IFFEd PROSPECTUS

The International Finance Facility for Education

the Education Commission


If no action is taken, about 400 million girls will not be on track to have the skills needed for employment in 2030.
the Education Commission

The International Finance Facility for Education

Make impossible possible

The International Finance Facility for Education is a groundbreaking way to finance education in countries around the world. By multiplying donor resources and motivating countries to increase their own investments, the Facility will unleash tremendous new funding streams for education. The Facility has the power to help tens of millions of children go to school and prepare millions more young people for the future of work. The opportunity to give every child a quality education is within our grasp. **It's time to make impossible possible.**

Photo: Dominic Chavez/World Bank

The deepening crisis

More than 260 million children and youth are not in school today. Over half a billion school-age children will end up without a primary education because they drop out of school at a young age or learn very little. In 20 African and Asian countries, more than half of the adult population is unable to read and write. In total, 750 million adults are illiterate, and 500 million of them are women.

The problem is so severe that by 2030, more than half of the world's children and young people – over 800 million – will not have the basic skills or qualifications needed for the modern workforce.

The knowledge divide is widening. Learning standards in the typical low- and lower-middle-income country – and across Africa – are 100 years behind today's average high-income country. On current trends, it will take until after 2100 for all countries to reach the targets set in the United Nations' Sustainable Development Goal 4 (SDG 4) – and ensure that all children complete primary and secondary education. That timeline falls far short of the global community's pledge to meet the SDGs by 2030.

Without immediate action, the global community will break its promises to the world's children. Progress has stalled as domestic investment has not kept pace with the need for education funding and support from international aid budgets has gone into reverse. Funding for education, which was 13 percent of all international aid a decade ago, has been falling and is now 10 percent. All aid to education in developing countries combined offers only US$10 per child – not enough to pay for a secondhand textbook, let alone a quality education.

the Education Commission

Photo: EU/ ECHO and Save the Children

The education crisis is creating a wide and persistent divide between children who have access to skills and opportunity – and those who do not. Half of the next generation won't be able to escape poverty, improve their health and well-being, or build more stable, secure, and peaceful communities.

But the human faces behind these statistics are the most heartbreaking. Instead of being in school, children will be trapped as laborers, brides, soldiers, and victims of trafficking. Aspiring doctors, lawyers, teachers, and innovators of tomorrow will never realize their talents. This is a loss we cannot afford.

The plight of refugees and displaced children

Long-term funding to rebuild education systems after emergencies is urgently needed. There are 11 million refugee boys and girls and 20 million children displaced in their own countries. About 75 million children have their education disrupted due to disaster or conflict. Only three percent of humanitarian budgets goes towards getting refugees into school. Some crisis appeals are only one percent funded.

Education's promise and youth's demands

Delivering universal education is the civil rights struggle of our generation. The benefits of learning cut across all the Sustainable Development Goals, making it possible to end extreme poverty by giving young people the means to lift themselves out of it.

Education leads to healthier families, employment opportunities, gender equality, more stable and peaceful communities, and a better quality of life. Around one-third of the reductions in adult mortality can be attributed to gains in educating girls and young women. With the right skills, all young people can participate in our increasingly global and digital economy.

Education also increases security. Evidence strongly suggests that increasing secondary school enrollment and literacy rates decreases the probability of civil war, and every additional year of schooling reduces an adolescent boy's risk of becoming involved in conflict by 20 percent.

The good news is that young people themselves are demanding change. Young people are at the forefront of efforts to end child marriage in Bangladesh, stop child labor in India, and reduce fees for education in Latin America. And in diverse places from Nigeria – where students live under the threat of kidnapping – to the United States – where students live under the threat of school shootings – young people are leading campaigns for school safety. Youth are speaking out like never before about their desire to move from exploitation to education.

It's time for all of us to match the courage and enthusiasm of young people. We need to deliver on our promises to the world's children so they all have equal access to education and opportunity.

Education will drive growth in an uncertain future

In the coming decades, as technology, demographic shifts, and globalization continue to rapidly reshape the world we live in, economies will rise and fall depending on their intellectual resources more than their physical resources.

The old routes to full employment are closing as manufacturing produces more with less and even Africa, with only 10 percent of employment in manufacturing, will need to adjust to a changing labor market. Future jobs based on technical skills will matter more to developing economies.

By 2030, up to half of today's jobs – around two billion – are at high risk of disappearing due to automation. This reality will radically alter what many countries need to maintain productivity, with both a demand for new types of high-level skills and a growing dependence on the global labor supply.

The World Bank has shown that nearly 70 percent of all capital is *human* capital – and if we fail to invest in it we will be left behind. The World Bank's forthcoming Human Capital Index will provide new insights into the impact of countries' investment in their next generation with metrics and comparisons.

The path to growth for developing economies will depend less on traditional forms of export-led growth than on education-led growth. If countries want to do more, there must be additional resources available to help them improve investments in their most important asset: people. The International Finance Facility for Education will provide an additional tool for countries to improve the performance, innovation, and inclusion of their education systems.

As more countries move up the ladder from low-income status – which can only happen with radical, disruptive education interventions – the global community will be less vulnerable to instability, extremism, migration, and health-related crises.

Photo: Paul Saad

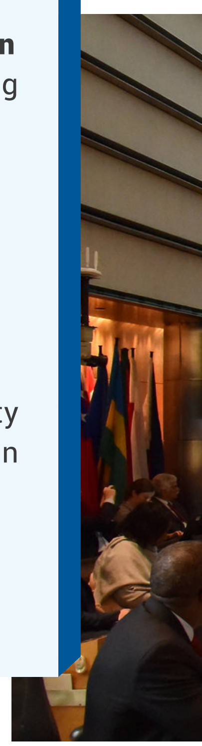
A new way to finance education

The International Finance Facility for Education is a bold plan and would make it possible for countries and the international community to collectively achieve the largest education investment in history. This innovation in global finance will multiply donor funding so it can go further, creating a new stream of finance for countries committed to reform and investment. Working hand-in-hand with efforts to expand tax revenue in the medium-term and increase domestic investments in education, the Facility will play a crucial role in bridging the financing gap in countries on the road to universal education.

The Facility will fill a unique and persistent financing gap. Multilateral and bilateral aid from official donors for education amounts to just $12 billion a year. This contrasts with growing support for health, now at $20 billion annually not including large contributions from private philanthropists of several billions more. In addition, investments in infrastructure have doubled in the past decade, while education investment has declined. Less than three percent of humanitarian aid goes to education and the entire multilateral development bank (MDB) system provides about $1.5 billion a year to lower-middle-income countries for education.

Growing support for a new way to finance the right to education

- In 2015, 10 million people signed a global petition demanding action to deliver universal education, which led to the UN's 2030 timetable for the SDGs including quality primary and secondary education for all.
- More than one million people have signed a petition demanding that the SDGs be transformed into action with the International Finance Facility for Education.
- Presidents and prime ministers urged support for the Facility in their Joint Leaders' Declaration at the 2017 G20 meeting in Hamburg, Germany.
- The UN Secretary-General, the World Bank, and the four regional development banks support the Facility.



The Facility will complement, not replace or duplicate, current initiatives in education finance. It will enhance World Bank and regional development bank financing for low-income and lower-middle-income countries, and work alongside international actors such as the Global Partnership for Education; the Education Cannot Wait fund; UN agencies such as UNICEF, UNESCO, UNHCR, and UNRWA; bilateral donors; and thousands of charities worldwide.

What will the Facility's impact look like? According to our estimates, the Facility will create opportunities for more than 20 million children to attend quality schools in its initial period. It will help girls complete both primary and secondary school, support programs to get at-risk children into school, provide longer-term finance for refugees or displaced children, allow for new innovations in the delivery of education, assist countries as they build comprehensive early childhood development programs, and provide support for initiatives to bring children with disabilities into education. In short, the Facility will contribute to developing all talents of all children.

Photo: Lana Wong/Education Commission

Why the Facility is essential to achieving Sustainable Development Goal 4

Low-income countries (LICs) have new means to finance education. While low-income countries (LICs) – the poorest of the poor – have traditionally faced some of the greatest barriers to education, recent developments have made it easier for them to get financing. Low-cost financing has grown thanks in part to the World Bank's $75 billion replenishment of its financing available to low-income countries which allows for a 50 percent increase in financing for LICs through grants and favorable lending terms. In addition, many donors are giving greater priority to the poorest countries in their foreign aid portfolios, and more grant resources have been mobilized through the successful Global Partnership for Education (GPE) replenishment and the recent establishment of the Education Cannot Wait fund (ECW). Efforts to make World Bank financing even more affordable through subsidies for interest rates could double the financing available to these countries. All these resources create a pathway forward for LICs that want to make progress on education.

But lower-middle-income countries (LMICs) face a structural challenge. They lose access to the funds they once had as LICs and their tax base cannot cope with their education needs. The funding drop-off is startling. Recent analyses show that, of the $40 billion in funding available for middle-income countries from the multilateral development banks, less than one percent goes to education in all of Africa and Asia combined!

These countries face an untenable choice: stop sending children to school or borrow money at much higher or commercial rates that saddle them with risky debt. Recent reports show significant increases in commercial debt in a number of countries. Even as LMICs mobilize substantial additional domestic resources, existing grant finance is not sufficient and they still have a gap that needs to be filled with additional, affordable financing.

The Facility provides LMICs with longer-term, predictable, and sustainable funding to help achieve SDG 4. It keeps their education financing options more constant and avoids a sudden systems shock by extending the highly concessional terms that LMICs once enjoyed, and offering funding with a grant element of more than 50 percent. By providing affordable "bridge financing," these countries can continue investing in their education systems during this critical stage of their development. They won't face the choice of taking on expensive commercial debt or denying education to millions of children.

Filling a critical gap in funding

The proposal for the Facility was a recommendation of the International Commission on Financing Global Education Opportunity. The Commission consisted of global leaders including current and former presidents, prime ministers, and ministers, experts in finance, civil society champions, and leaders from international organizations – including the World Bank, UNESCO, UNICEF, and the Global Partnership for Education. The recommendations of the Commission also benefited from 130 civil society consultations conducted in over 80 countries across six continents.

The Commission envisions a new education financing structure that would enable countries committed to reform to realize what we call the "Learning Generation" – a generation where all children are in school and learning. This structure has three basic building blocks:

1. More domestic resource mobilization
2. Increased international aid
3. New funding instrument to multiply donors' impact

Photo: Roy Kaltschmidt

1

The first building block involves low- and middle-income countries ramping up their own reform and financial commitments to education. The Commission's vision includes education's share of national budgets in low-income countries rising from 3 to 5 percent and in middle-income countries from just over 4 percent to at least 6 percent between now and 2030.

However, even if poorer countries augment their investments in education and improve the performance of their education systems, a financial shortfall will persist. It costs just over $400 a year, on average, to educate a school-age child in sub-Saharan Africa, and the total cost of universal education would require low-income countries to raise their total investment (from all sources) to more than 10 percent of GDP and lower-middle-income countries to more than 7 percent by 2030. This is far more than what education budgets in these countries will be able to cover. Asking developing countries to raise their share of education spending to this level from the current average of about 4 percent of GDP is simply unrealistic.

2

That's why the second building block in education finance – increasing education's share of international aid from 10 percent today to 15 percent by 2030 – is critical. This growth would happen at the same time that all donor countries augment their aid budgets to gradually approach the target of spending 0.7 percent of gross national income on aid, and channel more of that funding through multilateral organizations. Yet even under the most optimistic scenarios of domestic resource mobilization and increased aid, there would still be an education financing gap of at least $10 billion in 2020 and $20 billion in 2030.

3

The third building block to fully finance education for all is to create the International Finance Facility for Education – a new instrument to multiply donor resources and create new funding for education by harnessing the untapped potential of the multilateral development banks.

Funding needed to achieve Sustainable Development Goal 4

Funding source	Current investment	Required investment	Sources
1. **Domestic resource mobilisation**	**4%**	**6%**	Governments should improve their tax collection systems (including through addressing tax avoidance alongside wider tax reforms) and dedicate more of this increased revenue to education.
	(Education budget as a % of Gross Domestic Product)		
2. **Aid to education**	**10 %**	**15 %**	Donors must move towards contributing 0.7% of GDP to Overseas Development Assistance. To be more effective, a larger share of this increasing amount should be spent multilaterally through the Global Partnership for Education, Education Cannot Wait, UNICEF, UNRWA, other agencies, and IFFEd.
	(Percentage of aid going to education)		

Funding gap

Even if the above targets are fully met, there will still be a funding gap for global education. Bridging this gap requires an innovative solution.

Increased bilateral + multilateral aid

primarily focused on lower-income countries

IFFEd creates $10 billion in additional investments

so lower-middle-income countries do not suddenly lose their concessional funding for education

Funding source	Current investment	Required investment	Sources
3. **International Finance Facility for Education** (IFFEd)	**~$2B** Guarantees	**~$10B**	**IFFEd would request contributing governments to provide guarantees which would be used to leverage new finance. Some of the additional aid money generated (point two above) would be used to make these terms concessional.**
	$2B in guarantees combined with $2B in grants, creates $10B in new finance		

Backstage at the 2017 Global Citizen Festival in Hamburg: President Mauricio Macri and First Lady of Argentina Juliana Awada; Commissioner Julia Gillard; Commission Co-Convener and Norwegian Prime Minister Erna Solberg; Commissioners Helle Thorning-Schmidt and Shakira Mebarak; Malawian education advocate Wongani Nyirenda; and Commission Chair Gordon Brown Photo: Global Citizen

The financing dilemma of “missing middle” countries

The Facility specifically targets the education financing needs of lower-middle-income countries (LMICs). These countries often face a structural problem – a “missing middle” dilemma – that prevents them from getting adequate education funding.

Much of the world’s education burden has shifted to LMICs. These countries are home to 700 million girls and boys of school age, more than three times the number in LICs. Sixty percent of all children and young people not on track to have basic skills by 2030 reside in LMICs, as do half of all refugee and displaced youth. By 2030, 80 percent of the total global education financing needs will be in LMICs.

Many LMICs have gained economic ground and do not qualify for grants, low-interest, or interest-free loans to finance education. At the same time, the tax receipts of these countries have not increased quickly enough to finance the expansion and upgrades that their education systems desperately need.

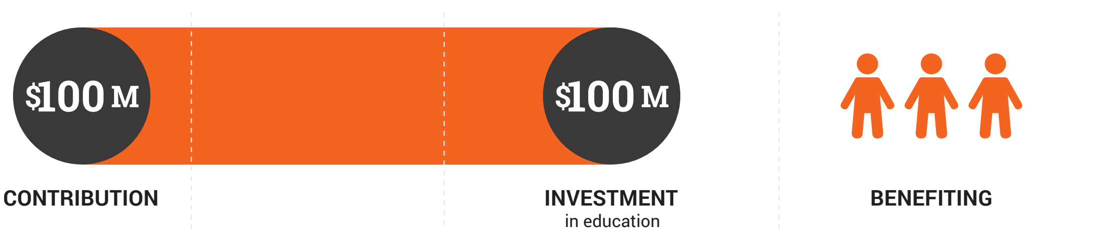
This leaves many LMICs stuck in a “missing middle” conundrum – they’re too wealthy to get external funding at favorable rates but not wealthy enough to finance education on their own. These countries are eager to make progress on education, but their precarious economic success hangs in the balance.

The solution: increasing education financing for the "missing middle"

The central purpose of the Facility is to provide these LMICs with a new stream of affordable funding for education. The Facility will increase the capacity of the MDBs to do more for education in countries committed to investment, reform, and results. Using guarantees provided by donor countries, the Facility will allow MDBs to mobilize more financing in capital markets and use this additional funding for education. The Facility will also use grants to soften the financing terms to make them more attractive for education investments. The Facility's model makes it the most cost-effective way of utilizing aid money in global education.

The International Finance Facility creates new funding for education

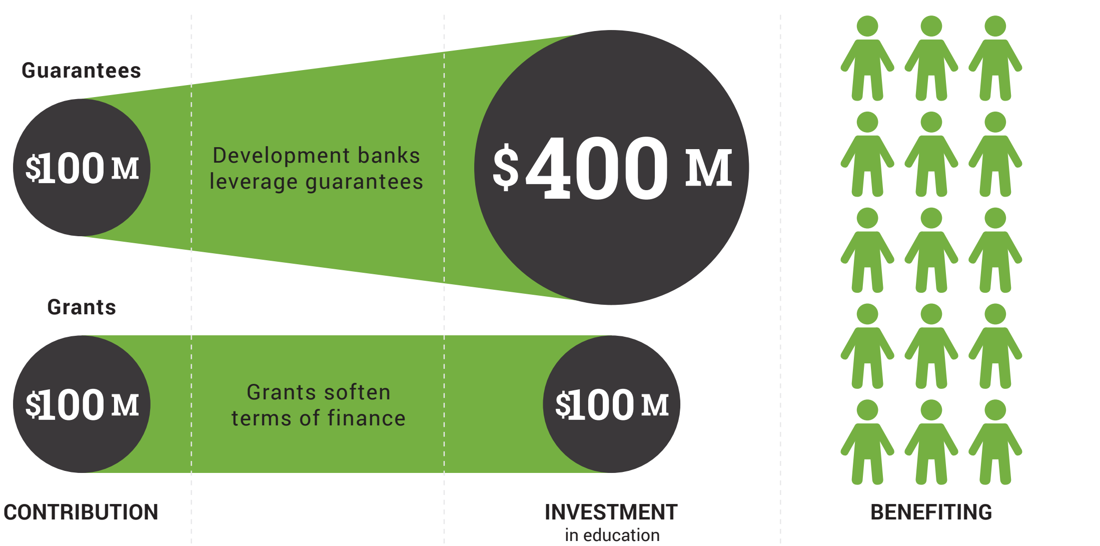
Traditional aid for education



Traditional aid is essential, especially in the poorest countries.
Every $1 of aid leads to $1 in education services.

International Finance Facility for Education

The Facility generates more money for education investment



Large gaps exist in lower-middle-income countries and aid is not sufficient.
IFFEd generates new funding by combining guarantees and grants to create affordable finance packages. Every $1 in guarantees creates about $4 in additional investments.

The Facility runs on a basic set of principles:

- **Efficiency.** The Facility will harness MDBs' power to efficiently leverage financing and deliver development assistance. It will use existing mechanisms and require no new actors at the country level.
- **Affordability.** The Facility will soften loan terms making them more affordable and manageable for educational investment.
- **Scale.** The Facility has the potential to multiply traditional aid more than four times and reach considerable scale. It will double existing investments from the MDBs and mobilize $10 billion of new investments in education in its first few years of operation.
- **Sustainable financing for results.** Investments mobilized through the Facility will align with education sector plans, encourage domestic resource mobilization and active debt risk management, and help deliver results. The Facility will also track the investments of the MDBs, allowing more information to be accessible on the role MDBs play in contributing to SDG 4 on a sustained basis.

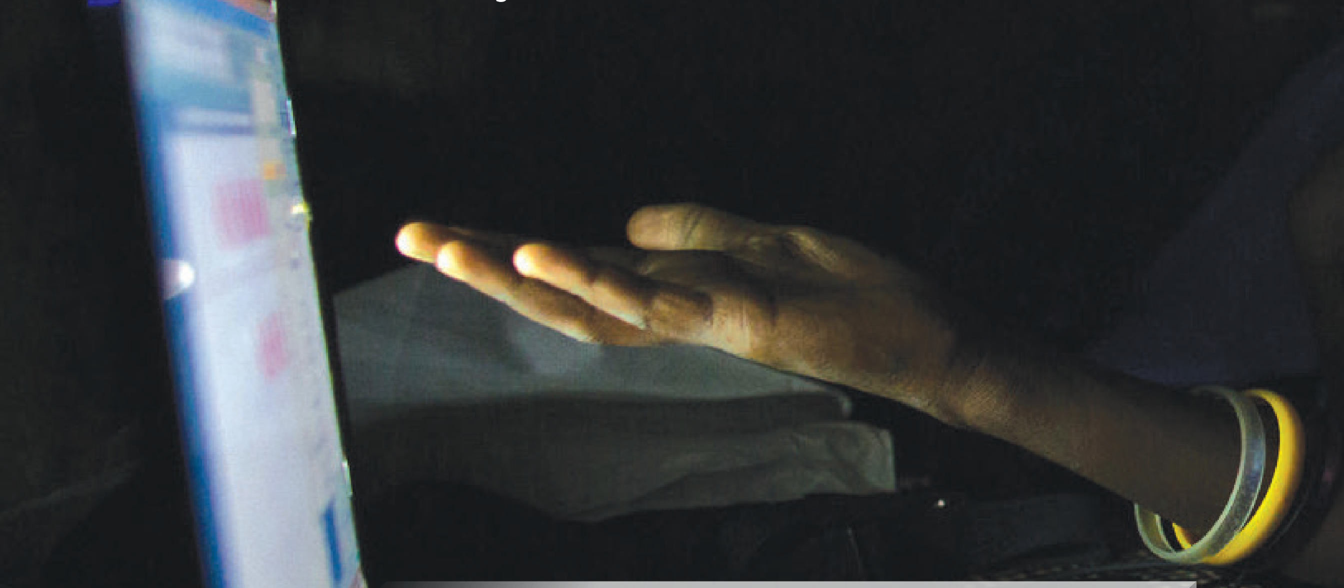


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Photo: Morgana Wingard/USAID

#MakeImpossiblePossible

How it works

The Facility is based on an innovation that will generate new and additional financing for education.

- **The donor guarantee to the Facility.** The Facility will leverage new financing through guarantees provided by contributing countries, enabling MDBs to increase lending for education. In many cases, donor guarantees will not count as public expenditure and only 10 to 15 percent will need to be paid in cash. For example, a donor guaranteeing the Facility for $100 million may only need to contribute $10 million in cash.
- **The leverage.** The Facility will make its guarantee base available to MDBs – the African, Asian, and Inter-American Development Banks, the European Bank for Reconstruction and Development, and the World Bank – only if they use it to leverage and make available new and additional financing for education in eligible countries. Projections suggest the value of the guarantees could be multiplied by approximately four times by the MDBs. For example, $1 billion in guarantees would leverage $4 billion in new financing for education.
- **The grant component.** The Facility will convert this newly leveraged financing into more affordable credits. By using grant aid contributed to the Facility, the terms of this money can be reduced to very concessional terms, making the new financing attractive and affordable for educational investment. This will make grant aid to LMICs four times more effective. For instance, $1 billion in aid channeled through the Facility would unlock $4 billion in MDB financing, creating a total financing package of $5 billion in concessional financing, including grants and loans.
- **The country commitment.** Countries will only be able to access this financing if certain criteria are met. Countries will need to have (a) evidence of a credible education sector plan, (b) the ability to take on additional lending through the MDBs without a high risk of debt distress, (c) the commitment to prioritize education within its national budget and increase its domestic education budget if necessary, and (d) an agreement on integrating results-based approaches. By placing a focus on domestic resource mobilization, countries can increase their tax capacity and make future revenues available to pay for urgent needs today to realize the right to education.

Eligibility criteria for International Finance Facility for Education
Countries must:

Have a credible education sector plan	Be able to sustainably take on more development bank financing
Commit to mobilizing more domestic funding	Integrate results-based performance targets

- **Participating countries lead the way.** The Facility's funds will be used by countries for government-led education initiatives aligned with the sector plan and national education goals. Governments will lead in determining educational priorities and how to deliver education aligned with the right to education and SDG 4. Civil society will play a key consultative role in setting all priorities and plans.
- **What the funding covers.** Initiatives that will be eligible for Facility funding include early childhood programs; support and professional development for teachers; girls' education programs; basic education programs; vocational and skills training programs; and programs addressing the most marginalized or children with disabilities. Innovations in teaching and learning will be moved to the center of the education agenda. Governments will be encouraged and enabled to invest in new approaches and adapt to future needs.
- **Working behind the scenes.** The Facility is a financial mechanism, not a delivery organization. With a staff of about ten people, the Facility will focus on monitoring and working through the MDBs to increase and improve funding for education. All existing sector planning and delivery mechanisms will remain the same and no new actor will be present at country level as the MDBs will be the entity interfacing with governments.

Who will benefit

The Facility's new stream of funding will fill an education financing gap in many of the more than 50 lower-middle-income countries, and it will allow more grant financing to become available for education in the poorest countries through other existing funds. Here are just a few countries that could benefit from the Facility:

Côte d'Ivoire

Côte d'Ivoire has recognized the value of education, recently mandating that all children receive a primary and lower-secondary education to obtain the necessary skills to continue their education or thrive in the labor force. However, with a growing youth population, low levels of learning, high repetition and dropout rates, and low enrollment rates for girls and disadvantaged populations, challenges remain. The share of international aid to education has stagnated at around $40 million. Even if Côte d'Ivoire doubles its domestic spending on education from nearly $2 billion to over $4 billion by 2025, it will still fall short as the external financing gap is expected to add up to nearly $400 million – ten times the current aid level. To date, only 2 percent of total MDB financing has been allocated to education. There is strong potential to scale up funding through the Facility.

Kenya

Kenya drastically increased school enrollment after introducing free education, but high numbers of children are still out of school and inequalities across the system are persistent. Adding to this strain, the country faces a shortfall in financing that cannot be filled by increased domestic spending alone. Even if the country doubles its spending from $3 billion in 2015 to $6 billion in 2025, a total external financing gap of about $2 billion will exist by 2025. International aid to education stands at just $100 million on average, with declining levels likely in the future. Kenya's debt sustainability risk is deemed low but the share of private debt in its debt stocks has been rising, making it critical to offer affordable alternatives through the Facility.

Pakistan

Pakistan faces a significant shortfall in funds for education, particularly considering the added strain of regional crises and the fact that its rates of out-of-school children are among the highest in the world. Even if Pakistan more than doubles its domestic spending on education to $16 billion by 2025, it will be left with a gap of $3 billion, more than four times the current levels of aid available. Grant aid will never meet this need. While domestic spending on education is constrained by lack of government revenues – given the country has one of the lowest tax-to-GDP ratios in the world – the Facility could multiply scarce grant aid resources, encourage increased domestic investments, and provide greater value for money. Each additional $100 million of investment through the Facility could be matched by more than $500 million in additional investment from domestic resources, helping to educate more than 2 million school-age children.

Vietnam

Vietnam has made impressive gains in education over the past three decades. The country has high primary school completion rates, strong gender parity, and a low out-of-school rate. But progress is fragile as the country graduates and loses access to concessional finance. Vietnam is facing a shortfall in financing that cannot be filled by increased domestic spending alone. Vietnam has already been spending 20 percent of its budget on education since 2008. Even if the country more than doubles its education spending between now and 2025, it will not be able to reach the $30 billion needed and will have an external finance gap of more than $1 billion by 2025. International financing for education has been falling in recent years and currently stands at $230 million annually, much below the needed amount. By aligning its financing with Vietnam's education sector plan and strong domestic investment, the Facility could help bridge Vietnam's immediate financing needs to achieve SDG 4.

Guatemala

Guatemala has made significant strides in improving education access, but progress is constrained by high rates of inequality and low levels of learning. To accelerate improvements, the country will have to more than double its domestic spending on education by 2025, when costs are projected to reach over $4 billion. Unfortunately, while costs have been rising, international aid to education has been shrinking. International financing to education averaged only $53 million dollars in 2014-2016, down from $63 million in 2009-2011. The Facility could help Guatemala bridge the gap and achieve the Sustainable Development Goal for education.

Maximizing the impact of donor funds

The Facility offers an opportunity to upgrade the international development financing architecture and use aid more effectively. There are many benefits for contributing countries:

- **Value for money:** Contributing countries can provide guarantees and leverage their resources through the MDBs, generating new resources for education and creating the greatest value for money. Providing grants to the Facility will allow donors to unlock new financing for education. Every grant dollar could unlock $4 of new financing, and combined with $50 in domestic resources, make better use of aid.

- **Greater country investment and reform:** The Facility will require countries to have clear sector strategies including plans for reforms. Countries using financing from the Facility will commit to increasing domestic spending for education, thus helping them move towards aid independence.

- **Working through existing mechanisms:** The Facility will work through the existing MDB structure. It will require no new in-country actors and encourage greater efficiencies.

- **Self-sustaining business model:** The Facility will be self-sustaining and require no additional financing for its core operations. All costs of running the Facility will come from its revenue stream.

- **Financial safeguards:** The Facility will work directly with AAA-rated MDBs and comply with extensive financial safeguards.

What does success look like?

In its initial phase, the Facility will unlock $10 billion in new funding for education from the international community. When matched by an additional $100 billion in domestic investment by recipient countries that reach increased domestic targets as proposed by the Education Commission, the Facility could make it possible to provide an additional 200 million years of quality schooling for millions of children – offering them the opportunity for a better future.

Here's how it would work: In the first round of funding, donor countries will provide the Facility with about $2 billion in guarantees, which will then be leveraged to create up to about $8 billion in new financing. By blending this financing with $2 billion of grant funding, IFFEd would help mobilize a total of more than $10 billion in affordable financing for education.

It takes time for the education of children to affect national economies, but if we can realize the Learning Generation, GDP per capita in low-income countries will be almost 70 percent higher by 2050 than if current trends continued. Extreme poverty rates will be reduced by one-third due to education alone. By 2050, the mortality reductions from education improvements, measured in years of life gained, will be nearly equivalent to if the world eradicated HIV and malaria deaths today.

Most importantly, young people will be prepared for the job market of the future, ready to become the next generation of innovators, teachers, and leaders – and able to realize and contribute all their talents.


1 2 3 4 5 6

The Learning Generation: The time is now

History shows that innovative and concerted international efforts can have profound impact. A decade and a half ago, such cooperation helped create the Global Fund to Fight AIDS, Tuberculosis and Malaria and GAVI, the Vaccine Alliance, both of which have channeled billions of dollars into the health sector and saved millions of lives. In the last few years, climate change agreements from Copenhagen to Paris, as well as the creation of the Climate Investment Funds and Green Climate Fund, have transformed funding for climate mitigation and adaptation.

Now it's education's turn

The world needs to come together and create a new model for education funding that will unlock billions of new financing dollars to get children in school and learning. There is no better investment in our collective future than education. We can help all children realize their full potential regardless of the lottery of birth and the obstacles they face.

With the International Finance Facility for Education, the vision of the Learning Generation can become a reality. The payoff – both for humanity and for economic interests – will be immense. There is no time to waste. **Let's get started and make impossible possible.**

the Education Commission

Photo: Caroline Gluck/Oxfam

Annex 1: Lower-middle-income countries – today through 2030

Lower-middle-income countries today	
East Asia & Pacific	***Latin America & the Caribbean***
Cambodia *	Bolivia
Federated States of Micronesia	El Salvador
Indonesia	Guatemala
Kiribati †	Honduras
Lao PDR *	Nicaragua
Mongolia	***Middle East & North Africa***
Myanmar	Djibouti *
Papua New Guinea †	Egypt *
Philippines	Jordan
Solomon Islands †	Morocco *
Timor-Leste	Syria
Vanuatu * †	Tunisia *
Vietnam *	West Bank & Gaza
South Asia	Yemen
Bangladesh †	***Sub-Saharan Africa***
Bhutan	Angola
India †	Cabo Verde *
Pakistan †	Cameroon * †
Sri Lanka †	Congo, Rep. *
Europe & Central Asia	Côte d'Ivoire *
Armenia *	Ghana *†
Georgia	Kenya †
Kosovo	Lesotho †
Kyrgyz Rep.	Mauritania *
Moldova *	Nigeria †
Tajikistan	São Tomé and Príncipe *
Ukraine	Sudan
Uzbekistan	Swaziland †
	Zambia †

Lower-middle-income countries in 2020 and 2030	
Anticipated LMIC by 2020	**Anticipated LMIC by 2030**
Benin *	Afghanistan
Chad *	Burkina Faso *
Senegal *	Comoros *
Tanzania †	Ethiopia
	Guinea-Bissau *
	Haiti *
	Mali *
	Marshall Islands
	Mozambique †
	Nepal
	Rwanda * †
	Sierra Leone †
	Togo *
	Uganda †

Note: Not all LMICs will be eligible for financing from the Facility. Countries will need to meet certain criteria and participation should not raise debt sustainability issues.

* Of the current LMICs, 17 are member states of the International Organisation of La Francophonie. Ten more francophone countries will become lower middle income by 2030.

† Of the current LMICs, 15 are Commonwealth countries. Five more Commonwealth countries will become lower middle income by 2030.

#MakeImpossiblePossible

the
Education
Commission

The International
Commission
on Financing Global
Education Opportunity

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