

**High-level Roundtable on Financing Education for All**  
Annual Meetings of The World Bank and International Monetary Fund  
Istanbul, Turkey – Sunday 4 October, 2009

Meeting Transcript

EDUCATION FOR ALL - FAST TRACK INITIATIVE

MR. HAY: Good morning honorable Ministers, ladies and gentlemen, guests from near and far, mostly far I would say looking around the table and seeing that we're here in Istanbul in Turkey and not Washington. Welcome to this Education for All Fast Track Initiative High-Level Roundtable on Financing Education for All.

Before I hand it over to Ulla Tørnæs, the Danish Minister for Development, Cooperation, and one of our co-chairs and champions, of course, of the Fast Track Initiative, let me say that we will take remarks from Minister Tørnæs, Graham Wheeler, Managing Director from the World Bank.

We'll have a presentation here from the Acting Head of the Fast Track Initiative just to give us a sense of where we're up to, what we've done in the way of results, and where we could go with the right level of support.

And then I'm very glad to salute some of our African Ministers, in particular from Rwanda, from Burkina Faso, and good many other countries around the table at whose letter and at whose request we're here this morning.

Let me just also welcome the very high-level representatives from the donor community and the broader international development community here this morning as well. It's excellent to have you with us.

Sorry this room is slightly out of the way, but we're here. The rain has stopped, a very promising portent if ever there was one.

So Ulla Tørnæs, let me hand it over to you for a few welcoming remarks, please.

MS. TØRNÆS: Thank you very much and also on my behalf welcome to everyone--Ministers of Finance, Ministers of Education, and Ministers of Development Cooperation.

I believe we all here are sharing the commitment to achieving the Education Millennium Development Goals by 2015. And as a former Danish Minister for Education, I can assure you that I'm ready to do my part on this.

Education is something which is very, very close to my heart. The Education for All Fast Track Initiative was established back in 2002 to support poor countries in achieving the Millennium Development Goals on Education

Taking stock now in 2009, the FTI has, in fact, delivered very convincing results. Results in FTI countries include that in Sub-Saharan Africa enrollments in FTI countries have increased by 64 percent in 6 years, from 2000 to 2007, resulting in 20 million more children enrolled in primary school in Sub-Saharan Africa alone.

Primary school completion rates have improved significantly. Girls make up 60 percent of new enrollments with the result that now 16 of 37 FTI countries have attained gender parity at the primary level compared to only 6 countries six years ago.

This is a really amazing result that we have achieved together.

However, around 75 million children are still out of school, many of them in Sub-Saharan Africa and many in fragile or conflict-affected states. To continue to be an effective instrument in supporting the achievement of the Millennium Development Goals on education, the FTI needs to mobilize more resources.

In the current global economic environment it becomes more or I would say even more important than ever to safeguard and maintain investments in education in developing countries, these are crucial long-term investments.

This requires commitments from governments in developing countries and commitment from donor countries in not wavering in our support.

The Danish Government is committed to maintaining its current level of ODA in real terms, even though national GDP will fall this year as in many other countries. We will also maintain our support for FTI, of course, which has increased significantly in the recent years.

However, the first phased target of the FTI replenishment campaign is \$US1.2 billion to fulfill short-term funding gaps alone. Achieving this target will require the support of all FTI partners and hopefully of new contributors as well.

In May this year the Africa Commission launched by the Danish Prime Minister concluded with a number of important findings relating to the overall focus on youth and employment.

Recommendations with relevance to education drive home the point of the importance of post-primary education, including technical and vocational skills development.

This is crucial in improving job opportunities for many young Africans and in better linking the demand of the private sector and the skills and opportunities provided by national education systems.

There is absolutely no question of the crucial role of good primary and basic education as the foundation of an educational system. But let us not forget the importance to national economies and labor markets of quality post-primary education as well.

I would like to see the FTI playing a larger role in this respect in the future.

I've been appointed the first global champion of the UN's Girls Education Initiative, and I know that Queen Rania of Jordan has recently been appointed global honorary chairperson of the UNGEI.

In that capacity, I want to acknowledge the work of FTI has done in advocating for the rights of girls to quality education and specifically the great improvements made on gender equity in the school systems of many FTI partner countries.

There is, however, no room for complacency. Of these 75 million children still out of school, 41 million are girls. Investing in the education of girls has been documented as having some of the very highest social and economic returns of any investment.

We need to make sure the resources are available to continue making these investments. We will shortly be hearing more about the One Goal Campaign, so let me just say that I find it is an excellent initiative with Civil Society, footballers, and so many more mobilizing to advocate for education for all.

Regarding the events of the World Cup in South Africa in 2010, I promise you that the part of Denmark, we will do our very best to also send our national football team to be there as well. Thank you very much. By the way, we're going to hopefully beat the Swedes on the 10th of October.

MR. HAY: Minister, for that fighting talk, we thank you and no wonder you're a champion for girls' education and girls' soccer, too, I would think.

Graham Wheeler, please.

MR. WHEELER: Well, thanks, Phil, and thanks Ulla. I thought you were going to commit to being in the finals.

But look, thanks very much for attending today. I imagine all of us have spent a long time working with families and communities in developing countries. And whenever I do, I ask mothers about what sort of improvements they would like to see in their communities, and almost without fail, the first thing they talk about is the importance of their children's education.

And they see that as the key to opening up a better life for their children, one with greater hope and more opportunity than they had in their own lives. And all of us know the importance of primary education. We know its impact on future employment and income levels. We know its link with lower maternal and health-related deaths.

We know its role in reducing the incidence of HIV/AIDS and its link to better nutrition.

And on the Bank side, we're strongly committed to basic education and to the FTI partnership and improving both the quality and the quantity of education.

In this respect the Education for All Initiative has been tremendously important, and I think Ulla gave us some key facts and I think Bob will also do the same in a few minutes. But I think it's also true that we're gravely concerned about the ability of countries to stay on track for the Education MDGs, and two, two of the main challenges that we face relate to resourcing.

The first is the financing of the FTI Catalytic Fund, and this has been very generously financed by 18 donors who have contributed \$1.5 billion in financing since 2003, and here I pay a special tribute to the Netherlands and to Spain and to the U.K. who have been especially generous in financing at least 70 percent of the contributions to date.

But the Catalytic Fund faces some urgent financing needs. It faces a financing gap of \$1.2 billion by the end of 2010 for the 25 to 30 countries seeking support. And this concern, as Phil mentioned, is expressed in a letter by 14 African Finance and Education Ministers to development and finance ministers in leading OECD donor countries.

Now that letter requests donor help to send 20 million children to primary school for the first time by the end of next year. And it will be our pleasure to hear from a number of the ministers this morning.

But there's good news as well. And the good news is the FTI Secretariat tells me that 15 donor countries have offered support of \$500 million for next year, and it will be essential that these commitments are firmed up as soon as possible.

I mentioned two challenges and the second challenge is to address the long-term financing needs of basic education. If you look at ODA commitments for basic education in low-income countries they totaled \$4.3 billion last year. Now that's double, that's double the commitment level of a decade ago, but it's probably, probably only half of what we need to reach the Education MDGs.

Developing countries have a key responsibility here. They need to invest more in education and only half of the 21 countries in Sub-Saharan Africa with data devote at least 4 percent of their GDP to education. And donors need to increase their ODA, and this, of course, is a major challenge, because we know how many donors face enormous fiscal pressures. But it's also true that investment in education can generate one of the most, one of the highest development impacts.

And I think it would simply be great--if we could leave the meeting today with a collective renewed commitment to FTI. And that, that would be a major step towards giving all children a quality education.

So thanks very much.

MR. HAY: Thanks very much, Graham Wheeler. You've mentioned the U.K., among other. Bert Koenders is here from the Netherlands, of course.

Let me call on Mr. Douglas Alexander, the Secretary of State for International Development from the U.K. Mr. Alexander?

MR. ALEXANDER: Thank you very much.

Can I say I'm delighted to be here and to have the opportunity to set out U.K. thinking and let me begin by congratulating Ulla for the outstanding work that Denmark has done in relation to the FTI.

I said back in April that the United Kingdom would play our full part in the replenishment of the FTI and you will be relieved to hear that that remains the case for the United Kingdom.

The replenishment will require major efforts by the Bank, by donors, and others over the next 18 months, and I'm delighted that Carol Bellamy has agreed to advise on the key task of replenishment.

I also said back in April that the FTI needed to improve its performance, and I'm glad to say that our sense is, six months on, there has been some real progress, but that more still needs to be done. Our recently published white paper in the United Kingdom in July made clear our commitment to multilateral initiatives like the FTI, but made clear that resources needed to be matched by reform.

Joy Phumaphi asked the FTI Board of Directors last month to articulate what we as donors needed in support of the FTI intentions and our replenishment intentions. So, let me be very clear as to our position: several replenishment processes will, as we all know, be running in the course of the next year. There will not simply be FTI, but there will also be IDA. There will be AFDB. And there will also be the Global Fund.

The challenge for FTI it seems to me, to the donor community, therefore, is to set out a compelling case. The Secretariat will need to demonstrate results and persuade donors that FTI provides better value for money than other channels that remain available in relation to education in particular.

Of course, the FTI is evolving and adapting and is making real strides, and I'm delighted that progress is being made within the organization. And I'd like in particular to congratulate Bob Prouty, the Acting Head of the FTI Secretariat for his leadership during these challenging times over the last 6 months.

Let me offer from a United Kingdom's point of view six areas which I hope we can agree as the areas that require further progress--six strategic objectives.

- Firstly, increased and more predictable education funding. If the FTI is to remain a serious vehicle for international funding, we need to see larger and longer-term commitments from other donors.
- Secondly, replenishment that supports international advocacy on education. Ulla mentioned the class of 2015 and the One Campaign in particular.
- Alas, as a Scotsman, my only interest in the World Cup in 2010 will now be the Goal Campaign, but also engagement with the United States Administrations where President Obama has repeatedly emphasized his own personal interest in the issue of education.
- Thirdly, improved operational effectiveness. Strengthening FTI's effectiveness, including faster disbursement and improved performance management against the Paris and Accra criteria. The FTI simply needs to explain how it will manage our money better than others. It will be difficult to persuade donors to find more money in these circumstances while holding large cash balances, for example, the use of the resources held within the FTI is going to be one of metrics that people look to.
- Fourthly, a stronger and clearer focus on fragile and conflict-affected states. We all know that this is a very hard nut to crack. But FTI's endorsement and access to program funds will be key.

- Fifthly, better equity and inclusion. Really, implementation of a more systematic approach to ensuring the FTI-endorsed plans embed equity and inclusion issues and in particular, as Ulla mentioned the issue of girls and/or disability is going to be key in terms of taking forward equity and inclusion.
- Finally, streamlining governance, especially ensuring that policy and finance decisions are consistent.

Those six really set out for us the key issues affecting the kind of commitments that I think can be made in term of the next replenishment.

I welcome the fact that the Bank, and I'm grateful that Graham is here with us, has indicated its willingness to show flexibility and to address these issues. We really need your help, Graham, to inject pace into this process of reform in the key months between now and replenishment.

As I've said in our white paper back in July in difficult times our task is not to step back from the fight to deliver commitments like Education for All, but actually to step up to the plate. And I look forward sincerely to working with other partners in driving forward this agenda in the months ahead. I think there has been some progress in the last six months. I hope when we meet in six months time, we'll be able to register even more progress. Thank you.

MR. HAY: Secretary Alexander, thanks very much indeed. I know you've got an urgent appointment so we will certainly forgive you if you have to dash. Thanks for being with us this morning.

We've heard about some of FTI's key indicators and coordinates from Ulla Tørnæs already. Let's look at some more detail for a minute.

I'm going to ask Bob Prouty, who's the Acting Head of the Fast Track Initiative Secretariat, to show us a couple of relevant slides that show where it is, we've been where we're going and how we might go even further with the right level of support. So Bob Prouty, please.

MR. PROUTY: And I'll preface my remarks by saying that I wish as a Canadian that I could talk big about the World Cup, as my predecessors have done.

But some things are perhaps best left alone.

Let's talk a little bit about education. A, B, C, D, E, F, G. Thanks to the Phoenicians, who when they weren't busy founding this city, invented the alphabet some four millennia ago. And thanks to your teachers we can all do that.

We can all recite that, but for far too many children, as we know, it's simply not possible. We've been looking in the FTI partnership more recently not just as access to school but also at what happens when children get in school, and there's a lot of work to be done.

We have found in 8 of 10 FTI countries for which we now have good baselines on learning, we have found that one-quarter of the children are unable to read at all by the end of two years of schooling.

So there's a real challenge. The countries that are in the Fast Track Initiative Partnership have made undeniable gains.

Let me just show you a few slides quickly and you'll take an impressionistic look as we just go by the graphs I think it will give you a sense of it.

This is overall school enrollments. This would be even a little sharper if it were looking at gains in Sub-Saharan Africa alone. But these are real gains. Next slide, please.

This is on the gender front. A remarkable 60 percent of the children in the countries which are a part of the FTI partnership, 60 percent of the enrollment gains rather have been girls over 6 years.

We have all but three countries that appear to be on track to achieve gender equity at primary by 2015; 16 already there.

This slide--sorry, if we just back up to the last slide very quickly. This is on primary school completion. Progress is positive. We've gone from about 55 percent primary completion rates overall 6 years ago to about 65 percent.

We're expecting to see a spike in this as we're tracking it next year. This is a lagged indicator that takes about 6 years before you start to see the real increases.

I would like to add a new number for everyone to memorize. The number we've had in our head is 75 million children out of school. As of last week, we have a new number. That has now dropped 72 million, and I'd also like to say that 66 percent of that drop has come from the Fast Track Initiative countries, where over the past year, the out-of-school numbers have dropped by 10 percent, just 9.6 percent, by about 10 percent as compared to about 2 percent elsewhere.

So, there is, I think, growing evidence that the countries in this initiative are accelerating their progress.

As we celebrate the successes, we also recognize the challenges. Learning matters. Again, I will spare you the specific numbers and the standard deviations.

But Eric Hanushek, who is a prominent education researcher at Stanford University, has done some fascinating calculations showing close correlation between aggregate in learning and impact on GDP. We also have significant evidence from a growing number of our FTI countries, including Niger and Mali that big gains can be made in a short period time where there is a specific focus on learning.

Doing this will take money. Not doing it will take more money. So that makes the choice somewhat easier I think.

As Graeme Wheeler has said, at least twice what is currently available will be needed. Countries will hesitate to recruit teachers also unless that financing is long-term and predictable.

As the UK International Development Secretary has indicated, we have challenges to address and in ways that make the most sense for the donor countries. We are working on that and trying hard to make that easier for everyone

We also would insist that the donor countries here can have I think a lot of confidence that these investments are actually making a difference. We do need to step up the efforts and we would like to encourage at least several of the donor countries here, perhaps more, to take this on, to put your own national prestige and reputation on the line for this and agree to be international champions for seeing this through.

Illiteracy does affect us all. It fuels the mistrust among peoples that, in turn, fuels the extremism that we have felt from Mumbai to Manhattan to the Mediterranean.

Illiteracy deepens economic crises that know no borders. We can and we must find the shared resolve and the common purpose to make a difference.

If we want more world-class economists, we need to ensure that more of the world is in class. It's as simple as A, B, C, D, EFA. Thank you.

MR. HAY: Many thanks, indeed, Bob Prouty. You were once a school teacher weren't you? I can tell.

Well, look none of this would have possible this morning if it had not been for the 14 Education and Finance Ministers whom Graeme Wheeler was telling us about before, and we're very glad to welcome some of their leading members this morning.

I'd like to introduce you to the Honorable James Musoni, the Minister of Finance from Rwanda. I'm always conscious that when you get a finance minister, the toughest people to win over in the cabinet, when a finance minister feels that education is synonymous with economic growth, and other things you can put your hand on in the way of economic returns, I think we're onto something special.

So, Minister Musoni, please, let me hand the floor over to you for your remarks, please. And welcome again.

MR. MUSONI: Thank you so much. It's a pleasure for me to be with others this morning to discuss issues related to education and how important education is our socio-economic development.

Let me first of all thank the organizers of this roundtable and I'm sure that good results will come out of this meeting. As has been mentioned by others, education is one of the key indicators of the MDGs and the African countries would like to achieve this goal by all means by 2015.

The Human Development Index no matter uses three basic dimensions to measure how a country is developing. And these three basic dimensions include a long and healthy life, and the second one is access to knowledge, and the third one is the standards of living.

So, you can see how education is central to all of this. And we are all aware that Sub-Saharan Africa is currently facing a big challenge of working out how to fight corruption that exists, illiteracy, and mainly poverty.

So, this global partnership that is focusing on education has produced very impressive results on the ground and many children have been able to have access to basic education and can expect to enjoy better lives in the future, certainly much better than their parents.

In the framework of aid harmonization and effectiveness, I would like to say that FTI is one of the most appropriate instruments for donor coordination, and this has demonstrated good results and it has helped countries to jointly develop medium-term education strategies with the objectives of having good quality education for all of our children, including boys and girls.

That's why we wrote to our development partners, urging them to continue to provide enough financial resources to this initiative in order to make sure that there's no country that misses the achievement of MDGs, especially in education, as a result of lack of resources. That's why we really again appeal to you here to keep this momentum and the benefits are certainly enormous.

In the case of Rwanda, I would like to confirm here that the FTI has enabled us to achieve some good results. We've moved in 2000--by 2000 where our net enrollment in the primary education was about 72 percent, and today we are at 95 percent, and we feel with new support, we should be able to meet the MDG target.

We currently today certainly face some challenges of keeping up the pace and to construct more 300 schools in the next two to three months for our lower secondary and to have enough quality teachers for the schools.

But with all our concerted efforts--I know this is also happening in other countries--we would be able to meet these objectives. Certainly the issue of quality, the issue of textbooks, teacher, pupil-teacher ratios, all these are still challenges that we are faced with, and completion rates. And, of course, going beyond primary education. The element of vocational training which is very, very relevant because it's not about knowing how to read and write, but the employable skills that you acquire to be able to create wealth, to be able to compete and to be able create wealth for yourself, which indeed creates opportunity for people to get out of poverty, to be able to reach a better living standard and the like.

So, let me conclude by saying that we are happy and appreciate the good work FTI has done and appeal to all of you to keep the momentum and work together in an inclusive way towards achieving the Millennium Development Goals.

Thank you so much.

MR. HAY: Minister Musoni, thank you very much or as they say in Kenya, Rwanda, "URAKOZE" [ph.].

Let me now go on to Mr. Bembamba, the Minister of Finance from Burkina Faso, another key signatory of the letter that was sent around recently. I must apologize. Our translator who was to be with us this

morning has been taken ill. So I've arranged with Minister Bembamba that he'll speak en francais and then Bob Prouty will give us a quick English.

So, Monsieur Bembamba, please.

MR. BEMBAMBA: [Speaking French.]

MR. HAY: Merci á vous, Ministère. We've heard from both Ministers now that FTI is a vehicle that has helped them achieve results on the ground, and epitomizes some of the best behaviors under the aegis of development effectiveness.

So, I thank you very much. Bob Prouty, please quick summary and then we will move on.

MR. PROUTY: Thank you, Minister.

A quick summary is Burkina Faso has made education a priority theme. There have been many delays, and there's much to do, but the distance covered has been remarkable. In '94, only 35 percent of children were in school and only 29 percent of girls. By 2008 that has increased to 72 percent overall, and 67 percent of girls, which is a rapid acceleration in particular over the last four years.

These leaps forward, notwithstanding, there is much left to be done, and the challenge is significant. The support which has been received for filling the remaining gaps is appreciated. The resources from FTI and from other sources will help to accelerate progress. They have taken on their side the challenge of reorganizing internally with the 10-year education development plan, behind which all partners are asked to align their efforts and to harmonize their support.

The importance of--in a country such as Burkina Faso of the importance of doing something about improving infrastructure can't be denied, but notwithstanding they have put the emphasis on the policy framework recognizing that policies must be right.

As Minister of Finance with this colleague, Madam, the Minister of Education, he considers this to be one of the most important partnerships that he has in the work that he is doing.

So, there are between education and finance reciprocal engagements to provide the necessary domestic financing, but certainly the external financing and must be a part of the equation.

FTI will help them absorb more financing, and he wants to, in closing, reaffirm that for Burkina Faso the importance of the sector is undeniable, but also within that context they have a strong affirmative program for ensuring that girls education, which is the best investment of all from their perspective gets the support it needs.

So, to sum up at the end, he says, we are painfully aware of the distance we have yet to cover, and we request the continued support of the donors in helping us to achieve us.

MR. HAY: Minister Bembamba, Minister Musoni, we salute these obvious and impressive results.

I know that the representative from Swedish SIDA has to go off rather as Secretary Alexander did before, please let me give the floor to you and then we'll come to the Global Campaign.

Swedish SIDA: First of all, to thank you for arranging this and also for the very interesting description of how you have been working on this issue as finance ministers, and it's very impressive.

I'm the Deputy Director General of SIDA, and education, we all know, that is a very important determinant of economic and social development in countries. And we have, as you all know, 1 percent going to Development Corporation Assistance, which means that this year the amounts are going down because the economy is going down. But we want to safeguard investment in human development, of course, education being a very important part of that.

And the replenishment process that is now is going to start is, of course, very important, and as being said here I think before of having a long-term objective and approach to that from donors is very important. We have a four-year replenishment from the Swedish side.

And also I agree with the points that were made in terms of focusing on marginalized groups, and also that FTI is working on the aid effectiveness agenda and we look to see results on that, too.

And so I just wanted to say these remarks and to say that we look very much forward to continue working with you. Thank you.

MR. HAY: Many thanks, indeed. We well understand you've got a busy schedule, so please feel free to keep to your busy schedule. So, thanks very much.

Let me now bring in someone who has been a very vocal champion of the Fast Track Initiative, who knows very well the transformational power of education in people's lives. I'm talking, of course, about Kailash Satyarthi, who's the President of the Global Campaign for Education.

And after Kailash talks, we heard Ulla Tørnæs talk about the One Goal Campaign. We've got a short video that Kailash would like to show us. Lots of soccer boots and soccer goals. Ulla, you'll be very happy to see this. I'm sure you've seen it before. But all of this in pursuit of how we get boys and girls into school by 2015 and armed with a solid, dependable education that can transform their lives.

So, Kailash Satyarthi, please.

MR. SATYARTHI: Thank you, Phil.

I would also like to begin by praising the African Ministers for their bold initiative in drawing attention to this crisis, and its impact on poor people, poor countries, and education, which is likely to be deep and damaging.

This is a terrible injustice given that poor people who are the least implicated in causing this crisis. In fact, the economic growth in Africa, Asia, and Latin America, as well as the increased aid, has led to more investment in education, which has helped get more children to schools and learning.

As the growth slows and budgets are squeezed, education will suffer. And that's a great shame, because education is not just a right, but also a remedy. It helps reduce poverty, HIV and AIDS, child labor, and various other forms of social and economic injustices. Learning has the power to transform lives and that's why the EFA Goals and the EFA Compact is so very important all time.

Now more than ever the international community cannot stand on the sidelines. It is a time to play fair and keep our promises so that every child can have a chance to achieve their potential by going to school and learning.

Playing fair means giving countries the same chance to boost their economies in crisis. The IMF has said that they are relaxing macroeconomic conditions that prevents countries from increasing public investment. We need them to keep their words, not just for today, but for as long as needed to build strong and sustainable education systems.

Playing fair means meeting our aid commitments. We see here some of the donors who have really made an effort over the past years, but to reach the \$16 billion needed each year to achieve fully the EFA agenda we need others to join them. And, of course, we are still expecting leadership from the countries like Germany, Japan, and the United States.

FTI replenishment is a vital first step and is essential to support the 20 million children in the countries seeking support. FTI has made a difference, which has been presented by the fact that enrollment and completion is climbing much faster in these countries. But we must not set our goals too low. Meeting the full cost for all poor countries, including the fragile states, must remain our goal.

FTI could do more, of course, better and faster. Despite the challenges, 2010 could be the unique opportunity to put education back at the top of the development agenda. GCE and the Class of 2015 have launched one goal education for all, as has been mentioned by the two, three Ministers. Thank you.

We want to attract at least 30 million campaigners or active supporters worldwide during the World Cup. In collaboration with FIFA, which wants a lasting legacy of 2010 World Cup, to be every child in a school in Africa, in partnership with them we would like that the World Cup--we make the World Cup as a platform for the massive communication and high-profile agenda of education.

With these millions of people, we want to blow the final whistle on education disadvantage and convince the political leaders to act now. A wave of hope and pride is surging across Africa in the run up of the World Cup. The One Goal Campaign provides a unique chance and opportunity to translate that hope and pride to translate into the developing benefits.

The One Goal will have major public movement on Tuesday 6<sup>th</sup> of October when supportive governments will join the football community and campaigners to express their support for the One Goal Campaign. As a [inaudible] what has said by Phil, we are going to show a small film now.

MR. HAY: Kailash Satyarthi, thanks very much. So, as they say in the movie business, queue the tape.

[Video presentation.]

[Applause.]

MR. HAY: Well, Kailash Satyarthi, please take the message back to the Global Campaign for Education that this is an inspiring video.

It's good to have you here. Let's get some donor perspectives, and I'm going to turn things rapidly over to Bert Koenders, the Dutch Development Cooperation Minister on my right. I think Graeme Wheeler was quite right to salute successive governments in the Netherlands for their support to FTI. I remember being in Amsterdam when the idea was hatched and incubated, and I think it's fair to say without the support of successive Dutch governments we wouldn't be here today.

So, the floor is yours, Bert Koenders.

MR. KOENDERS: Thank you very much, Mr. Chairman. And I feel very bad that I get the floor now after this movie, because this is it. I mean there's not a whole lot to add, frankly. If we all think about this next Tuesday and during the World Cup and we put some money out of our purses, we will be a lot better off, after all; isn't it?

So, this is the message. I just wanted to thank, first of all, my African colleagues with their 12 other colleagues who've written us a letter and the World Bank and our Danish colleague for organizing this. I think it's extremely urgent to do this because going up to next year, Millennium Development Goal 2010, it looks like actually we have an enormous amount of success with this Millennium Development Goal.

So, we should also preach our results to our communities that are sometimes a bit skeptical about aid. We have made enormous progress, but the risk obviously is that there is complacency, that, you know, if we stop investing or at least we don't have to do a lot more, we could easily get to the Millennium Development Goal for Education for All and that is clearly not the case, and I think the urgency of the meeting here is to show first of all that we can have a lot of results, and that Education for All works; and secondly, that we are, by far, not where we are supposed to be.

I think the progress has to be mentioned in our publications, in the way we deal with our communities. At the same time, I think, and especially some of the major issues that I've seen. Better trained teachers is part of Education for All. And we know that is key in Rwanda and Burkina and other places.

The school feeding operations that we've seen in Ghana where a free meal and no school fees leads to an enormous amount of extra people going to school. The enormous challenge of bringing education to distant communities, which is a challenge in many of the countries that the Initiative works in. And, of course, Leaving No Girl Behind Campaign, which is part of this, which we see in Burkina, but I think also in Yemen and elsewhere.

So, that is crucial. But I think this is also to say that we are not there, and I just wanted to mention a few points which I think are important.

First of all, we need a stronger focus even than now on fragile states simply because if you look to the accomplishments, we need extra investments there. These are the most hard to reach children. Fifty-two countries may be unable to meet the MDGs, and most of them are fragile states.

So, I think it is important that we develop in the context of Education for All a special operation for fragile states. That could be a multi-donor trust fund or, anyway, something that coordinates it with other initiatives that we know around the world, including UNICEF.

Second, I think it is important to underline that the strength of the Education for All track initiative is working together with governments to have credible education plans, which are, as I think the Chair said, sufficiently of a boost to convince the ministers of finance, and Minister Musoni is I think one of the champions here.

The third is--and there we still have a road to go, it seems to me--that's the alignment to local systems. The only education plan works if it's going through local systems, local ministries, local, local finance mechanisms in the medium term, and that's important.

And I hope--we have discussed this a lot also with the World Bank. I think we've made progress there, but we even have to deepen that so that we can go to the most aligned modality in each country, and, if necessary, we can even do it for a bilateral donor who does it on behalf of all of us. I think we are starting to do that now in Zambia. This is after all also related to our promises in the Accra Agenda for Action.

So that will be also a point. Close to that is faster disbursement because we are in very strange situation that we have an enormous amount of commitments and that's good, and at the same time, we have not disbursed all our money. But we need already new pledges. And we really need them. So, I would say to all of our colleagues who have not yet pledged to do that, and I want to make a special appeal to the G8. Maybe it is not very nice, but I know that there are quite a few G8 countries which make declarations and don't put any money when it comes down to it. I'm not here to mention names, but I think it is not healthy that my country is, by far, the biggest donor at this moment. That's not good. I mean I'm from a reasonable country, but not from a big country.

So, it would think actually that I would like to appeal to some of the colleagues of the G8 other than the U.K., and I know also that the U.S. is interested in doing more, but especially some of the others who, in my view, need to really ensure. We need their help in making this happen and that goes also for some of the countries in the Gulf Area.

So, these were some of the issues I wanted to mention in terms of burden sharing, but the main message is this is a program that works, that works through country programs that are sustainable. We can show a lot of results. There is a process of making improvements which are really necessary on disbursement rates and alignment, and I hope this meeting will be successful also for especially answering to our African colleagues who have written this letter and I thank also Ulla for organizing this from the side of the donor community.

MR. HAY: Minister Koenders, thanks very much. You were talking about burden sharing and how the Dutch take on more responsibility for their size than other countries.

Someone who represents many countries, of course, is Stefano Manservigi, Director General from the European Commission.

MR. MANSERVIGI: Well, thank you very much, and thank you for having organized this important meeting. I think it's particularly important because education, after all, has been one of the objectives where we saw progress, but also those which are at risk now in particular because of the crisis. So, therefore, it is really a crucial moment not to disinvest, but on the contrary, to accelerate investment in this sector.

As you know, the European Commission has been--and still is--a strong support of the Education Fast Track Initiative, both financially and politically, and I think that we have even to do more now. But I would like also to underline that there is now a number of instruments that we are working with as the European Commission in particular around two concepts, two lines.

I mean the one is predictability, and the second is the use of the country system. The reason why we are channeling the--I say--the bulk of our support through budget support in the classical way, in the MDG contract, you know, which is the most sophisticated way. Now in order to act counter cyclically and to invest in social safety net and, therefore, in primary education as the G20 in London has urged everybody to do--we have put in place this Vulnerability Flex mechanism, which is a way to acting counter cyclically to help partners in social spending and in particular in education.

And we also work at the international level with, for example, the Catalytic Fund and others. Now what I would like to say: we will keep doing it. But I also strongly agreed with State Secretary Alexander when he said now we have also to think in terms of output and not only an input, because if you look at--if I take, for example, a number of countries which are covered by the Initiative, which are covered by the MDG Contract, which are covered by the Vulnerability Flex, which are covered by many bilateral, in a framework where after the G20 in London and also in Pittsburgh, there is this, let's say, mass injection of money which is at least floating in the air, my point is let's go down to earth, and let's look in reality at what's coming out as output in each country, because there is a widespread fear among low-income countries in particular that all this liquidity which has been announced and all these pledges will not turn into actual money for them in daily life. And I think, therefore, we have to look at this output.

And second, because if there are positive elements, there are also a certain number of shortcomings. It is worth I mean noting that in--among the 31 countries which are covered by the Catalytic Fund, there are 5 with zero disbursement and 17 with less than 50 percent. So, I think that this must be taken into consideration. Therefore, what Douglas Alexander said which is now maybe to think a bit together on how to ensure that there is an output which is measurable is probably the next step.

And what I see the added value of this initiative is around three things. First, it must become even more a platform for the aid effectiveness, and a platform which can organize, for example, division of labor; can organize more coordination; can organize the measurement of output. This is the second point: not

to look about input, but to take the countries which are on the frontline, in particular the most vulnerable, and to look at what is the output collecting the different means, because we will keep doing budget support, because we believe that in predictability and in using a country system is still way possible.

So, measurement and aid effectiveness are, in my opinion, two strong added values of this initiative. And the third one I think I agree with this point is on fragile states, because one fragile state first they risk to be even left aside from those which are already left aside. And, therefore, we have to avoid it. But also it is important to use this experience in order to share let's say the basic concept on how to do it. It is obvious that working in fragile situations involves a higher level of risk.

Let's create as a consensus on how to do it. Let's create, for example, a higher level of consensus on how we can take altogether risks in order to tackle this, because otherwise, individually, we will all be trapped into our rules, into our problems, into our limits. But altogether if we consider that there is a platform which should push to invest more in fragile states in primary education and vocational training, by the way--I also agree--I think it would be also useful in order to create a better consensus on how to do it.

So, I see around these three let's say axes a strong added value on which we have to work in the next weeks. Thank you very much.

MR. HAY: Thanks, Stefano Manservigi.

Bert Koenders was just talking about the G8, and, of course, Canada assumes the Chair of the G8 very soon. Let me ask the Vice President of Canadian CIDA, Dianne Jacovella, for a few remarks.

MS. JACOVELLA: Thank you very much, and thank you for organizing this important discussion. We all said earlier that it might be difficult to mobilize new resources in the spirit of economic uncertainty, but I think it's a challenge we need to face head on. We need to make progress. We cannot let it go, and I think that the message of the video was quite telling in terms of we can all rally in terms of that one goal.

Achieving quality basic education for all remains a key component of Canada's effort to make a difference in the world. Just in May of this year, the Minister of International Cooperation announced that three priorities would guide our work in the future: promoting food security, securing the future of children and youth, and stimulating sustainable economic growth.

And we that investing in education and having a particular focus in investing in girls education is key to ensuring a better future for children and it's key to a country's economic development.

Canada is a G8 country that has always been supportive of the FTI, so I'm sure the Minister of the Netherlands wasn't picking at Canada, and we are continuing to be a strong supporter.

MR. KOENDERS: I wouldn't dare to. I know you are doing a marvelous job.

MS. JACOVELLA: And I'm pleased to say that we do have in place a five-year commitment to the FTI, because we think that predictability is key to making a difference.

We're really pleased also to the progress that has been done. There are four areas that we would like to see continued improvement. And we did not talk to the Netherlands before talking, but some of them are the same.

So, one is addressing education needs in fragile and post-conflict countries; two, improving the speed and mechanism of disbursement; the third one, improving efficiencies at the country level; and the fourth one is focusing on results. And we would like an emphasis on gender equality outcomes with respect to girls and women.

Another thing that Canada would like the FTI to consider is we'd like it to mainstream nutrition education into FTI programming, and we'd like to explore closer collaboration with school feeding programs, the ones run by country or the one by the World Food Program to ensure we have healthier children who are able to learn--so, a bigger focus on the nutrition. Thank you.

MR. HAY: Thanks very much indeed, and the Minister from the Netherlands has made it clear that he's a great lover of Canada. Isn't that right, Bert? Great.

MR. KOENDERS: Absolutely. I shouldn't have said G8. It's very unfair. Some countries in the G8, excluding definitely Canada.

MR. HAY: Which brings me on to the United States, which is a member of the G-8, a fully paid up member of the G8, and we heard Secretary Alexander and many people around the table talk about the very uplifting statements of support from President Obama about the U.S. putting a shoulder behind education in international development. So, please, the floor is yours.

UNITED STATES: Thank you very much.

Yes, I would echo that President Obama is extremely interested in the importance of education in development. But also Secretary Clinton, if anyone has ever reviewed any of her public statements and has heard her private statements, is extremely interested in the education of girls.

It is a topic near and dear to her heart in a personal sense. And as most of you know, the U.S., through USAID, helped to fund some of the review of the Fast Track Catalytic Fund, and we're extremely interested in working with our partners in bringing about some improvements that we would suggest to this.

Some of the improvements include better education data; the stronger emphasis on robust policy and country capacity to carry out some of the goals of Education for All; also to improve a country's capacity to use the funding that has been already provided. So, I think that's an important point. We do recognize that there is a need for new resources, but we would like to make sure that the resources that are there now can be used effectively, in the most effective manner.

And I would echo support for a lot of the improvements that have been suggested by the other representatives around the table.

We do expect to be supportive in a multi-lateral sense. We would like to review the results of the ongoing examination that will come out at the end of the year. And I think, as you all know, there's a lot of work right now in Washington on development issues in general.

We have a development policy review under way. We also have an initiative at the State Department to see how we can bring the capabilities of those two institutions together more closely, to bring more results from the integration of diplomacy and development.

So, I would like to say that we're extremely happy to be engaged with our partners on this initiative, and that we will take a very close look at the results of the review. Thanks.

MR. HAY: Thanks very much, and we are well aware of Secretary Clinton's personal and professional commitment to education. It's been one of the hallmarks of her incredible professional life.

Let me see if any other members of the donor community--members of the G8 are especially welcomed, of course. And the gentleman from France would like to speak. Please.

FRANCE: Thank you.

France, as Canada or the United States, is a member of the G8 and a member of the G20.

I think that also in the G20 in the context of the G20 we could have more commitment for Education for All. But I would like just to add two comments. Firstly, I think that the global context today is very different from the context that we had when we launched FTI in 2001, with some negative points.

Firstly, currently, in the Agenda for Development and the Reflection on Development, we have to take into account that a stronger emphasis is put on economic growth in infrastructure, energy, et cetera, et cetera, with a risk allocation of ODA.

The second point is that we have to face some new challenges. Of course, I think in particular for climate change and Denmark will be on the front line and with all our support.

The last point it is an increasing critics on ODA, and some books recently published have a strong and negative impact on the support of the public opinion in my country, for example. And last point we have, as the U.K. said, increasing tensions in donor countries between increasing fiscal deficits and on the other hand an increasing demand for ODA through several replenishment processes, through the discussion of the need to increase capital for development banks.

So, in this context, I think it's very important to have a better communication and information for large public opinion, but also for the politicians on the results achieved with the Fast Track Initiative. And I think it's very important to show that, of course, education is the passport to escape poverty, but it is also a passport for economic growth.

I have some concern on the fact that currently more and more in the discussion on development education or health is presenting a result of economic growth and of social expenditures. No, it is an investment for economic growth, and we have to put more emphasis on this point. The result achieved and the facts that education is one of the engines for economic growth.

So, second point it is on the resources. I think we have two challenges to face. One is to increase the volume of resources allocated to education, but the second one is to increase the predictability and sustainability of these resources, because in education we have to face a specific challenge, which is that to extend access to a primary education, a lot of developing countries have to recruit more and more teachers and to have a large part of the salaries financing through external ODA, which is a vulnerability because ODA is not a sustainable resource for financing development.

So, I think also what we should perhaps put more emphasis on innovative financing for education. You know that for health on the free fall last year we mobilized \$2.5 billion for health through different mechanisms of innovative financing.

And I mean I'm sure that we could also make some progress for education, and we should not neglect these kinds of sources for financing FTI in the coming years.

Thank you.

MR. HAY: Thanks very much indeed.

You were talking about the correlation between education and economic growth and results. Surely, after hearing the Ministers, you'll be persuaded that this is a plausible and credible case to make.

Do we have any--I realize the clock is somewhat against us. I'll ask Ulla Tørnæs and Graham Wheeler to finish in just a second.

Any other thoughts from members of our donor community?

Switzerland, please.

SWITZERLAND: Thank you, Mr. Chairman.

Just in short, I think Switzerland will continue to support the Fast Track Initiative at the same financial level as so far, but also in an active collaboration. We think the issue of quality remains a big challenge, and we would like to continue with this way and to be supportive to the FTI.

MR. HAY: We're very glad to hear that. Yes, indeed.

NORWAY: Thank you, and thank you for organizing this event.

Norway has indeed recognized the importance of supporting the Education for All and the Fast Track Initiative, and have doubled the contribution compared to 2008 levels, and we will keep that level also next year.

We will focus on this year--ask to focus on the Catalytic Fund to support the fragile states and countries coming out of war or in conflict. Another important issue for Norway is also to improve the data and to increase the efficiency, as has been mentioned already by the other countries. Thank you.

MR. HAY: Rest assured the name of Norway is on the honor role as far as Fast Track Initiative. Please, the gentleman from Belgium.

BELGIUM: Yes, thank you very much for organizing this. As you know, Belgium has been one of the founding members of this initiative, and, of course, on the other hand, Belgium has obviously been very interested in financing the education sector, especially the primary education sector.

And FTI has been one of the most important instruments for us to catalyze our contribution to the education sector. Belgium remains committed to continue to contribute to FTI until 2011. In the meantime, we will have also a close look as most other partners at the results of this initiative in view of analyzing maybe the possibility of an increase of our contribution in the forthcoming years. Thank you.

MR. HAY: Many thanks indeed and you have to your left the gentleman from Japan. I wonder if he would like to make any comment at all.

JAPAN: Thank you very much. Well, I'm being impressed by the work that this initiative has been doing and especially the engagement of the World Bank management in getting through this initiative.

Now we have a new administration. We're not at this moment very sure how this--the new administration will be coming through this initiative or how the new administration will be finding a way as a channel for getting more involvement in education.

So, we'll keep on working. Thank you.

MR. HAY: Thanks very much indeed, and the gentleman from Russia, from the Russian Federation, I wonder if he would care to make an observation?

RUSSIAN FEDERATION: Thank you very much.

Some brief comments. We continue to support the education initiative. We understand the need to increase our resources, and at the same time we need to work in order to enhance the improvement and to improve the effectiveness and operational success within the FTI initiative.

MR. HAY: Many thanks indeed. Now Bob Prouty wanted 30 seconds just to clarify something that he heard. So, Bob, 30 seconds, and then we're going back to the co-chairs.

MR. PROUTY: Okay. This is quickly on the fragile states just to remind everyone this is on the agenda for the next FTI Board Meeting that's coming up next month. Finding a financing mechanism is a top priority.

Just a quick response on the disbursements. I think there's some misunderstanding on the disbursements, and I hear a lot of reference to disbursement lags. A year ago, we were having a

significant issue with the delay between allocations and first disbursements. I'm very pleased to announce that that has been almost completely eliminated. We had delays running from 12 to 18 months, given some new procedures that had been introduced almost two years ago.

That is down to four months with the last set of five countries that received allocations back in December. The average time between allocation and the signing of the grant agreement was four months. So, this is to us a sign of significant progress.

In terms of disbursements, I won't go into the details of it, but the countries are moving. We've had three countries on hold because of political crisis. These have been Guinea and Madagascar and Mauritania. Even there, we're seeing some movement now. But the issue of disbursement as a whole; we disburse over three years and at any given point we do have this issue that we are holding funds from the beginning for that three-year period. So, this does leave us with the issue of how to deal with that pool of funding.

But the fact that countries haven't disbursed 50 percent may simply mean they're in the first of three years of disbursements. So there is this issue. I'd be very happy to engage a dialogue on that.

There's more to be done, but in general the disbursement story, we think, is fairly dramatically improved.

MR. HAY: Bob Prouty, perhaps afterwards if you could stay on afterwards and discuss some of these points with any of our representatives who'd like more clarification.

Let me turn it over to Ulla Tørnæs for a very quick final statement and from Graham. We're wearing out our welcome in this room apparently. So, Ulla Tørnæs.

MS. TØRNÆS: Thank you very much, and I shall be very brief.

I just want to thank you all for participating in this very, very fruitful discussion. I think it has been a very, very good meeting. We had a good meeting in April and this one has been even better, as I see it. And I think it's a very good way of sharing views on the importance of education and, therefore, I would also like to thank my two colleagues from Rwanda and Burkina Faso for giving us their views on the importance of education in their fight against poverty. It has been very, very useful.

I have two final statements that I would like to make, and one is the one that we have been focusing on, namely the funding for the FTI and I just want to repeat that there is this shortfall of \$1.2 billion for funding of the FTI, and I was very happy about what I heard around the table and I think we should all continue to have the focus on the necessity of making sure that we will be able at the end of the year and through 2010 to see the funding coming in so we can continue our important work with the implementation of the FTI and what is needed.

And then I would also like to repeat what I was saying in my remarks earlier on the necessity of also having a focus on vocational training. I really believe that if we should benefit from our investments in primary education, we need not forget vocational training and skills. We need to make sure that the

young people are getting the skills that are needed so they can get a job. We need the vocational training to be higher on the agenda also in relation to the FTI.

So, just not to forget this part of the discussion either, but once again, I would like to thank you all for taking part in this very important discussion, and I really think it has been a very fruitful meeting with a lot of good points on the importance of education and also some very good contributions in relation to the funding of the whole thing.

I noticed what Bob was saying: doing it will take money. Not doing it will take more money, and this we should not forget. Thank you very much.

MR. HAY: Ulla Tørnæs, thanks very much indeed. We've just had a note from the Ministers from Malawi and Uganda and other African countries who were delayed at another event, but wanted to send their full support not only to the honorable ministers with us, but also to communicate that they have faith and confidence in our efforts here this morning to raise additional support for the Fast Track Initiative.

Graham Wheeler, please.

MR. WHEELER: Thanks very much indeed.

Like Ulla, I found this to be an enormously helpful meeting and thank you for attending and also for those that really did offer financial support. It's tremendous to hear it.

Thank you, Minister Musoni and Minister Bembamba for coming along. I think you talked very frankly and openly about the importance of this instrument, about donor coordination in being an important vehicle for results.

I thought Bert Koenders made some really key points. When he talked about it's urgent to do this and, like Ulla, I also picked up on Bob's comment about not doing it will cost more. It is urgent to do this, and it's important to recognize, as Bert said, that we have had important success here. We're making enormous progress, but there is a risk of complacency. I think that's an enormously valuable point that you've made.

I took down notes from several suggestions for improvements, and I think there was a common set of points that resonated. There was emphasis on results, measuring output and quality; the need for faster disbursements; a very strong call from many, for greater emphasis on fragile states; improved efficiency at the country level; building country capacity; improving data. Look let me just simply say that on the Bank side, we commit to continue working in these areas. I think what's been very helpful to us is just see the consistency of it all--the emphasis, the priorities you're putting on this.

So, let's commit on the Bank side to continue working on these things, and let's look for a very, very positive meeting in five to six months time. So thanks so much for coming.

MR. HAY: Let me thank my co-chairs, Ulla Tørnæs, Graham Wheeler. Thank Ministers Koenders, Ministers Bembamba and Musoni, such senior representative from our donor countries. Delighted to have the Global Campaign for Education with us. Remember we're pushing for one goal as we go forward. So, let's go out and educate all these kids. So, thanks very much indeed.