

The Role of Foreign Assistance in Pakistan's Education Sector

BY

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Introduction

- Public spending on education is 2.1% of GDP while literacy rate is 57% in Pakistan.
- Foreign assistance accounted for as much as 45% in 1973, 1980s (10 to 20%) 1990s (5 to 10%) and since 2001 (15%) of central government expenditure Malik (2007)
- Since 2008 international development partners have extended foreign assistance for the development of education sector in Pakistan.
DFID(US\$400), USAID(US\$90), GTZ(US\$3.4) Million
- Resource Gap (2003-2015) gap affecting the achievement of EFA targets for primary education, adult literacy and early childhood education Cost US\$ 20,900 million)-Available Resources(US \$13,551 million) Resource Gap=(US\$ 7,346 million) (US\$ 7.346 billion)
- Source: Government of Pakistan, 2003. Financing Education in Pakistan – An Estimation of Required and Available Resources to Achieve EFA Goals.

Objective of the Study

- What is the current role of foreign assistance to Pakistan's education sector and what type, nature and in which areas of education foreign assistance is being provided by international organizations during 1997-2012 ?

Literature Review

- **Kronstad (2004) concluded that Pakistan's primary education system ranks among the World's least effective. To "Improve and expand access to education for all [Pakistani] citizens" through assistance**
- **Asiedu and Nandwa (2007) concluded that Aid in primary education enhances growth in low income countries but aid in post-primary education has no significant effect.**
- **Malik (2007) concluded in Pakistan over the past two decades despite some successes, generally poor performance of the education sector does not provide palpable evidence for aid's beneficial effects.**
- **Mehmood et al. (2010) concluded that two very important variables, education levels and foreign aid, which have a strong impact on democracy index**

International Organizations

- Multilateral Organizations (9)
- ADB, IDB, WB, ILO, UNDP, UNESCO, UNFPA, UNICEF, WFP
- Bilateral Organizations (9)
- AusAid, CIDA, DFID, EC, GTZ, JICA, RNE, NORAD, USAID,

Table 1- Multilateral and Bilateral Organizations Funding and Projects 1997-2012

Serial Number	Agency	¹ Project	Number Of	Amount	Percentage
International Organizations	Name	Year	Projects	US\$ Million	Share (%)
1	WB	2008-09	10	624	31.6
2	USAID	2002-07	10	516	26.1
3	ADB	2004-10	9	177	9
4	CIDA	2007-11	4	129	6.5
5	EC	2007-12	3	116	5.9
6	UNICEF	2004-08	7	71	3.6
7	UNDP	2002-08	1	53	2.7
8	WFP	2005-08	3	52	2.6
9	DFID	2001-04	8	49	2.5
10	JICA	1997-06	7	49	2.5
11	R N E	2006-11	4	45	2.3
12	IDB	2003-08	2	26	1.31
13	AusAid	2001-08	7	22	1.11
14	GTZ	2004-08	8	16	0.81
15	NORAD	2002-08	2	13	0.66
16	UNESCO	2002-09	7	10	0.51
17	ILO	2003-08	4	5	0.25
18	UNFPA	2004-08	1	1	0.05
Total	18	16	97	1974	100
Multilateral Organizations	9	(2002-10)= 9 years	44	1019	52
Bilateral Organizations	9	(1997-2012)=16 years	53	955	48

Source: Calculations based on data from Directory of Donors' Assistance for Pakistan's Education Sector, 2008, Ministry of Education, Government of Pakistan.

Table 2-- Foreign Assistance to Different Education Areas(US\$ Million) 1997-2008

² Project Years	Org.	Primary	Element .	Second.	Highe r	Techni .	Phys.	Teacher	Overall Edu. Sect	Provided	Promised
	Name	Edu.	Edu.	Edu.	Edu.	Edu.	Infrast.	Institu.	Support	Assistance	Assistance
2008-09	WB	5	---	---	100	---	---	---	335	440	624
2004-10	ADB	43.5	6.38	19	---	3.2	---	---	105	177	177
2007-12	EC	---	---	---	---	---	---	---	---	---	116
2004-08	UNICEF	---	---	---	---	---	---	---	64	64	71
2005-08	WFP	43	---	---	---	---	---	---	9	52	52
2001-04	DFID	---	---	---	---	---	---	---	49	49	49
1997-06	JICA	---	---	---	---	---	24	1.3	24.7	49	49
2007-11	CIDA	9	---	---	---	---	---	24	---	33	129
2006-11	RNE	4	---	---	---	---	---	---	21	25	45
2003-08	IDB	---	---	---	24	---	---	---	---	24	26
2002-07	USAID	0.4	2.5	---	7	---	8	0.59	4	23	516
2001-08	AusAid	2.2	---	---	15	---	5	---	---	22	22
2004-08	GTZ	---	0.6	---	---	---	6	1.1	8	16	16
2002-08	NORAD	13	---	---	---	---	---	---	---	13	13
2002-09	UNESCO	----	---	---	---	0.058	---	1.31	8.5	10	10
2002-08	UNDP	8	---	---	---	---	---	---	---	8	53
2003-08	ILO	---	---	---	---	---	---	---	3	3	5
2004-08	UNFPA	---	----	---	---	---	---	---	1	1	1
Total	18	128	9	19	146	3	43	27	657	1009	1974

Source: Calculations based on data from Directory of Donors' Assistance for Pakistan's Education Sector 2008, Ministry of Education, Government of Pakistan.

Conclusion

- The World Bank, USAID ADB and GTZ have started almost equal number of education development projects with different levels of funding. Up till 2008 approximately US\$1009 million which become 51% of the total promised funding of the total foreign assistance is allocated to different education development projects by these international organizations. Moreover a colossal amount of US\$657 million (65%) of foreign assistance is allocated to prop up the overall education sector while US\$146 million (14%) allocated for higher education. But only an amount of US\$128 million (12%) allocated to support primary education which is relatively less than other education areas. The world Bank, ADB, UNICEF, IDB, RNE, JICA, DFID, GTZ and UNESCO are more interested to support overall education sector while ADB, WFP, UNDP, CIDA and NORAD are also taking interest in primary education. The World Bank, IDB, AusAID and USAID are investing in higher education while technical education is least priority area for donors in Pakistan. So there is dire need to invest more in primary education as well as technical education in Pakistan.

Policy Recommendations

- **International donors and GoP should hub more on universal primary education projects to achieve the millennium development goals.**
- **International donors as well as GoP should also onset some new education projects for 7.3 million (WDI- 2010) children those are in the official schooling age but still not attending schools.**
- **Scholarships, professional/technical education and better job opportunities should be highly priority area for donors as well as GoP for females in future.**
- **Vocational and professional training projects at schools and college level especially for females of rural areas should be given more importance by the international donors as well as GoP to eradicate poverty.**
- **A large number of school are still missing basic infrastructure i.e.38% schools up to elementary level are without boundary wall, 34% without drinking water 37% without latrines and 60% are without electricity. So more importance should be given to schools basic infrastructure projects by the international donors as well as GoP.**
- **International donors as well as GoP should also give more importance to advance teachers training projects in or outside country to improve quality of education.**
- **Education awareness projects should be initiated by international donors and GoP through print and electronic media at local and national level.**
- **Government of Pakistan should focus on grants except expensive loans.**
- **Government of Pakistan should mount education budget more than 2% of GDP.**
- **There is a dire need of strapping coordination among donor community in Pakistan.**