

International Development Committee

Oral evidence: [DFID's work on education: Leaving no one behind](#), HC 639

Wednesday 11 January 2017

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Members present: Stephen Twigg (Chair); Fiona Bruce; Stephen Doughty; Mr Nigel Evans; Wendy Morton; Paul Scully.

Questions 51 – 80

Witnesses

I: Kevin Watkins, CEO, Save the Children UK

Examination of Witness

Kevin Watkins, CEO, Save the Children UK

Q51 Chair: Good morning and happy New Year, everyone. This is our first public evidence session of the new year as part of our Committee inquiry into DFID's work on education and leaving no one behind. Welcome, Kevin. I will give you a chance in a moment to introduce yourself. We have a dozen questions to cover over the next hour. Can I kick off by asking about the sustainable development goals as they relate to education, and what you see as the key priorities if we are to achieve SGD4 by 2030? Please also introduce yourself as part of the answer.

Kevin Watkins: Thank you, Mr Chairman. I am Kevin Watkins. I am the Chief Executive Officer of Save the Children UK. Thank you so much for inviting me along this morning.

The transition from the millennium development goals to the sustainable development goals is really something of a watershed because the great strength of the millennium development goal was a very clear focus. That focus was on primary education and gender equity. The strength was also the weakness, because there were a great deal of things missing. There was no reference to equity or the role of inequality in holding back progress. There was no reference to quality learning outcomes, which is absolutely critical. There were weak references to secondary education, and all of us understand that, in the knowledge-based economies of the 21st century, countries and people will not thrive by primary education alone.

The sustainable development goals have done two things. They have corrected some of those failures. There is a focus on equity and leaving no one behind, and the very strong commitment to the fact that these goals are for everyone and should be assessed against the progress in all sections of society—the girls, the poor, ethnic minorities, the most disadvantaged. That is a really important statement of intent for which the British Government should claim due responsibility. It was the UK that got the focus on equity and leaving no one behind on to the agenda.

The second thing that the sustainable development goals have done is to increase the emphasis on equity. The focus is now not just on getting children into school but making sure that they come out of school having learnt the skills and competencies that will set them up to realise their potential in labour markets and in life more broadly.

The third thing that the sustainable development goals have done is raise the bar for ambition to focus not just on primary school but on universal secondary education. I am an ambitious person. My organisation is very ambitious in these areas. There are some people who would argue that this is wildly over-ambitious, particularly in the context of the real



performance under the millennium development goals. We still have 59 million primary-school-aged children out of school. That number is going up; it is not coming down. We have over 60 million adolescent children out of school; that number is going up and not coming down. It is one thing to raise the bar for ambition; it is another thing to put in place the real financial commitments, the policy commitments and the infrastructure that will make the ambition achievable. At the moment, I would argue that we have a huge mismatch between the level of ambition on the one side and the level of political commitment on the other, both on the part of aid donors but also on the part of national Governments.

Chair: Thank you very much indeed. We have a number of questions that will drill into the detail of some of the points that you have just made.

Q52 **Mr Evans:** You said that the number is going up and not coming down, yet statistics show that in 2000 it was 100 million youngsters not in education, and it is now 59 million. It seems as if it is going in the right direction but maybe not fast enough. Can you comment on that?

Kevin Watkins: Thank you for making that point, Nigel. The correction to what I said is that the numbers have come down dramatically since 2000, when we did have just over 100 million out of school. Almost all of that progress happened between 2000 and 2008. The bulk of it happened in one country, which was India. Since 2008, we have seen a flat-lining of the number and in the last couple of years it has started to edge upwards. That is partly a product of demography, by the way. Enrolment rates are going up, but bear in mind that the countries that are starting from furthest back, in particular in sub-Saharan Africa, have fertility rates of around four to five. The number of children coming into the system is going up very sharply.

Q53 **Mr Evans:** Are you able to distinguish between those who are registered to go to school and those who attend school? There appears to be a bit of a mismatch on those figures too.

Kevin Watkins: Yes, there is. All of the data in this field is a little questionable. If you take the enrolment numbers, there are various incentives—I would say perverse incentives—in play that might inflate the figure. For example, school financing is typically connected to enrolment levels, and of course many children enrol in school but will drop out in the first couple of grades and will not complete school. If you look at the enrolment rate for primary education in sub-Saharan Africa, it is in the mid-80 per cents. If you look at the completion rate, it is in the low-60 per cents. We have this very big dropout.

If you compare the enrolment figures with survey evidence on school attendance, there is typically a mismatch of between 10% and 20% because surveys are asking the question, on the day of the survey, "Is your child in school? Yes or no." Enrolment figures are asking you, "On



the first day of school, did your child register? Yes or no.” These are very different things. The survey data is capturing the impact of the dropout rate and in many countries it is more accurate than the enrolment figure.

Q54 Mr Evans: If India is one of the best improved, who are the ones that we really do need to start to pay attention to?

Kevin Watkins: If you went back to 2000, which is your starting point, India, by some distance, had the biggest out-of-school population in the world. The first and second countries in that particular league table now are Pakistan and Nigeria. Neither of them are moving. Pakistan is edging forward. Nigeria is edging backwards. These are absolute priority countries.

There are great success stories in terms of access. There are countries like Ethiopia, Mozambique, Tanzania—countries that 15 years ago none of us would have said had a snowball in hell’s chance of getting anywhere near to universal primary education—but then there are many other countries that are stagnating at levels some distance from reaching the target.

If I could just add one point, Nigel, in response to your question, there are two distinctive types of problem that have to be addressed. There is one set of problems that are about countries like Nigeria and Pakistan, which are not moving at all, where there are big governance challenges, some of the biggest gender disparities in the world, and high levels of violence in parts of the countries that are doing the worst. At the other end, you have countries like Bangladesh that have done exceptionally well but have hit enrolment rates of around 92% to 93% and have then become stuck. The reason that they have become stuck is that you are running up against the last-mile challenge. These are the kids who are forced into labour markets by poverty. These are the girls who are forced into early marriage by poverty.

Q55 Chair: Is that the enrolment rate into primary education in Bangladesh?

Kevin Watkins: Yes. It is a contested area and the Government make exaggerated claims, but the real enrolment rate in Bangladesh for primary is around 92% to 93%.

Q56 Mr Evans: What can we do to address this real problem?

Kevin Watkins: There are a number of things that we can do, but we should start from the basics that, in these last-mile-challenge environments, we obviously have to focus on the most disadvantaged children and we have to understand why they are being left behind. It varies. There are no blueprints here. There are around 30 million children who are in hazardous labour—extreme forms of child labour—who should be in primary school; there are girls in Ethiopia who are marrying at an average age of 17, and in the poorest parts of the country



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at an age of around 13 or 14, who are not going to complete their education.

We have to tackle these outside-of-school problems and one way of turning the spotlight on these issues is to do more than just setting a global target: "Every child will be in school by 2030". 2030 is sufficiently remote for any Finance Minister in the world or for any Education Minister in the world to sign up for anything. You could sign up for creating a school system on Mars in 2030 and nobody would notice.

We need a set of equity targets behind the global number. We should be saying, "Over the next five years, you halve the gap in school attendance between the richest 20% and the poorest 20%; between the best-performing parts of the country and the worst-performing parts of the country; or between rural girls and urban boys." There are many ways you can cut this but having equity targets that take you towards the goals and that turn the spotlight on the real barriers to accelerated progress would focus political attention. That would be one of the great services that DFID could provide in this area, in its dialogue with Governments.

Q57 Mr Evans: Is it just a money thing, or is it our inability on capacity to be able to deliver what you are asking?

Kevin Watkins: The underlying problem is the power and money thing. It is a power thing because the parents of the kids who are being left furthest behind do not really have a voice in shaping priorities. It is a money thing because education financing in most low-income countries is very heavily skewed towards more advantaged children and away from less advantaged children. That is the underlying problem to be addressed.

Mr Evans: Skewed away from less advantaged.

Kevin Watkins: Yes. To give you one example from Kenya, if you look at the parts of Kenya that are being left furthest behind, it is overwhelmingly in the northern areas where kids typically drop out after two to three years. Now, the education financing formula has no weighting for poverty or dropout rates, and is geared towards children who are in school; the more children who are in school, the more money that goes into the school system. That means that you get this very big mismatch between financing for education in the most disadvantaged parts of the country and the more advantaged parts of the country.

DFID, through the influence that it brings to bear in national programmes and through the influence that it has with the World Bank and the International Monetary Fund, can address these basic financing equity questions. I would like to see—and I have argued for this in other places—what I call "stepping stone" equity targets. These are targets that would be geared towards the ultimate purpose of getting all kids into school by 2030, but would highlight the most disadvantaged areas and



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make commitments on narrowing gaps. We could also use them in the UK in some areas, because the sustainable development goals are for everybody, after all. We urgently need them in the most disadvantaged countries.

We have to be honest here about what concerns the elites in Pakistan and Nigeria, including the Cabinets. They do not get out of bed in the morning and the first thought that comes into their heads is, "How do we reach our most disadvantaged children? How do we get the kids who are in brick kilns into primary schools?" That is not what they are thinking about. We need mechanisms that turn the spotlight on the problem and which nudge political actors in the right direction.

Mr Evans: If you could send us something specific on Kenya, that might be really useful as we are going there in a couple of months. Thank you.

Q58 **Fiona Bruce:** Good morning, Mr Watkins. I just want to ask about global leadership, which you have touched on. In a blog post in 2012, you suggested that leadership from the UN and the World Bank on education had been weak. Is there a lack of global leadership on education? If so, who could fill the vacuum and what role does the UK have to play?

Kevin Watkins: Yes. Like the Foreign Secretary, I have said a few things in the past that I have come to regret.

Chair: He still says them.

Kevin Watkins: In that article and elsewhere I was drawing a contrast between the type of leadership that we are seeing in health, globally, and the type of leadership that we are seeing in education. If you go back to 2000, we have seen an extraordinary transformation of development architecture in health. If you think of GAVI or the Global Fund, these have delivered extraordinary results on the ground. We have seen death rates from malaria come down dramatically because of the Global Fund. We have seen GAVI saving countless tens of thousands of lives because of immunisation. They have developed very innovative financing mechanisms to do that—market support programmes and so on. We have seen aid for health, which is now somewhere around £37 billion, has doubled since 2005. Aid for education has hovered around £12 billion. It has completely flat-lined in recent years and is now coming down slightly.

I should add that if you take aid for education, only one-quarter of that aid is going to the poorest countries. Many bilateral donors are actually directing their resources towards the lower middle-income countries and even the middle-income countries. I would also argue that the World Bank's portfolio in education is underdeveloped.

On the broader leadership point, there are an awful lot of negative things that are said these days about international aid. We have had a series of Secretaries of State in the United Kingdom. If you go to the last three Secretaries, Andrew Mitchell did a great deal to put girls' education on the agenda. Justine Greening really drove that agenda forward and made



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the links to early marriage and other forms of disadvantage. I was tremendously encouraged that the current Secretary of State made her first trip to visit education programmes in Jordan and Lebanon. The UK have really provided leadership in this area because other donors have frankly turned their backs on Syrian refugee kids who are in those camps. The UK can reasonably claim global leadership in education.

We now have Gordon Brown who, as special envoy for education, has done an utterly extraordinary job in addressing that challenge that I was highlighting in the blog. He brought together a very high-level education financing commission that produced a compelling report, setting very ambitious, practical and innovative targets for reforming the multilateral development bank so they become a more powerful force.

We then have Julia Gillard and Alice Albright in the Global Partnership for Education who have also raised the game of that institution. It is not as bad as it was when I wrote that blog. I would still say that, if we were doing an honest comparison with health, education is getting left behind on leadership and we do need to see the big global actors stepping up to the plate more than they have done over the last few years.

Q59 Fiona Bruce: That is very helpful, so a greater leadership globally and also greater partnership working as with the neglected tropical diseases. Could I ask you about UNESCO? UNESCO was criticised in the multilateral development review. It concluded that UNESCO was “in need of dramatic improvement. It is failing in its effectiveness and in its organisational capability.” Is there still a role for UNESCO in global education and, if so, how could it be reformed to make it fit for purpose?

Kevin Watkins: I worked in UNESCO for three years as director of the Global Education Monitoring Report, which is a bit of an island within the institution; it is an independent report. That is a declaration not of interest but of record.

I often used to use the example in UNESCO that every time I have done a field visit, since my early days working in Oxfam and throughout my career in the UN, in every slum I visited, and in every poor, rural village that I visited, if you speak to parents, in particular mothers, they have this almost primordial commitment to getting their kids into school at all costs. They can be hit by a drought or desperately poor. There was one young boy called Francis that I met in North Kivu, in the Democratic Republic of Congo, and I spent a morning with him. His day started at 5 am, collecting charcoal, which he would sell at the side of the road in order to pay to go to school in the afternoon.

I am coming to the UNESCO point here. On the one side, you have this extraordinary ambition, resolve and resilience on the part of the world's poorest people, and this belief in education and the transformative power of education. You go to meetings in UNESCO on education and it is like you are the Dementors in “Harry Potter” in the room, just sucking out the energy. There are these endless discussions on the technical details and



a lack of political direction; everything that you see in these slums and villages in Africa you do not see in UNESCO, to be completely honest with you.

The current and the previous Director General were trying very hard to reform and change the institution, but it is a tough institution to change. You have a governing council of 126 countries, or whatever it is, where everything gets put to the vote. My own view is that the multilateral aid review on UNESCO was fair and that it was balanced. There is an absolute imperative to reform that institution because we need a global leader in education. Unicef partly fills the gap. Unicef does a very good job. To the extent that it is feasible and possible, the UK should be supporting those in UNESCO who are trying to deliver change. Pulling out is a tempting option but is probably the right option. It is what the US did, if you remember.

Chair: Did you say that it probably is the right option?

Kevin Watkins: No, it is not the right option. You have to ask yourself: we may not like the institutions we have, but creating the institutions we want is also not easy.

Fiona Bruce: Yes, they have to be at the table. Thank you.

Q60 **Chair:** I very much agree with what you were saying about the general levels of support and leadership for education, and particularly the contrast with health. Should DFID devote a bigger part of its budget to supporting education?

Kevin Watkins: You would be surprised if I answered “no” to that question. At the moment I am right in saying that education is around fifth in the DFID portfolio. It was around £650 million last year. It is quite a long way behind governance, the multi-sectoral programmes and some of the big growth programmes.

If you think through the role of education in driving the changes that DFID wants to see, try naming me a country that has ever systematically driven down poverty over time, that has rapidly accelerated child survival rates, cut maternal mortality rates, lifted children out of child labour, without getting it right in education. It just does not happen like that. All of the great human development success stories in development start with education: South Korea, Taiwan—you can go on.

The current commitment is a little lower than where it needs to be. I would also argue that it is somewhat unbalanced. I do not have the precise numbers with me, but around one-third goes to basic education, but only 0.3% goes to early childhood. If there is one thing that we know from every study that has ever been done on this, it is that if you get it wrong in early childhood, there are no rewind buttons.

We have 250 million children who start school every year who have been stunted by malnutrition. That is a huge barrier to learning. We have



children coming from non-literate home environments into the school system where the reason we see these terrible learning outcomes at grade 3 is that they start before kids get into school. Forty per cent of Kenyan kids at grade 3 cannot read a sentence. These are kids that come from non-literate homes; they are the first generation of learners. They are being subjected to teaching systems and teacher training systems that are failing them. They are under-resourced, under-supported.

However, aid donors have also just got it wrong on this. Aid donors are undermining the returns on their own investments, because if you put a lot into secondary, which the UK does, and you put a lot into primary, but you neglect early childhood, then you are driving down the learning outcomes from the investments you are putting in place. This has to be a "shooting yourself in the foot" strategy from a financial point of view, and I would like to see at least 5% of the portfolio over the near term moved into early childhood intervention because we know they work.

Q61 Wendy Morton: My apologies for being late. I wanted to take you back to a point you mentioned and seek a bit of clarification. You were talking about multilateral donors donating and money going, obviously, into education. You mentioned that it was covering low-income countries and middle-income countries. We appreciate the situation with Syrian refugees and Jordan and Lebanon, but can you give us any sense of what the split between multilateral donor funding into education in middle-income countries is compared with low-income countries?

Kevin Watkins: Yes. If I could, I will send you the detail on that.

Wendy Morton: That would be really useful.

Kevin Watkins: In terms of the broad picture, around one-quarter of grant aid in education is going into low-income countries. That includes the World Bank's IDA facility. There is around £1.6 billion from IDA that goes into education annually. If you compare that with health, around half of aid money in health goes to low-income countries. There is a big difference between health and education on this. It is in low-income countries that you are facing the biggest financing gaps and the most limited revenue mobilisation capabilities.

The IBRD part of the World Bank operation is of course putting money principally into middle-income countries, but the question that you are raising goes to the heart of the broader development financing questions that are very relevant for education. For example, with the Syria crisis there was a really urgent need to have a response capability in Jordan and Lebanon very rapidly, where the education systems were just being overwhelmed by the inflow of refugees. It took the World Bank three years to move. Think of three years in terms of our own children's education. Actually, this was despite the best efforts of the President of the World Bank to put in place mechanisms that would enable them to act. Because they are middle-income countries, the World Bank could



not use IDA resources, so they had to go through a convoluted mechanism of creating a trust fund, which took a long time to set up and even longer to start disbursing.

This is a really big gap in the architecture. It is a slightly different problem than the one that is behind those numbers that I mentioned to you about just one-quarter of grants going to low-income countries, because we still have some bilateral donors like France and Germany who score as aid money that is going into student stipends in their own countries. There are really important issues that have to be addressed through the OECD on this, about what really counts as aid.

Also, if you look at the financing gap numbers for education to 2030, if you take the goals on the one side and asked, "What would it take to achieve them financially?" on the other—and the education commission convened by Gordon Brown has done some very good number-crunching on this—in ballpark terms, the external financing gap is around £44 billion per year. More and more of these countries are becoming lower middle-income and middle-income countries that could be absorbing resources that are not straight aid more than they are currently doing. Think of Zambia; it is borrowing in bond markets at 8%. The IBRD is lending at 2%. Why is Zambia going to bond markets? There is something wrong with the architecture here.

You can also use aid to leverage non-aid resources. You can do this on a \$3 to \$1 basis, and in a period of low interest rates where we know there are these incredibly high returns to education—\$4 or \$5 of return for every dollar invested—to my mind it is a no-brainer to sweat the asset sheet of the World Bank and the other multilateral development banks far more effectively than is currently happening.

Chair: This is great stuff. We have covered three of our questions in half an hour and have another half an hour to cover the other nine, so I will have to make an appeal for slightly more concise answers, Kevin. Thank you.

Q62 Stephen Doughty: Kevin, I just want to take you back to the figures in terms of the split within DFID, in terms of their spending. Helpfully we have some here from the Clerks. It is 44% on basic education, 29% on education level unspecified, 6% on post-secondary and 19% on secondary. It was really helpful to hear that 5% that you think should go specifically to pre-primary education. Is the wider breakdown that they have there right or would you prefer to see some reallocation from that and some of the money that is going into secondary going into some of those lower levels?

Kevin Watkins: It is a really tough question because I am a very strong advocate of the view that you cannot segment education systems. We know that one of the reasons that many kids drop out of primary school is that they have no prospect of getting into secondary school. You absolutely cannot ignore the secondary sector.



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On the other side, if you are talking about the most disadvantaged kids, these are the ones who are either not getting into primary school at all or who are dropping out early. My own view would be that within the portfolio there should be more weighting for the most disadvantaged kids at a basic education level. That probably means junior secondary as well, by the way.

Q63 Stephen Doughty: This is a question specifically about what DFID should do as opposed to the globe and individual countries. This is about DFID's specific role, and you think they should focus more on those really hard to reach at the lower end of the spectrum.

Kevin Watkins: Yes. We are talking at the margin here, right? I am not saying, "Put all of the secondary portfolio into primary," but certainly I would be taking a long, cold, hard look at the tertiary-level investments, and I would be taking a long, cold, hard look at the unspecified commitments; and I would certainly be scaling up early childhood. I would certainly be scaling up the early grades in particular of primary, and more broadly I would be scaling up basic education.

Q64 Stephen Doughty: In the written evidence, you say that DFID should produce a clear and detailed education strategy and a 10-year spending plan. Can you explain why that is absolutely crucial and what DFID should be doing in terms of driving more catalytic investment as part of that from the multilateral institutions and others?

Kevin Watkins: Yes. The strategy is important because DFID is trying to do a really tough thing here. It is easy to say, "Leave no one behind in education." If you think about really applying that principle in this country, that is a tough thing to do. Think about doing it in South Sudan where you have a war going on. Think about doing it in Nigeria; three weeks ago I was in north-east Nigeria, in Borno, where we have programmes in Boko Haram areas, where the out-of-school numbers are going up dramatically from already high levels. Reversing that is really tough. Getting kids out of child labour in slums in Dakar or other parts of the world is not easy and it is not just about education.

You need a strategy to set out how, in your priority countries, you are going to identify the poor, you are going to identify the barriers that are keeping them out of school and you are going to identify how you are going to lower those barriers. Some of it is about reform in the education system and that has to be spelt out. A lot of it is about what you do outside of the education system to tackle marginalisation more broadly. Doing a strategy would help DFID work across the siloes in health, education, livelihoods and so on.

Stephen Doughty: To ensure there is coherence, essentially.

Kevin Watkins: To ensure that there is coherence in DFID. The education cadre in DFID—and I am not saying this because I am speaking before this Committee—is an exceptionally talented group of people. They produce very high quality work. If I compare DFID's work on



education with all of the other donors that I am familiar with, I would say that DFID is in another league table. However, developing the strategy in itself would have a global impact and it would address the second part of your question of how you leverage change. The World Bank is not doing enough, not because it is anti-education but because the case is not being made repeatedly and hard enough at the right level—Finance Minister or Secretary of State-level.

For example, we could be using the G20 meeting that is coming up in June to make the case for putting in place this multilateral development bank financing facility that the Education Commission has argued for. The Germans are quite open to that, but we should be at the forefront championing this. We should be doing, on the broader financing question, what the UK has done on Syria, which is to provide leadership by example.

Q65 Paul Scully: You talked about having a cold, hard look at tertiary education and these sort of things, and there is obviously a burgeoning youth population. Is there enough of a focus on equipping young people with vocational skills and life skills?

Kevin Watkins: This is an area where there are big deficits all around, and there is certainly a deficit in that area. Look at the basic demographics of sub-Saharan Africa and South Asia, which by the way ought to be a deeply considered backdrop to this inquiry, because the number of young people who are going to be entering labour markets in South Asia and sub-Saharan Africa is going up absolutely exponentially over the next 15 years—the SDG period.

We cannot take the position that we will try to fix the problem for future generations so we go for universal primary education over the next few years whilst there are millions of children who are entering labour markets having either dropped out of school or come out of school with very limited learning skills. We know there are some vocational programmes that have delivered quite strong results. I am thinking in particular of the BRAC programmes in Bangladesh, and there are other positive examples of that, in Latin America in particular.

For every good example that I could give you, you could throw back at me 10 bad ones. Vocational is difficult to do because you need to understand the labour market and you need to be able to deliver the skills. There are some countries that have done quite well in vocational. They are mostly lower middle-income countries or middle-income countries. Ghana has done quite well and Brazil has done very well. It has done well through very deep partnership between the education system and employers. They are typically derivatives of the German model; you enable students to switch over between general and vocational education, and you provide a guaranteed employment opportunity that delivers skills. However, there are very many failures in this area.



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The answer is that we should be doing somewhat more, but the absolutely imperative thing is to build the education systems that can equip kids with the skills that they need to secure employment.

Q66 Paul Scully: I am aware of some of the BRAC work in Bangladesh. I wonder if there are any other examples that are great examples that we can upscale, but also particularly concentrating on DFID's resources for DFID to be particularly centrally involved in.

Kevin Watkins: Yes, there are several papers that have been done on this, and in fact one was written to inform the sustainable development goals. I would be very happy to submit these papers. I am afraid that it is not really my area of expertise.

Paul Scully: That would be really useful, thank you.

Q67 Fiona Bruce: Can I just go back to the point that you made much earlier about partnership working being important? Save the Children's evidence is supportive of DFID's investment in the Global Partnership for Education. Is investing in multilateral instruments like that a more effective way for DFID to work on education, or would you like to see DFID invest more in its bilateral education programme? In a sense you might have answered that by what you said earlier about improved partnership working, but we would be interested to know.

Kevin Watkins: In the end, it comes down to a question of a balance and what delivers results. I have been very encouraged by the progress the Global Partnership for Education has made over the last few years. Five years ago I was very critical of GPE. They had incredibly low disbursement rates; they were not operating in conflict-affected countries. That picture has changed very dramatically. They are now disbursing around £500 million per year—something of that order. Around 70% of it is going into fragile and conflict-affected states. They are disbursing much more rapidly. They have very competent technical staff. It is a good investment.

We have to acknowledge, on the other hand, that it is not operating at anywhere near the type of financial scale that we need to resolve what is a global problem. I would strongly support the UK keeping to the replenishment commitments that it has made on GPE for the next replenishment.

At the same time, the big game in town is to move the World Bank and to make it a more effective supporter. There is a bit of a concern with the GPE that, because the World Bank is the oversight agency in most of the countries in which GPE operates, it is sometimes seen by the World Bank as a World Bank facility, and there is a view of, "Why should we be putting more IDA money into education when GPE is doing it?" There has been a bit of a trade-off there that has not always been helpful.

Q68 Fiona Bruce: Regarding the Civil Society Partnership Review and subsequent changes to funding, will they affect NGOs' abilities to engage



in education programming and to partner with DFID? Do you see more or fewer opportunities?

Kevin Watkins: Again, you would be pretty surprised if I did not regret the fact that we lost our PPA, because the PPA was an unrestricted source that enabled us to be more responsive and strategic in pursuit of the objectives that DFID is seeking to advance in education and in other areas. I do regret the loss of the PPA. It has not weakened the partnership between DFID and civil society. We engage very actively with DFID, not just on the education programmes but also in trying to advance through our advocacy work the objectives that DFID is pursuing.

Q69 **Stephen Doughty:** Alice Albright told us that if donors could manage the risk, budget support is the way to go and that, if you are going to strengthen education systems, Governments should be in the driver's seat. As you know, DFID has moved away from general budget and education sector support in recent years. Should the Department reconsider its position and potentially move back to more central supporting of education systems to perhaps ensure things such as that the least able to access systems can and the removal of user fees?

Kevin Watkins: Yes. There are two separate sets of issues behind that question. There is a public financial management issue and a budget management issue, and then there are the politics of aid. From a pure efficiency angle, any public finance economist will tell you that the most efficient way to use financial resource is to put it through a general budget and that the transaction costs of taking them offline and building project management teams around them diminishes what you can achieve and raises the cost of intervention. That is right.

On the other side, particularly in the current climate in the UK, there are risks that come with budget support; if Governments shift priorities or underspend on education and overspend on the military, you are then effectively financing the military. That is problematic as well.

In some countries it is possible to go back towards budget support—in the countries with strong fiduciary management systems in place, with a track record of delivering, ensuring that allocations and actual spending match up, and all that sort of thing. There are many low-income countries that frankly just do not fit into that category and in which you can operate through sector support, which is the direction of travel at the moment. I would tend not to get too theological about the issue, but really just to focus on what we are trying to achieve under the real political environment that we have to operate in.

Stephen Doughty: You would say a more nuanced approach somewhere in between where things have perhaps swung at the moment.

Kevin Watkins: For most low-income countries, the countries that are being left furthest behind, budget support is probably not realistic at the moment.



Stephen Doughty: But sectoral support possibly is.

Kevin Watkins: Sectoral support is, yes.

Q70 **Paul Scully:** Evidence from one of our education providers that we spoke to stated that their low-fee schools are meeting an unmet demand for education in socio-economically disadvantaged communities and that they are part of the solution given insufficient finances. What do you think about the mix of public and private provision and whether it is necessary to ensure that all children have access to quality education through that format?

Kevin Watkins: I have written a fair bit on this, which again I would be happy to send over to you. My own view is that the reality is that as countries grow, as the middle-class populations across Africa and South Asia grow, and given the current quality of education systems in those countries, it is inevitable that we are going to see a rise in demand for private education. That is also happening around relatively low-income groups. On the other side, my own view is that the rise of these schools is not really part of the solution to the problem; it is a symptom of failure. It is a symptom of state failure and of the basic failure to put in place decent-quality learning environments, proper teacher training systems and proper facilities in order to deliver decent learning outcomes.

If you control for the social characteristics of the children who use these services, there is actually no evidence that low-fee private schools are outperforming public schools on a like-for-like basis. They do get better results, but that is partly because the parents who are sending their kids to these schools tend to be a bit richer than the very poor.

What counts as low-fee in this context is a very loaded concept because in many cases you are still talking about \$10 per month or more. For a low-income family with three children, that is \$30 per month. In many of the countries that we are talking about, you have more than half of the population living on less than \$1.90 per day. These are not affordable options for the very poor. They are not delivering particularly good-quality results. They are actually very good at making exaggerated claims on their websites that are not substantiated by hard learning assessment evidence.

We certainly should not be actively supporting demand for low-fee private schools. We should be investing in building accountable, high-quality public systems, but we have to recognise that public schools are there and they are playing a role, and that they need to be properly regulated.

Q71 **Paul Scully:** I know you said that you are not supportive of budget support, but presumably you are saying that we need to be working with the Governments to encourage a free-school environment if there are no alternatives, as there are in certain parts.



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Kevin Watkins: Yes. Again, there is a study on this that I will send you, which is done by Pauline Rose from Cambridge University and Geeta Kingdon from Oxford. It is published by the Overseas Development Institute. It goes through the evidence very comprehensively. The bottom line on this is: what are the responsibilities of Government? If you cannot provide for your poorest citizens a decent-quality, free education, what are you doing? The idea that countries like India and Pakistan are unable to provide decent-quality, basic education for all of their kids is frankly ridiculous. We are dealing here with a symptom of state failure and with the unaccountability of national elites who are not responsive to the needs of their poorest kids. If you think about it, this is like a tax on the poor; you are funding your education system by putting a tax on the poor in the form of a direct charge for getting a basic education that should be a human right.

As you probably gather from my tone on this, I am not an advocate.

Q72 **Chair:** Let me tempt you to be completely clear: are you therefore saying that DFID should not be funding, either directly or through CDC, these low-cost-fee schools anywhere?

Kevin Watkins: Yes, I am.

Q73 **Chair:** Can I ask particularly about Bridge? The Bridge academy has received significant financial support both from CDC and through IFC, and we know that they have recently encountered difficulties in Uganda, where they have been threatened by the Ugandan Government with closure. Is this a one-off case and could you make a broader comment on Bridge and the UK's support for Bridge?

Kevin Watkins: I do not know the details of the Bridge case. Something like 1.5% of the CDC portfolio is directed towards private education. If CDC has a remit to secure high social returns from its investments, this is a bad place to put public money. At best it is unproven; at worst you are pumping money into an education provision system that may well be eroding the capabilities of the state to deliver a decent-quality service.

We do need more evidence on this, by the way, and Bridge are absolutely terrible at providing hard, real, independent assessment evidence. At an absolute minimum, as a condition for continuing any support for Bridge, we need to see the evidence.

These are actors that claim to be free-market entrepreneurs; they behave like free-market entrepreneurs and do not ask for public subsidies. They should not ask for voucher-based support. It is quite interesting that, if you look at the evidence on this from rich countries, such as from the US, even the most extreme exponents of the voucher-based systems in the US have moved away from it. It does not work in the US but somehow we think that it is going to work in South Sudan or Uganda.

Q74 **Chair:** You mentioned Nigeria earlier and, as you will know, we had an



inquiry into Nigeria. As part of that we looked at education and some of us visited a Bridge academy in Lagos. Clearly Nigeria is a country that faces massive challenges on education. Can you very briefly, in one minute, say what you think the correct route is for DFID with regards to Nigeria on education?

Kevin Watkins: In Nigeria you essentially have three problems in one. You have some of the biggest gender disparities in the world. A young girl born today in north-east Nigeria, in a rural area, to a poor household, has a prospect of getting about three months of schooling, one term of schooling. A boy born to a rich urban household will get nine years of schooling. You have something like a nine-year gap between the most disadvantaged rural girls and the most advantaged boys. The education system is skewing resources towards higher-performing areas.

One thing that needs to happen is Nigeria needs to mobilise more resources for education. It should have been using its oil revenue—the windfall. The smart thing to have done would have been to pump that windfall into the education system. Unfortunately that did not happen. They also need to tackle the equity issues of the distribution of education spending. The north is being left further and further behind, partly because of failures to invest.

The second issue that you have is the scale of the Boko Haram insurgency and the insecurity that that has created. Borno State, before the escalation of violence last year, had enrolment rates of something like 45%. I suspect they have now gone down to the low-30 per cents. On the other side you have big concentrations of displaced populations in areas that are now reachable, but you again have to ask the question: why is it that we do not have mechanisms that have responded really quickly to this opportunity to put in place provision in areas like Maiduguri where you can provide education now? We have the same problem in Yemen. We are struggling to mobilise resources for kids that are very reachable and who have been left behind.

The third issue in Nigeria is obviously the governance one. There is no point in pretending that there is a quick fix here. This is a problem that needs sustained engagement over time on public finance and other issues.

Q75 **Stephen Doughty:** Going back to the issue of reaching the most marginalised and particularly with regard to girls' education, the recent ICAI report was quite critical of DFID in saying that they went for the easiest to reach rather than the most in need when it came to marginalised girls' education. It was not that they were not doing a good job but that they perhaps were not reaching the most difficult cohorts. How can they properly balance that need for the value for money with reaching the most marginalised, risky and difficult?

Kevin Watkins: The press release that came with that report was very poorly aligned with the content of the report, in my view. The report



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itself was very good and did raise a number of concerns. It was a very mixed picture that varied a lot country-by-country. The issue that it highlighted was the one that I started off talking about, which is that it is really difficult to reach marginalised kids in education; you are swimming against the tide of public attitudes, including teachers who do not believe that girls can learn and parents who do not want girls to go to school, do not believe that they will learn, and think they should be in early marriage. You are trying to get kids out of labour markets and into school.

This is really tough to do, and it is why if there was a DFID strategy that had taken a good look at the barriers and obstacles, the Girls' Education Challenge Fund would have been designed in a slightly different way than it was.

It also illustrates why we need these equity stepping stone targets. We need to go into places like Malawi, Ethiopia, Mozambique or South Sudan and say, "Who are we trying to reach here? Where do they live? What are their social characteristics? What are the barriers keeping them out of school?" and then, in the light of that analytical evidence, ask, "What is it realistic to achieve?" To take a target like "Let us halve the gap between girls living in one of the worst states in South Sudan and girls living in another state" could have helped to inform DFID's approach.

I would strongly recommend that consideration be given to using specific equity targets in every DFID intervention in this area.

Q76 Chair: Are there any examples from low or even middle-income countries that have pursued the kind of approach that you are proposing on equity stepping stones?

Kevin Watkins: There are a couple. One of them is Bangladesh, funnily enough, which does very detailed mapping, district by district, of who is performing and not performing on both school attendance and learning outcomes.

Q77 Chair: Is this something that they have developed themselves or was there some outside encouragement for them to do that through donors?

Kevin Watkins: There was a mixture. There was a lot of engagement between Bangladesh and the UN agencies on this, and BRAC was very actively involved in thinking through the metrics. I would be very happy to send you some of my thoughts on this.

Chair: That would be really useful. Thank you very much.

Q78 Wendy Morton: Many of the most marginalised children are those caught up in conflict and we have touched on that earlier. The UK played a leading role in establishing the Education Cannot Wait fund. Is it scaling up fast enough and reaching enough children, and is DFID doing enough to support education in emergencies?



Kevin Watkins: That is a really important question. If you think about the 2030 goals, there is zero prospect of achieving those goals unless we get better as an international community in tackling the problem that you are talking about. We have around 30 million refugees in the world and something like half of them are school-age children. We have a bigger number of internally displaced people.

The typical pattern that you get is the one that I described in Jordan, that you have a mass displacement episode, you wait for three years, you then start mobilising really small amounts of humanitarian finance. Now the feature of humanitarian finance is that it is very unpredictable. It is short-term. You never get it for more than a year. These are long-term displacement problems that we are dealing with. On the one side we have short-term, unpredictable funding; on the other side we have probably 12 million children who need long-term education support as a result of humanitarian emergency.

We have to find a better way of aligning the resources with the real need on the ground, and being more responsive more quickly. We should have a commitment that every child who is displaced and becomes a refugee should be back in school within one term. That is perfectly achievable. We at Save the Children have set a target for ourselves in that area, but we do not currently have the financial architecture in place to underpin the system that we need. Education Cannot Wait is a step in the right direction. The UK has provided brilliant leadership in response to the Syria crisis. IDA has put in place this facility that will be mainly for East Africa, for refugee livelihoods and support.

Even when we add it all up, we have to be honest and say that it is chronically underfinanced, it is too slow-moving and we need something better in place.

Q79 **Wendy Morton:** We heard earlier that the World Bank took three years to mobilise its resources and we have heard that some of the children that we met when we were out in Jordan and Lebanon had been out of education for two to three years. Nigel and I were in—we were reflecting on this—a Turkish camp three years ago, so it gives a sense of the timescale that we are looking at here. Has DFID acted quickly enough? That is my first follow-up. Secondly, do you agree that, when it comes to education, there needs to be a more long-term approach to funding?

Kevin Watkins: Yes, there does. DFID, being honest, has been exemplary in response to the Syria crisis, on education. It has not only been the only donor that has really moved at a large scale—well, the European Union has done quite well—but it was also DFID that really helped to unlock the mechanisms in the World Bank, working with Jim Kim, that mobilised those resources.

You are completely right to focus on this issue because one of the most appalling experiences that I have had in my job, before I was in Save the Children, was when I went to Lebanon to do some work with the



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Government on designing the second shift system that was put in place. I spent three days in the Beqaa Valley talking with children; it was in winter. These are kids who are working in fields in winter in T-shirts. They are coming out of an education system—Syria was up there with Thailand. It was moving towards universal secondary education. It would be accurate to say that there has never in history been a nation and a group of children that have gone from such a high level to such a low level in one primary-school generation. The enrolment indicators two years ago for Syrian refugee kids were on a par with South Sudan and the fact that, as an international community, we let this happen is appalling.

It is connected to something that should exercise everybody's thoughts on this, which is that if you speak, as you and I have done, to parents in and outside of these camps in Jordan and Lebanon about their ambitions for their children, they are desperate to get them back into school. Many of them are moving to Europe for precisely that reason. I spoke to endless numbers of parents who said, "I am going to go to Germany because if I go to Germany my kids are going to have a chance of getting back into school."

We have actually partly engineered the refugee crisis by reacting so slowly to the fallout from the Syria conflict, and we have to start joining up the response here; putting in place an education system for refugees would be a way more effective and humane response than having barbed-wire fences around Greek islands. This is not the way to go forward.

Q80 Mr Evans: As Wendy said, we have stared in the faces of six and seven-year-olds who have seen unspeakable atrocities. They have been through mental torture, and still are, and we have seen the treatment that they are getting in these camps, which is absolutely superb. The appalling thing for us is that, relatively, these are the lucky ones because we have then heard that there are tens of thousands of these youngsters on the Jordan-Syrian border, in the berm, where they have no education whatsoever. It is basically just food aid going out there to ensure that they stay alive. Have you been able to give any estimate of the numbers of children currently, because of what is going on in Syria, that simply are receiving no education whatsoever?

Kevin Watkins: I wrote a report on that very issue last year, if I could send you that. It is something like one in two of school-aged children who are out of school, and the out-of-school rate rises with age. Jordan and Lebanon have gotten much better at getting primary school-aged kids into school, but it goes up very sharply from the age of about 10 or 11 in terms of out-of-school numbers.

If I could just add in response to Wendy's question on Department for International Development, I do think as a first-line respondent DFID was top of the league, frankly. The bigger question is what role DFID and the UK can play in developing a coherent response to the crisis, in Turkey,



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Jordan and Lebanon. The fact that we do not really have agreed global financing gap numbers—these are not difficult things to work out. We know roughly how many kids are out of school; we know roughly what it will cost to get them back into school.

You then need partnerships with Turkey, Jordan and Lebanon to deliver it on the ground and you also need NGOs to do some of the accelerated learning for kids who have lost two or three years of school, or been traumatised. That, by the way, is another reason for the focus on early childhood: that you cannot take kids who have been bombed in Homs, who have had their parents killed, put them in a classroom with a teacher who is speaking a foreign language in many cases, and then expect them to learn. That is a ridiculous scenario.

Chair: We could talk to you for a very long time and I am sure that we will have further contact in the future, and you have promised to send a number of items of written evidence to us, which will be immensely helpful. Thank you very much indeed for this evidence session today. You mentioned Gordon Brown's role. Gordon is coming to give evidence to us in two weeks' time and we will explore a number of these issues with him when he gives us evidence, but thank you very much indeed for your evidence here today.

Kevin Watkins: Thank you, and could I just thank the Committee for the work that you are doing as well? It is so important that we keep these issues in the spotlight.

Chair: Thank you very much indeed.