needs, through investing in **relevant and high-quality secondary and post-secondary education**.

Australia will maximise the impact of its aid by working constructively with international partners, including the Global Partnership for Education.

Investment in human capacity development through the Australia Awards scholarships program is an important complementary modality to Australia’s education investments.
**Context**

**Education is opportunity.** Education provides the tools for people to realise their capabilities, create and access opportunities for productive lives, and contribute to national prosperity. If all students, boys and girls, in low income countries left school with basic reading skills, 171 million people could be lifted out of poverty.\(^2\) Educating women and girls is particularly transformative; every additional year of primary and secondary education makes a difference to marriage age, fertility rates, health outcomes and the capacity of women and girls to make better decisions about their lives and those of their children.\(^3\) Conversely, where girls’ education opportunities are limited, chronic poverty is perpetuated across generations.\(^4\)

**Education enhances stability.** Of Australia’s 15 top aid partner countries, 11 are considered to be fragile or conflict-affected\(^5\), with the majority in the region. Australia has a direct stake in regional stability, and education can be a powerful tool. There is clear evidence of a relationship between education and stability and that increasing education participation ‘breeds peace’.\(^6\) To realise this outcome, education provision and content must be equitable, especially between a country’s majority culture and other ethnic, regional and religious groups.\(^7\) It must also be sensitive to political realities, including who delivers services and the nature of existing or potential conflict.

Since 2000, impressive gains have been made in access to schooling (particularly primary school), but evidence shows that many enrolled children are deriving limited benefits in terms of learning. The international community has acknowledged this ‘learning crisis’ and the post-2015 development goals\(^8\) add further impetus to addressing persistent education quality challenges.

Challenges also remain in extending adequate education services to all children. While enrolment rates globally have been trending up, the majority of improvement has been at the primary level. Many children still miss out on the ‘head start’ that good early care and development services can provide, and adolescents are twice as likely to be out of school compared to their primary school counterparts.\(^9\) In many increasingly knowledge-driven societies, a primary-level education is no longer sufficient to participate effectively in the labour market. **Girls and children with regional, socio-economic or other disadvantages generally fare worse in accessing education.** A large proportion of children with disabilities are missing out—of the 58 million\(^10\) primary school-age children still out of school, one-third have a disability.\(^11\) Inclusive and good quality education services offer all children the chance to maximise their potential.

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3 Calder, R. and Huda, K., Adolescent Girls and Education: Challenges, Evidence, and Gaps, Pathways’ Perspectives, 2013, Issue no. 13, developmentpathways.co.uk
4 ibid.
5 Based on Organisation for Economic Co-operation and Development – Development Assistance Committee, World Bank, and Asian Development Bank classifications of fragility and conflict plus g7+ member states and The Asia Foundation list of sub-national conflicts.
7 ibid.
10 The figure of 58 million primary school-age children out of school is used consistently throughout this strategy, although source material may differ. This figure is based on 2012 estimates, the latest available results from UNESCO’s Institute of Statistics. See: http://www.unesco.org/new/en/media-services/in-focus-articles/unesco-no-progress-in-reducing-global-number-of-children-out-of-school.
Australia’s aid investments in education will target four strategic priorities. Specific country or regional contexts will determine investment choices within these priorities. A country or regional program may target a single priority area, or may simultaneously support several priority areas where it makes strategic sense to do so.

The four strategic priorities of the Strategy for Australia’s aid investments in education 2015–2020 are:

1. **Getting the foundations right**: participating in Early Childhood Development.
2. **Learning for all**: improving learning outcomes and improving the quality of education.
3. **Universal participation**: with a particular focus on including girls and children with disabilities.
4. **Skills for prosperity**: improving access to high-quality, post-secondary education and training.

### Priority 1: Getting the foundations right

More than 200 million children under the age of five do not reach their developmental potential due to poverty, poor nutrition, poor health, and inadequate learning opportunities. Quality early childhood programs improve value for money and return on investment for later education investments—primary school transition and completion rates increase, repetitions and dropout rates decline, and children learn more while they are at school. Social and economic returns to investment in the early years are also significant and include reduced inequality, increased productivity, and reduced public expenditure in health, welfare and crime related to disadvantage.

Australia’s investments will focus on integrated Early Childhood Development services, which seek to improve early childhood health, nutrition and educational outcomes as a complementary package. Working with state and non-state actors and the private sector, the focus will be to remove access barriers and create additional opportunities for children to get a decent start. Lessons learned suggest focusing on high-quality early learning educators, and linking other services (such as feeding, parenting and social protection programs) with education programs can be effective.

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Priority 2: Learning for all

Globally, 250 million primary school-age children are unable to read or do basic arithmetic.\(^{13}\) Children in developing countries receive far lower-quality education than do their peers in the developed world. In North America and Western Europe, 96 per cent of children have learned basic reading skills by fourth grade, compared to only 33 per cent in South and West Asia and 30 per cent in the Pacific.\(^{14}\) Disadvantaged children have the worst outcomes of all: in Indonesia, only about 10 per cent of poor rural students in secondary school reach minimum standards in mathematics, compared with about 55 per cent of the urban rich.\(^{15}\) Gender-disaggregated data often reveals very different learning outcomes for boys and girls.

International evidence shows that teacher effectiveness is one of the most important predictors of student learning\(^{16}\), so developing a high-quality teacher workforce is critical. However, Australia recognises that teachers operate within a system that can enable or constrain their ability to function as competent professionals. Australia will invest in teachers and in building high-performing education systems that deliver results. Education systems need to have clearly articulated learning standards, relevant curricula, engaging learning materials, and appropriately qualified teachers. A child-centred approach to learning, which caters to the needs and interests of all children (including those with disabilities), is best convened at the school level, making school-based management critical. Australia will invest in rigorous and benchmarked assessments of learning achievement to support continuous improvement in policy, budgeting and service delivery.

Priority 3: Universal participation

Since 2000, 51 million more children are in school, due to increased funding through national budgets, donor investments and concessional loans. However, since 2007, progress in reducing the number of out of school children has stalled\(^{17}\) and it is estimated that up to half of the 58 million children still out of school will never set foot inside a classroom.\(^{18}\) In Bangladesh, Burma, Lao People’s Democratic Republic, Pakistan and Timor-Leste, fewer than seven out of every 10 children who start in Grade 1 go on to complete primary school.\(^{19}\) Globally, one in five adolescents of lower secondary school age is out of school\(^{20}\), pointing to a pressing need for targeted strategies to keep children in school beyond primary level.

Girls still account for 31 million of the 58 million children not in primary school globally.\(^{21}\) Gender parity worsens at higher levels of education. In South and West Asia, just 40 per cent of girls enrol in upper secondary education, and boys remain 1.5 times more likely to complete secondary education than girls.\(^{22}\) The girls lucky enough to finish their schooling still face disadvantage in transitioning to higher education or productive work. Improving outcomes for girls means addressing a range of interlinked challenges including safety, quality learning, adequate facilities, transitions from primary to secondary school, and local leadership.\(^{23}\)

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14 ibid., p. 191; Pacific Islands Literacy and Numeracy Assessment, South Pacific Board of Educational Assessment, 2014.
16 A number of studies have found that teacher effectiveness is one of the most important school-based predictors of student learning and that several years of teaching by outstanding teachers can offset the learning deficits of disadvantaged students. Findings are summarised in System Approach for Better Education Results: what matters most in teacher policies? A framework for building a more effective teaching profession, Washington, DC, World Bank, 2012.
17 Fixing the Broken Promise of Education For All: Findings from the Global Initiative on Out-of-School Children, op. cit., p. 13.
18 Progress in getting all children to school stalls but some countries show the way forward, Policy paper 14/Fact sheet 28. UNESCO Institute for Statistics, Montreal, Canada, 2014.
20 Fixing the Broken Promise of Education For All: Findings from the Global Initiative on Out-of-School Children, op. cit., p. 17.
21 ibid., p. 21.
Economic opportunities for people with disabilities are often limited by poorer educational attainment. Girls with disabilities are less likely than boys to be enrolled in any form of education, which results in very low rates of literacy among women with disabilities and consequently low rates of participation in civic life and in the workforce.\(^\text{24}\)

Australia has demonstrated global leadership on education equality, particularly for girls and children with disabilities. Australia will continue to advocate for: disability inclusive education systems; girls’ participation; and equal education opportunities for rural and remote communities, as well as ethnic and linguistic minorities. Australia will strategically support initiatives that enable access and participation in education and training at all levels, with a focus on the most marginalised. Interventions to improve access and participation (such as school feeding, conditional cash transfers and school infrastructure improvements) will incorporate specific tools (such as better targeting and monitoring) to maximise their impact on marginalised groups.

**Priority 4: Skills for prosperity**

Young people are disproportionately affected by unemployment, with the 2013 global unemployment rate for young people almost three times higher than the adult rate.\(^\text{25}\) In 2012, 13.1 per cent of youth in South East Asia and the Pacific were unemployed.\(^\text{26}\) This poses risks to stability and future growth.

Knowledge and skills have emerged as key drivers for competitiveness in a globalised world. A skilled and adaptive workforce is a vital pre-condition for countries to take advantage of high value-added economic opportunities. Up to 50 per cent of private firms in East Asia and the Pacific are concerned about inadequate worker education and skills.\(^\text{27}\)

Australia’s investments in this priority area will emphasise flexible learning pathways to enable men and women, especially the poorest, to benefit from market-oriented training that can improve their livelihoods. Partnerships will emphasise quality assurance and (where possible) qualification recognition, which have benefits for both employees and employers. Australia will actively engage the private sector to identify and resolve skills gaps and shortages. Australia will look beyond the education system to link with labour market policy and employment trends. Australia will invest in the skills of tomorrow’s entrepreneurs, innovators and leaders through the Australia Awards scholarship program and support to higher education systems in our partner countries.

**Making choices**

Australia will invest where its development funding will likely have the greatest impact in supporting transformational reform. Australia will deliver support through mechanisms that maximise aid effectiveness and value for money. As shown in Table 1, these four strategic priorities support investment choices based on specific, identified development challenges.

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\(^\text{27}\) Stepping up skills for more jobs and higher productivity, World Bank, 2010.
Table 1: The four strategic priorities in practice—assessing development challenges to make strategic investment choices

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Response</th>
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</table>
| **Children are unprepared for school**—as evidenced by late entry, early dropout and poor performance on early grade learning assessments. | This points to the need to invest in quality approaches to child care and pre-school education, to improve school readiness and educational performance.  
**Priority 1—Getting the foundations right: participating in Early Childhood Development** |
| **Children are not fully benefiting from education**—as evidenced by dropout rates, poor performance in standardised testing, skill gaps and youth unemployment. | This points to the need to invest in education quality as a key priority area, including well-trained teachers, relevant and engaging learning materials, and accurate student performance measurement.  
**Priority 2—Learning for all: improving learning outcomes and improving the quality of education** |
| **A partner country has not achieved universal education access and participation**—as evidenced by education not reaching all girls, children with disabilities, those living in remote areas, ethnic minorities or the poorest. | This indicates that access and participation is unfinished business and points to the need to target investment in conditional grant schemes, community engagement and inclusive education facilities.  
**Priority 3—Universal participation: with a particular focus on including girls and children with disabilities** |
| **A partner country has a low skill base**—as evidenced by unfilled skilled jobs, feedback from the private sector, and weakly regulated post-secondary education and training. | This points to the need to invest in the post-secondary education and training system, ideally paired with labour market and employment policies and strategies.  
**Priority 4—Skills for prosperity: improving access to high-quality, post-secondary education and training** |

Annex A provides a summary of outcomes within each strategic priority, and examples of effective interventions.
Principles, approaches and delivery

Four principles and approaches will be applied to enhance the effectiveness of investments in the strategy’s four priority areas discussed above. This section discusses those principles and approaches and how investments will be delivered.

Principles and approaches

Australian aid to education will:

- **Be fit-for-purpose**: investment choices will be firmly grounded in the context and priorities of Australia’s partner countries, taking into account economic, political and social drivers and constraints. Being fit-for-purpose also means using appropriate aid modalities.

- **Take a systems-based approach**: education systems are complex and interdependent. As an international partner, Australia may focus our support on specific reform priorities, but always with an understanding of the impact on the whole.

- **Engage in policy dialogue and reform for greatest leverage**: sustainable change in partner countries is a long-term endeavour requiring local commitment to reform and effective policy settings. Australia will work to strengthen policy in our partner countries to lay the foundations for sustained improvement, through politically informed dialogue, advisory and technical support, support for local coalition building and networks, and demonstration activities.

- **Prioritise the use of evidence for decision making**: whether supporting the development of an Education Management Information System, strengthening the knowledge-to-policy cycle, or supporting local, regional, or global efforts to improve learning assessment systems, Australia will consistently promote and support the use of evidence to inform good policy and practice.

Fit-for-purpose

Australia’s partner countries are complex and varied—from large and emerging middle income economies to small island states, and from conflict-affected or fragile contexts to countries tackling entrenched and endemic poverty. Australia’s development assistance will take account of these realities, and ensure learning from others so we are an effective and valued development partner. Table 2 illustrates some examples of adapting aid modalities to context, to ensure they are fit-for-purpose (a more comprehensive analysis is available through DFAT’s e-learning modules).28

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28 A set of 40 Education for Development e-learning modules are available for DFAT staff on DFAT’s PeopleSoft system.
### Table 2: Fit-for-purpose—examples of adapting aid modalities to context

<table>
<thead>
<tr>
<th>Development context</th>
<th>Issues to consider</th>
</tr>
</thead>
</table>
| **Small island states, such as Pacific Island countries** | • Education funding from development partners is often a large proportion of non-recurrent resources. Harmonisation and alignment are critical to effectiveness.  
• Supporting strong local partners is critical to building local capacity, including recognising that capable partners, those who are motivated and influential, may be within or outside of government.  
• Specific challenges require innovative approaches. Examples include: language diversity in small populations require sophisticated mother tongue instruction systems; systemic inefficiencies drive up costs, such as remote schools delivering to small populations; limited resource base (human, financial) makes capacity gaps harder to fill; small labour markets make labour mobility a key consideration. |
| **Middle income countries, such as Indonesia, Philippines, Sri Lanka** | • Development partners are a relatively small contributor to overall financing, so leveraging domestic resources through effective policy dialogue, high-quality technical know-how, and catalytic support for locally-led coalitions and networks for change is key to major reform efforts.  
• Many middle income country governments are increasingly interested in improving secondary and post-secondary (skills) education, with key concerns being relevance to labour markets and access to financing.  
• Improving equity and expanding access to opportunity for the poorest is complex. The last groups to access education can be the hardest to reach, requiring tailored and politically-informed responses.  
• Technical and/or technological innovations can be worthwhile, where there is a coordinated learning system in place to make them effective. |
| **Conflict-affected or fragile countries, such as countries suffering large-scale natural disasters or complex emergencies** | • In fragile or conflict-affected countries or regions, children are less likely to be enrolled in primary school and more likely to drop out[^29], therefore a focus on access to and participation in basic education may be the priority.  
• Education is often underfunded as part of a humanitarian response, but providing temporary schooling can reduce the risk of later repetition and dropout rates.  
• Specific challenges require innovative approaches. Challenges include: basic education access and quality; reliance on lower skilled instructors due to higher education systems breaking down; limited or ineffective supporting systems (financing, payroll, data collection).  
• International law and other instruments may need to be considered when planning responses, such as the United Nations Security Council Resolution 2143 on children and armed conflict and/or Do No Harm principles. |

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Australia also supports regional initiatives where specific benefits are to be gained. In education, for example, regional approaches can be helpful in benchmarking performance, making higher unit-cost services more affordable (for example, higher education), facilitating student and labour mobility, absorbing risk and pilot innovation, and increasing the availability of research and analysis relevant to policy making.

Australian education investments will be guided by the four tests outlined in Australian aid\(^{30}\), and will be based on analysis of context, a robust assessment of comparative advantage and capacity to make a difference.

Figure 1 outlines the processes involved in making informed investment choices under this education strategy.

Figure 1: Making informed investment choices

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Analysis of context</th>
<th>Investment choice (illustrative)</th>
</tr>
</thead>
</table>
| **1. Children unprepared for school** | **Country/sector analysis**  
To understand the most significant development challenges in a given context.  
+ **Political economy analysis**  
To understand:  
• how decisions are made in specific policy areas  
• the role of relevant organisations and actors and  
• champions and entry points.  
+ **Australia’s niche**  
To identify the investment choice that best captures Australia’s value add.  
**Investment design**  
To identify outcomes and policy directions Australia is seeking to support, and likely pathways for change. | 1. Pre-schools and early primary improvement program |
| **2. Students with poor learning performance** |  | 2. Improved teacher practice, learning materials and assessment |
| **3. Children and youth out of school or dropping out** |  | 3. Community engagement on importance of education |
| **4. Country with low skill base** |  | 4. Qualification recognition and industry engagement |

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Systems-based approach

A well-functioning education and training system has clear connections from one stage to the next, and to the labour market, leading to productive livelihoods. The benefits of education accrue over a lifetime, starting in early childhood. For example, if a young woman enters the workforce with limited literacy and numeracy skills, her employment options will be limited. If she seeks practical training, a lack of school-level competencies will make it harder for her to fully benefit from the training on offer.

System failures at any given stage—pre-school level, primary or secondary school, or transition to post-school options—affect life prospects at the individual level and the human resource dividend at the national level.

The World Bank has developed a simple tool—Skills Toward Employability and Productivity (STEP) Framework—that can be used to identify weak points or gaps where donor financing can strengthen the performance of parts of the system, or connections from one part to another (including connections beyond the education system to support employment). The framework’s five interlinked steps are shown in Figure 2. More information about the STEP framework can be found in the World Bank report, Stepping up Skills for More Jobs and Higher Productivity (2010).31

Figure 2: Skills Toward Employability and Productivity (STEP) Framework

At each stage, a strong education system requires diverse resources, policies, and actors to play their part in a coordinated manner over a sustained period of time. Australia supports Systems Approach for Better Education Results (SABER)32, which collects and analyses policy data on education systems around the world. SABER offers evidence-based frameworks to highlight the policies and institutions that matter most to promote learning for all children and youth. The frameworks assess the quality of policies and their implementation.

SABER can be used collaboratively with partner countries to diagnose, prioritise and plan reform needs, as has been achieved in the Pacific region with Australian support.

Through the Global Partnership for Education, Australia actively supports countries to address systemic issues through a single, comprehensive, evidenced-based sector plan, which mobilises the resources of all stakeholders.

Where it makes sense to do so, Australia supports education and training at the whole-of-sector level to get behind major reform initiatives. This system-level partnership model is typically selected in smaller population nations where Australia is a key partner, such as in Pacific Island countries (Box 1).

**Box 1: Delivering better education and training through system-level partnerships**

In **Samoa**, the Ministry of Education, Sports and Culture, the National University and the Samoa Qualifications Authority are working with non-government providers to deliver a quality education system, accessible to all. Australia’s partnership emphasises the effectiveness of the whole education system, focusing on pre-primary and school-level children meeting learning milestones, more young people completing a meaningful secondary education, and smooth transitions to tertiary education and the world of work.

**Solomon Islands** continues to reform its education and training system by focusing on quality teaching and learning, teacher professional development, and the establishment of a new technical vocational and training system alongside the recently established Solomon Islands National University. Australia’s performance-linked financing targets foundation skills in literacy and numeracy, workforce development, and strategic resource management to improve education and training standards at all levels.

A young female college student from the island of Savaii in Samoa comments on ending violence against women and gender equality during an International Women’s Day forum. Photo credit: Gardenia Elisaia, DFAT, 2015

**Policy dialogue and reform**

Consistent with **Australian aid**, this education strategy recognises that developing country institutions and policies need to lead change, while development funding can play a catalytic role, incentivising change and demonstrating results. Developing country policies and processes provide the framework for all investment to occur. Maximising the effectiveness of all available resources means ensuring policies are relevant, results-focused and firmly grounded in evidence of what works. Bilateral and regional Australian aid initiatives, which bring together resources and high-calibre expertise, are well placed to influence policy.

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In education, for example:

- Pre or in-service teacher training programs may provide opportunities to review higher education policies and plans, such as financing frameworks or quality assurance mechanisms, or to update teacher management policies, such as for deployment, payroll management, and remuneration.
- Development of teaching materials may lead to curriculum reform, innovations in procurement or stronger language-of-instruction policies.
- Education infrastructure improvements may include strengthened data collection, infrastructure planning systems and procurement frameworks.

Consistent with the performance framework, Making performance count: enhancing the accountability and effectiveness of Australian aid, education investments will promote mutual accountability for reforms that are critical to development. Australia also supports moves by the Global Partnership for Education to place greater emphasis on policy reforms when making funding decisions.

Australia takes seriously the responsibility of partner countries to deliver effective and efficient education and training systems. To incentivise best practice and channel scarce resources to priorities that make the greatest difference, Australia links a proportion of its education and training investments to demonstrated and measurable change. This model of performance-linked investment can be used in all partner countries, but especially in those with large and complex education and training systems (Box 2).

### Box 2: Mutual accountability and performance

In Bangladesh, Australia links its support for primary education to the achievement of clear performance milestones, including the availability of textbooks, teacher competencies and sector financing. Our support for BRAC, the world’s largest non-government organisation (NGO), is provided through an innovative and strategic partnership built around high-level outcomes targets.

In Nepal and Sri Lanka, a significant proportion of Australia’s investment is tied to performance-linked indicators of education system reform and delivery. This model keeps our partnership dialogue at a strategic level, appropriately leaving the daily delivery of school and technical and vocational education and training (TVET) activities to domestic institutions.
Evidence for decision making

Investing in the availability and use of data for effective policy improves the value for money of Australian aid and increases the extent to which Australian support plays a catalytic role in mobilising partner country resources for poverty reduction and economic growth.

At the global level, a focus on learning in the post-2015 development goals has added fresh impetus to the need to strengthen measurement and reporting on learning outcomes. Australia is working with partners such as UNESCO’s Institute of Statistics and its Learning Metrics Taskforce to shine a light on progress and challenges in delivering quality education for all.

For many developing countries, data availability, quality and use, are insufficient to reliably inform policy. Australia can support our partner countries to improve Education Management Information Systems, or build more sophisticated learning assessment systems. Effective investments in evidence-building must be comprehensive, focusing on data collection, analysis, usage and reporting (to decision makers at all levels, from the school to the national ministry and/or minister). Programs should invest in understanding the political economy of knowledge production and use.

For the Australian aid program, robust monitoring and evaluation systems are an essential part of every aid investment. These systems need to collect, analyse and feedback to decision makers information about program performance, opportunities for continuous improvement, and lessons for future programming. An increased focus on real-time availability of data to improve program performance management, rather than waiting for mid-term or end-of-program review points, is an emerging feature of many of our education programs.

Australia recognises that achieving real change in learning outcomes for children will not be possible under a business-as-usual approach. Change needs to occur in the classroom, and in the people, processes and policies that influence what takes place in the classroom. Australia is embarking on a number of partnerships with governments and school communities that will encourage innovation and change, combined with robust evaluation and tight feedback loops, so decisions to adjust, improve or scale-up efforts are based on sound understanding of what is working and what is not (Box 3).

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34 DFAT’s principles for achieving value for money explicitly recognise evidence-based decision making as contributing to efficiency of programs, one dimension of value for money. The principles look at economy, efficiency, effectiveness and ethics as the four dimensions of achieving value for money. http://dfat.gov.au/aid/who-we-work-with/value-for-money-principles/Pages/value-for-money-principles.aspx

35 Including disaggregation by gender, disability, region, socio-economic quintile, and other possible dimensions of disadvantage.
Box 3: Innovating for better results, based on evidence

In **Indonesia**, learning outcomes remain well below the level required to drive greater productivity growth. Working alongside district governments, non-government stakeholders, school leaders, teachers, parents and students, Australian expertise will support and encourage targeted reforms at the district, community or school level that address specific challenges to better learning outcomes for all children. Reforms will be carefully monitored, and evidence of effective interventions will be tabled at the district, provincial and national levels to influence more widespread adoption of policy and/or practice changes.

In **Laos**, Australia is investing in the most disadvantaged districts to increase participation and improve learning outcomes. This 10-year program will include a dedicated fund for innovation that will pilot changes at the local government, school and community levels for improved education services. Pilots are likely to include new approaches to teaching Lao language to non-Lao speaking children and developing local curriculum content. Evidence gathered will be used to make adjustments to Australia’s broader program of support to the sector, and will be used by the Government of Laos to inform policies, plans and budget allocations.
Delivery

Australia’s education programs are committed to delivering against the strategic performance targets established in Australian aid. Aid delivery is supported by diverse partners, including: the Global Partnership for Education; private sector firms; regional organisations; multilateral organisations (such as UN agencies, World Bank, Asian Development Bank); other bilateral donors; national and international NGOs; and universities. Partners are selected based on an assessment of their comparative advantage and demonstrated strength in the country/region and area of focus. These diverse partnerships provide flexibility, crowd-in expertise, and underpin investment efficiency and effectiveness.

This section examines some select opportunities to extend or enhance the effectiveness of our aid delivery in education.

Engage or enable the private sector

In any economy, the private sector has an important stake in the quality of the education system as a driver of skills formation and future productivity. In accordance with DFAT’s private sector engagement strategy, Australia’s aid program will work with the private sector in diverse ways, from informal collaboration through to more formal partnering arrangements, acknowledging and encouraging their interests in better education outcomes.

Effective private sector engagement in education may include:

- **Conducting a situation analysis of the role of the private sector in education.** What kinds of services does the private sector currently provide? What mix of private and public funding is used to finance education services? Which policies and regulations are enabling or constraining private sector provision of education? What kinds of private sector organisations are significant (private companies, small-scale or informal providers, NGOs, faith-based organisations)? Are there avenues for government-private sector collaboration or consultation? What are the political drivers underpinning the status and role of the private sector in the education sector?

- **Working with private sector providers.** Are private sector providers delivering education of a high standard? Are there opportunities to learn from private providers or encourage better performance through financing or regulatory instruments? Can private providers be better aligned with public policy aims?

- **Supporting the private sector to be an active stakeholder in education outcomes.** Are skills training systems responsive to private sector needs? Are there partnership opportunities that increase the relevance and return of post-secondary education? Which skills are in short supply or likely to be so in future?

- **Leveraging private sector financing.** Could student loans increase access to financing for higher education? Could private sector investment in technical and vocational education and training be stimulated through tax incentives?

Innovate for results

High-performing education systems innovate—as the demands of modern economies grow, education systems must keep pace with societal demands. Innovative approaches in education can range from information and communications technology (ICT)-based solutions for improved access or learning, to innovation in curriculum, financing or school management arrangements. There is limited international evidence on the impact of innovation in areas such as ICT, so innovative approaches should include a strong emphasis on monitoring and evaluation. Innovation in isolation of a supportive, coordinated learning system is less likely to be sustained, so working closely with policy makers and embedding innovation within broader reform efforts is important.
Box 4: The global search for innovation: All Children Reading

DFAT is partnering with the United States Agency for International Development (USAID) and World Vision on ‘All Children Reading: A Grand Challenge for Development’, an ongoing series of global competitions that leverage science and technology to create and apply scalable solutions to improve literacy skills of early grade learners in developing countries.

This effort brings together private sector organisations, governments and civil society to identify and support creative ways to improve literacy.

From teaching aids in Timor-Leste to the use of mobile technology to report performance data in the Philippines and electronic readers used for mother tongue instruction in Cambodia, the grantees are as diverse as they are innovative.

For more information: http://allchildrenreading.org/

Cambodian children enjoy learning to read using an electronic reader with an app developed in their mother tongue. Photo credit: Kampuchean Action for Primary Education, 2013
Promote gender equity and participation for all

The evidence for, and Australia’s commitment to, extending the benefits of education to all are clear. Specific strategic approaches for ensuring our aid investments promote equity in access include:

- **Understanding the specific nature of exclusion in the local context.** This includes going beyond enrolment rates to look at transition, completion and attendance. If disaggregated data (for example, by gender, region, ethnic group and socio-economic status) is not readily available, can Australia resource and support its collection? This strategy also includes understanding the institutions, interests and incentives affecting exclusion, and how these are helping or hindering change.

- **Considering indicators of exclusion that go beyond access to schooling and capture influential behaviours and practices.** Are learning materials representing particular groups within society in limited ways? Are teachers providing diverse role models? Are classroom conditions and school facilities supporting all learners?

- **Supporting policy dialogue and reform, as well as working to help change on paper become change in practice.** Are inclusive education policies backed up by support to teachers to adapt teaching styles? Are communities engaged and supporting all children to attend school?

- **Working to ensure, in contexts where participation rates are high, that the last remaining out of school children, who can be hard to reach, are targeted.** Tailored, costed strategies that take into account the daily realities of excluded children are needed where mainstream assistance programs are not sufficient.

**Child protection**

All Australian aid investments in the education sector will apply the Child Protection Policy for the Australian Government’s aid program, originally released in January 2013 and reprinted June 2014.36 Obligations under the policy apply to DFAT staff and organisations or partners funded by DFAT.

Australia is committed to education as a priority sector for development investments. Budget parameters require consolidating education investments to focus on high-performing interventions where we have a good degree of influence.

DFAT, as the department implementing Australia’s aid program, is responsible for designing, managing and reviewing initiatives, as well as engaging in policy dialogue for improved education outcomes, especially in settings where Australia plays a lead or convening role among donors or with partner governments. These strategic and high-profile engagements offer opportunities to build Australia’s reputation and credibility as a development partner. Maintaining staff capability is critical to this effort.

**Current DFAT resources**

This section outlines some of the resources currently available to DFAT staff to access lessons and tools to guide decision making, and high-performing external expertise when implementing this education strategy. Staff can:

- **Access guidance notes and other analytical tools.** A number of guidance notes will be developed to support implementation of this strategy. These will include technical guidance notes on education sub-sectors and crosscutting issues. A working summary of the international evidence on the impact of different types of education interventions will be maintained and regularly shared with the education community of practice. Guidance on conducting political economy analysis, highly recommended for the education sector, is available from DFAT’s Governance, Growth and Fragility Branch. DFAT’s Disability Policy Section endorses Inclusive Education 2015[^37] as the leading inclusive education resource, and can provide technical advice.

- **Make the most of DFAT’s award-winning online training package.** An extensive range of modules covering policy concepts and issues in education have been developed for DFAT staff and are available through PeopleSoft. Staff are encouraged to consider: enrolling in topics of relevance to program priorities; forming a study group or requesting a facilitated discussion so colleagues can work through modules together; using modules as an ongoing resource when looking for reference material or a framework for planning or reviewing analytical reports or designs.

- **Ask for assistance when designing, implementing, monitoring and/or evaluating investments.** DFAT has significant experience and expertise in education investments that staff can access. Help includes assistance to conduct or commission analysis at key points in the programming cycle, including aid investment plans and investment concepts. The Education Section is a key resource area. DFAT’s monitoring and evaluation standards[^38] should be applied.

[^37]: [http://www.heart-resources.org/topic/inclusive-learning/](http://www.heart-resources.org/topic/inclusive-learning/). Produced by the Health and Education Advice and Resource Team (supported by the Department for International Development, United Kingdom).

• **Join the education community of practice and special interest groups** to receive updates on the latest international thinking, insights from the Education Section, and learn what other DFAT practitioners are doing in the sector.

• **Engage with the Education Section during pre-posting.** For staff posted to a development role with education sector responsibilities, it is recommended to connect with the Education Section during pre-posting. This can help build subject matter knowledge and relationships before departure.

• **Access aid advisory services.** Education, design, evaluation and other relevant expertise is available through the aid advisory services standing offers. These can be used to procure individuals or small teams, as well as source ongoing, flexible advisory capacity. The Education Section may be able to assist with accessing or commissioning work through this mechanism.

• **Leverage external partnerships.** In addition to our commitment to the Global Partnership for Education, DFAT maintains an evolving number of influential partnerships with global thought leaders in education, such as the Global Partnership for Education, ACER’s Centre for Global Education Monitoring, UNESCO’s Institute of Statistics and the USAID-coordinated All Children Reading: A Grand Challenge for Development. Covering issues such as literacy, learning assessment, and the use of data, these partnerships offer resources and insights that can improve programming at the national level.
DFAT’s Education Section will monitor the overall performance of the portfolio of education sector investments. It will assess the relevance, efficiency, effectiveness, sustainability and impact of the portfolio, identifying lessons learned and examples of good practice. This assessment will be guided by these key evaluative questions:

- To what extent have Australia’s development efforts increased access, improved learning outcomes and strengthened education systems at all levels?
- To what extent have Australia’s development efforts reduced disadvantage in participation in education, as a result of disability, gender, socio-economic status or other factors?
- To what extent have Australia’s development efforts supported the use of evidence to inform decision making in education?

The Education Section will assess the performance of education sector development programs across the aid program on an annual basis, with the outcomes publicly reported in the annual Performance of Australian Aid report. To inform this assessment, the Education Section will collect and analyse:

- Annual program performance reports to assess the effectiveness of implementing education interventions in country or regional programs.
- Aggregate development results reporting on the number of additional children enrolled in school; teachers trained; and women and men assisted to gain recognised post-secondary qualifications. This data will be used to assess success in improving access, enhancing the ability of teachers to generate improved learning, and enhancing workforce skills development.
- Ratings on the effectiveness of education sector investments classified by country or region, sector and value through annual aid quality checks.
- Information on staff capacity to manage the education portfolio, including in-house technical expertise.
- Data on education sector indicators collected through investment-level monitoring and evaluation frameworks.
- Data on learning outcomes.
- Information on expenditure on education programs.
- Relevant lessons from pilots and innovative approaches.
- Relevant information from other thematic portfolio reviews (for example, disability inclusion, gender, health, social protection and governance).
- Case studies of good and innovative practice in education system improvement.
**Strategy review**

An independent evaluation of this strategy will be undertaken once during its period of validity to identify results achieved, lessons learned and recommendations for future policy priorities. This will enable lessons learned to be shared across DFAT and with partners which will strengthen delivery of Australia’s significant portfolio of aid investments in education.

**Performance guidance for country and regional programs**

An Education Performance Assessment Note (PAN) will provide a range of indicators and evaluative questions for DFAT’s program areas to draw from in designing education investments and associated monitoring and evaluation frameworks. The PAN will draw on international experience and consultation with DFAT program areas.

The PAN will highlight that program areas should:

- **Pick indicators that suit the context and program.** The choice of indicators should be informed by the nature of the problem the investment is seeking to address, the solutions identified, and the data that can feasibly be collected.

- **Engage local and/or regional education sector stakeholders** in each stage of aid programming, including in developing performance frameworks and gathering data. Mutual obligations for development results should be discussed and agreed where possible.

- **Combine quantitative and qualitative data** recognising, in particular, that learning assessment is at the core of evaluating teaching quality and learning outcomes. In the Pacific, this is especially important given the commitment to diagnostic system benchmarking and regional approaches to data collection through a regional Education Management Information System.

- **Disaggregate data** by disability, gender, socio-economic status, geographic regions, and other relevant factors contributing to exclusion or disadvantage in access to quality education.

- **Build in feedback loops.** Ongoing testing of assumptions and feeding back lessons to inform and, if necessary, adjust or cancel investments, to help ensure intermediate changes support long-term results.


South Pacific Board of Educational Assessment (2014). *Pacific Islands Literacy and Numeracy Assessment*.


UNESCO Institute for Statistics (2014). *Progress in getting all children to school stalls but some countries show the way forward*, Policy paper 14/Fact sheet 28, France.

UNESCO Institute for Statistics (UIS) and UNICEF (2015). *Fixing the Broken Promise of Education for All: Findings from the Global Initiative on Out-of-School Children*. Montreal, Canada


World Bank (2010). *Stepping up skills for more jobs and higher productivity*, Washington, D.C., United States.

### Desired outcomes and indicative interventions by strategic priority

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<th>Strategic priority</th>
<th>Desired outcomes</th>
<th>Indicative interventions</th>
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<td><strong>Priority 1</strong>&lt;br&gt;Getting the foundations right</td>
<td>• Improved maternal, child and family health, including nutrition.&lt;br&gt;• Affordable, high-quality, early childhood education and care, including cognitive stimulation.&lt;br&gt;• Integrated support services for children and families, including parental education.&lt;br&gt;• Effective transitions from pre-school environments to child-centred primary schools.</td>
<td>• Reduce the effects of stunting and the prevalence of micronutrient deficiencies through early intervention programs.&lt;br&gt;• Increase access to or improve quality of child care and pre-school education services, to improve school readiness and educational performance.&lt;br&gt;• Foster an integrated approach to child development through policy dialogue.&lt;br&gt;• Increase coordination and move from disparate services into unified provision (from household or community level initiatives through to whole-of-system early childhood development delivery).&lt;br&gt;• Build strong connections between the pre-school and school systems, to ensure children do not miss a rung as they climb the learning ladder.</td>
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<td><strong>Priority 2</strong>&lt;br&gt;Learning for all</td>
<td>• Improved teaching practice and effective school-level leadership.&lt;br&gt;• Relevant, accessible, educational content.&lt;br&gt;• Improved data availability and monitoring for system performance assessment, diagnosis, and effective policy response.&lt;br&gt;• Comprehensive, tailored learning assessment systems linked to system improvement.</td>
<td>• Improve pre-service and ongoing training programs for teachers that build both teaching skills and subject understanding.&lt;br&gt;• Support school-based initiatives for improving teaching practice.&lt;br&gt;• Introduce teacher management policies based on codified professional conduct and standards, with a focus on teacher performance.&lt;br&gt;• Encourage more female teachers into classrooms and into leadership roles, especially where girls’ enrolment, retention and transition rates are low.&lt;br&gt;• Support policies, guidelines, training, and monitoring that targets effective school-level leadership, including school principals and school committees.</td>
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| **Priority 2**    | **Learning for all continued...** | • Support curriculum reform which focuses on the learner and includes positive approaches on gender. Key areas will include: curriculum development, especially in the core curriculum areas of literacy and numeracy; supporting children’s access to the language of instruction; learning materials; and teacher guides and teaching approaches, including assessing student progress.  
• Establish and support the use of education performance monitoring tools, with a focus on system diagnostics, priority setting, budget allocations, and long-term planning. This may include support to context-appropriate Education Monitoring Information Systems, with two-way linkages between school-level activities and central coordination functions.  
• Develop and/or support participation in school-based, national, regional and/or global initiatives for learning assessment.  
• Build capacity to use assessment data as an evidence-base for system reforms. |
| **Priority 3**    | **Universal participation** | • Access barriers removed so all children, including girls, children with disabilities, and other marginalised groups, can complete a full cycle of basic education.  
• Fit-for-purpose school facilities.  
• Finance and/or strengthen conditional grant schemes (for schools and/or students), targeted stipends, fee-relief approaches, and school feeding programs.  
• Support construction of inclusive learning facilities, particularly in remote and under-served regions. Education infrastructure supported by Australia will be built in accordance with the Accessibility Design Guide[^39], with an emphasis on child-centred learning environments, disability-inclusion, child safety, natural disaster preparedness and public health.  
• Integrate water, sanitation and hygiene approaches, including separate sanitation facilities for girls and boys, into school facilities.  
• Actively engage communities – including through communications and public outreach – to support universal participation, identifying the children who remain out of school, and why. |

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| Priority 3
Universal participation *continued*... | • Improve the safety of girls and boys on the way to and from school, such as by financing secure and supervised transportation. • Develop in-school protocols for reporting and addressing violence and supporting survivors. • In conflict areas, support the provision of temporary classrooms, learning materials, integrated care services and/or provision of education via radio. • Support development of curricula that emphasise human rights, equity, and an understanding of peace and reconciliation. | |
| Priority 4
Skills for prosperity | • Stable, well-regulated and adaptive higher education and training systems. • Effective mechanisms for engaging employers in shaping training systems. • Clear pathways in and out of training, enabling second-chance entrants, skills upgrading, and lifelong learning. • Sustainable financing models for tertiary education. | • Support reforms to higher education regulation, with a focus on quality assurance standards, provider accreditation, accountability and/or autonomy structures, and recognition of qualifications. • Foster collaboration between universities, training providers, policy makers, regulatory entities and industry bodies. • Innovate around industry engagement, such as establishing Industry Skill Councils, co-training approaches (for example, on-the-job training units or apprenticeships), industry co-financing opportunities, participatory curriculum review and labour market analyses. • Support flexible course delivery well suited to existing workers and persons with care-giving responsibilities, particularly women. |