Thematic session: A Renewed Agenda for Sustainable Financing of Education

Time and date: December 4 – 10:30am-12:00pm

Session Goal:

This session will discuss the fundamental shift in financing needed to meet the scale of today's education challenges, moving away from fragmented gap-filling funding to sustainable, system-enabling investment models. As education financing becomes increasingly complex, this session will invite the Board to reflect on GPE's role—as both a fund and a partnership—in advancing this shift.

Building on GPE's system-strengthening and country-led model, the discussion will explore how the Partnership can help countries shape and align all sources of financing—public, concessional, and private—around country-led reform agendas. It will consider how a sustainable financing approach to education would position education as a bridge between fiscal realities and societal needs—supporting countries to both finance what transforms and transform what is financed through sustained investments that deliver equitable learning outcomes.

Session Objectives:

- To reflect on lessons emerging from GPE 2025 and discuss how GPE is evolving in the current context to continue to be relevant and impactful in supporting country partners.
- To highlight partner country leadership in moving towards sustainable financing pathways in education, integrating domestic resource, Official Development Assistance (ODA), philantropic and private capital
- To discuss the challenges, constraints and emerging opportunities in aligning financing and reforms and to consider how GPE can best help them build more sustainable approaches to financing education.

Background information:

- Meeting today's education challenges – rising debt, demographic pressure, climate disruption, and economic volatility - requires a fundamentally different approach to financing. One that is country-led and places public finance at the center, while leveraging ODA grants and concessional finance as catalytic capital to unlock additional philanthropic and private investments in an integrated manner.
- Over time, investment in education strengthens public finances by widening the tax base. Higher levels of schooling lead to more formal employment, lower demand for social assistance, and broader tax contributions, creating durable fiscal space through long-term growth and stability.
- To unlock this potential, countries must treat education as a budget priority—backing it with sustained investment, stronger domestic revenue, and broader fiscal reforms. Governments must lead in shaping coherent strategies that draw on multiple sources - domestic budgets, aid, concessional finance, and private or philanthropic capital - while integrating them into a unified approach - strengthening public systems instead of creating new ones. In some cases, this can include targeted tools like earmarked taxes

dedicated to education or debt swaps that redirect debt payments into funding for schools.

- Mobilizing resources alone is not enough to strengthen education systems and improve learning. Countries also need strong public financial management and institutional capacity to ensure that funds - regardless of their sources- are effectively allocated, executed, and tracked—and aligned with sector priorities and national development goals. Strengthening these systems is essential to translate financing into results and to build resilient, self-reliant education systems that can sustain progress over time.
- In this context, innovation is not about inventing new financial instruments but about rethinking how financial resources are mobilized, structured and combined to strengthen fiscal and education systems. It means sequencing and aligning domestic, concessional, philanthropic, and private capital within a sustainable framework—so that financing becomes catalytic, reinforcing fiscal sustainability and supporting long-term system transformation.

Run of Show

Chair: TBC

Time	Description
10:30-10:35 (5 mins)	**Opening and Scene Setting –** GPE CEO
10:35-10:50 (15 mins)	**Overview of GPE's approach to sustainable financing –** Raphaelle Martinez, Lead Economist, Sustainable Finance
10:50-11:20 (25 mins)	**No one size fits all – looking at individual country cases** Sustainable financing for education manifests differently across country contexts. Three selected cases—ranging from fragile settings and low-income small economies to lower-middle-income systems with efficiency constraints and small island states facing fiscal stress—illustrate this diversity. Country representatives will share brief reflections on their respective challenges and fiscal realities to prompt a discussion on what GPE's role may entail in different contexts, and how the Partnership can best support countries in shaping durable, country-led financing pathways for education. Open floor for a discussion on what opportunities exist in such a context to help countries expand resources for education and achieve greater education outcomes.
11:20-11:55 (40 mins)	**Board discussion**
11:55-12:00 (5 mins)	**Closing:** Chair sums up and closes