STRENGTHENING COLLABORATION BETWEEN MINISTRIES OF EDUCATION AND FINANCE FOR EDUCATION FINANCING

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This brief draws on findings from a rapid study conducted by the Global Partnership for Education (GPE)[1] between February and June 2025 to better understand the dynamics shaping collaboration between ministries of education (MoE) and ministries of finance (MoF). Based on desk reviews and interviews with MoE and MoF officials in four countries—**Bangladesh, Cameroon, Indonesia,** and **Rwanda**—the study examined the institutional arrangements, interaction mechanisms and quality of engagement that influence education financing decisions. The analysis served as an input to a broader review, undertaken by UNESCO International Institute for Education Planning (IIEP) and the Agence française de développement (AFD) on the occasion of 20 years of aid effectiveness, and has also fed into GPE's renewed approach to sustainable financing. As GPE advances its agenda under GPE 2030, the strategic plan for 2026-2030, strengthening dialogue and mutual understanding between MoEs and MoFs will remain central and at the forefront of efforts to improve education financing.

Initiation | What opens the dialogue between MoF and MoE?

Message 1 | Spending Mandates are Insufficient to Sustain Impact. Lasting results depend on the alignment of education priorities with financial frameworks and sector planning. Statutory spending mandates requiring governments to allocate a fixed share of the national budget or GDP to education as well as Sustainable Development Goal (SDG) international benchmarks can serve as entry points to structure dialogue between MoEs and MoFs. These instruments can, at times, catalyze short-term increases in education spending and enrolment. However, whether they lead to lasting impact depends less on the legal text and more on political will and fiscal incentives; specifically, whether governments ensure timely and meaningful implementation, and whether MoF uphold the spirit of the rules rather than seeking ways to game them. Without strategic integration into credible budget frameworks, performance-based planning, and coherent sector investment strategies, these tools risk becoming rigid ceilings rather than enabling floors, encouraging budgetary gaming, fragmented allocations, box-ticking compliance, and ultimately, diluted impact.

Message 2 | Fragmentation Dilutes the Influence of Education. Divided education mandates and weak links to public finance systems reduce the prioritization of education in budget decision making. National development strategies can serve as a framework for coordination between MoE and MoF, especially when education sector policy priorities are meaningfully integrated into them. This alignment enables joint planning around targets, expenditure ceilings and financing priorities. Where political leadership articulates a clear, shared national vision, this

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integration is more likely to translate into practical coordination between MoFs and MoEs, allowing education priorities to be embedded in cross-sectoral investments rather than negotiated in isolation. However, without connection to core public finance processes, such as the medium-term expenditure framework, annual budget negotiations and performance-based expenditure reviews, the influence of national development strategies on actual budget decisions remains limited. Where the education mandate is split across multiple ministries or agencies, the ability to present a unified vision for the sector is weakened, reducing its strategic weight in broader investment decisions.

- In **Bangladesh**, guarantees of free and compulsory education provided an entry point for engagement between the two MoEs responsible for basic education and the MoF. National strategies such as Vision 2041 and the 8th Five-Year Plan helped to shape broad education priorities. In 2025. A Task Force Report emerged as the primary reference for near-term planning, education financing and expenditure tracking. This engagement was facilitated through regular cross-sector Budget Management Committees that brought together MoF, planning and sector ministries to review performance, absorptive capacity and financing requests. However, because separate budget management committees exist for the two MoEs, this process did not fully address the fragmentation within the education sector, limiting the potential of a unified financing mandate.
- In **Indonesia**, national development plans provided a shared reference point for engagement between the finance, planning and education ministries. Coordination took place through regular touchpoints of the budget cycle, where multilateral and trilateral meetings brought these ministries together to align sectoral targets with the available fiscal space. At the same time, time constraints within the budget cycle and the non-engagement of the MoE from certain budgetary decisions limited the scope of these discussions.

Institutionalization | What makes engagement stick?

Message 3 | Successful Collaboration with MoF Requires Routines. Regular, structured dialogue builds foundational relationships between MoEs and MoFs.
Institutionalized processes of engagement between MoEs and MoFs lead to more stable and strategic education financing than ad hoc or personality-driven interactions. While compelling proposals and strong personal rapport can result in short-term gains, lasting improvements in education financing depend on predictable mechanisms for dialogue, review, and joint planning. When engagement is structured in formal processes such as annual budget guidelines, joint sector reviews and performance targets, accountability is strengthened, and the sector is more likely to secure consistent and strategic resource allocations.

Message 4 | Clear Mandates Facilitate Influence on Education Financing. The role of coordination mechanisms remains limited if insufficiently embedded in broader governance systems. Local education groups (or equivalent or related multi-stakeholder coordination bodies) can support coordination between MoEs and MoFs and contribute to

more coherent and efficient education financing, particularly when they are government-led and integrated in national coordination structures for joint review of financing gaps, implementation progress, and resource use. However, in the absence of clear mandates, regular MoF participation, or alignment with budget planning and review cycles, their influence remains limited. Where coordination relies primarily on development partner–initiated forums that are not blended within government systems, ownership tends to be diffused, dialogue disconnected from fiscal decision-making and opportunities to strengthen domestic financing through structured engagement are weakened.

- In **Cameroon**, a fragmented institutional landscape, spread across four MoEs alongside the Ministries of Finance and Planning, has constrained coordinated engagement on education financing. While government-led coordination mechanisms exist, including an education and training sub-commission and the local education group, these forums are weakly resourced and not fully integrated into core budget planning and execution processes. MoF participation in sector coordination is limited and often occurs primarily when required for specific financing decisions, including donor-supported projects. In the absence of more structured and predictable engagement between the MoE and MoF across the budget cycle, education financing discussions tended to be ad hoc, episodic and project-linked, which weakens the sector's ability to advance a coherent education financing strategy on budget decisions.
- In **Rwanda**, the MoF actively participates in the Education Sector Working Group (the local education group) to support the MoE in its resource mobilization and monitoring and evaluation activities. Meeting bi-annually for the joint education sector reviews, the group combines forward-looking planning, anchored in government priorities and costed plans, as well as a retrospective review of implementation and results. Active engagement by the MoF, private operators, non-governmental organisations and development partners ensures coordination and alignment in the education sector, as well as identification of any resource and implementation gaps.

Integration | What makes the collaboration work?

Message 5 | Performance-Oriented Dialogue Builds Confidence. Negotiations gain traction when MoEs can show results or how resources will translate into results. When MoEs present credible, evidence-based financing proposals including costed priorities, performance rationale, and efficiency measures, MoFs are more likely to respond positively, resulting in higher volumes and more strategic allocations of domestic resources. Evidence-based, data-informed dialogue strengthens trust, grounds negotiations in potential outcomes and helps shift the focus from inputs to results. MoFs are particularly responsive when evidence links financing to improved outcomes such as equity, learning, or efficiency, includes realistic costing scenarios, and proposes cost- saving trade-offs. But when proposals lack a compelling theory of change, they are often deprioritized in budget decisions. Performance-based and/or program budgeting and results frameworks can further enhance the credibility of such proposals and build collaborative

relationships. However, in many contexts, these mechanisms remain underutilized or poorly understood. Without clear metrics, reliable performance data and institutional incentives aligned with results, budget negotiations tend to revert to incremental input-based allocations. This weakens the case for additional financing and reinforces a cycle where outdated data, narrowly framed inputs, and vague objectives undermine the credibility of education budget requests and limit their influence on public finance decisions.

Message 6 | Joint Systems Multiply Capacities. Interoperable MoE–MoF systems can generate mutual efficiency gains. Shared information systems between MoEs and MoFs can improve budget transparency, facilitate monitoring, and enhance the efficiency of education spending; however, their impact depends on data quality, timely access, and the capacity to use information in decision-making. Where education and financial management systems are integrated, they can reduce duplication, speed up disbursements, and improve tracking of school-level resources. However, in the absence of real-time access, reliable data flows, or the skills to interpret and act on financial information, these systems risk becoming technical silos disconnected from budget planning and execution. Their contribution to domestic financing strategies ultimately depends on institutional capacity and political will to use data as a basis for resource allocation and accountability.

- **Rwanda's** institutional system, with a single MoE working closely with the MoF, has over time built strong collaboration and coordination on education financing and no fragmentation. The School Data Management System is integrated with the government's financial management information system, improving school payment processes and supporting the national examination system. The MOE's use of data and simulations to support its budget proposals, such as projecting infrastructure needs based on enrolment growth, has strengthened trust and contributed to constructive budget dialogue between the two agencies. Together, these practices helped link school-level data to planning, budgeting, and monitoring processes, supporting more predictable and evidence-informed financing decisions.
- In **Cameroon** and **Indonesia**, data-based dialogue also strengthened the credibility of education financing requests, especially when linked to performance and outcomes, albeit in nuanced ways. In Cameroon, while capacity to use evidence had improved, MoEs continue to rely on input-focused programming, with limited ability to distinguish between routine activities from transformative investments, or on how to track whether particular problems had been resolved. In Indonesia, budget discussions remain largely driven by input data, such as numbers of schools, students and teachers, rather than any comparative output and outcome data to strategically fund interventions which could most improve education quality and reduce regional disparities. Across both contexts, there is the need for stronger performance metrics, robust data systems, and clearer links between financing requests and measurable results to support greater strategic and sustained education funding.