SDG indicator 1.a.2: Proportion of total government spending on essential services (education, health and social protection)

Training seminar on indicators of the fourth goal of sustainable development for Arab countries

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End poverty in all its forms everywhere
Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.
SDG Indicator 1.a.2

Proportion of total government spending on essential services (education, health and social protection)

• **Definition of the indicator:** Total general (local, regional and central) government expenditure on education (current, capital, and transfers), expressed as a percentage of total general government expenditure on all sectors (including health, education, social services, etc.). It includes expenditure funded by transfers from international sources to the government.

• **Purpose:** The indicator is used to assess a government's emphasis on education relative to its investments in other sectors. The indicator shows how much of a priority education is for a given government, over time or in comparison with other countries.
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• **Required data:**
  - Data on government spending at all levels (central, regional and local) and international financing at all levels of education (from early childhood education to higher education);
  - Total government spending on all sectors, including education.

• **Sources of data:**
  - Financial management systems in Ministries of Finance and Ministries of Education for government expenditures on education
  - Financial management systems and public financial statistics in addition to general government spending data.
  - Government financial systems and/or government aid management systems for education expenditure data from international sources
The total Government expenditures on education include:

- Expenditure on core educational goods and services by local, regional, and central governments, including expenditures by all Ministries and Government agencies providing educational services;
- Government transfers to private entities: Government transfers/payments to private entities (students and families/institutions) to purchase goods or services for educational purposes;
- Expenditures financed by transfers to the government by international sources for the purpose of education.

Core Educational goods and services include:

- Basic educational goods and services such as teaching staff, school buildings, schoolbooks, and teaching materials; And
- Peripheral educational goods and services such as ancillary services, general administration and other activities.
• **Central government** is the level of government whose political authority extends over the entire territory of the country, such as the federal government.

• **Regional government** Regional government is the largest geographical area into which the country as a whole may be divided for political or administrative purposes, such as a state, province, department or region. A regional government usually has the fiscal authority to raise taxes within its territory and should have the ability to spend at least some of its income according to its own policies, and appoint or elect its own officers.

• **Local government** is the smallest or second largest geographical area into which the country as a whole may be divided for political or administrative purposes, such as a municipality or district. A local government often has the fiscal authority to raise taxes within its territory and should have the ability to spend at least some of its income according to its own policies, and appoint or elect its own officers.
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• Method of calculation

\[
\frac{\text{Total general government expenditure on education (all levels of education combined)}}{\text{Total general government spending on all sectors, including education}} \times 100
\]

• Disaggregation of the indicator: By level of education
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- **Quality Assurance:** The indicator should be produced based on consistent and actual data on total government expenditures on education and total government expenditures on all sectors combined. The UIS maintains a global database used to produce this indicator and defines the protocols and standards for data reporting by countries.

- **Indicator Explanation:** A high proportion of government expenditure on education demonstrates a high government priority for education relative to other public investments. When interpreting this indicator, one should keep in mind that some governments have more (or fewer) financial resources and therefore larger (or smaller) overall budgets, and that countries with younger populations may spend more on education relative to other sectors such as health or social security, and vice-versa. The Education 2030 Framework for Action has endorsed a benchmark for this indicator, which encourages countries to allocate at least 15% to 20% of their public expenditure to education.
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- **Indicator Limitation:** In some instances, data on total public expenditure on education refer only to the Ministry of Education, excluding other ministries may also spend a part of their budget on educational activities
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International data collection:

• The UNESCO Institute for Statistics collects the data required for this indicator through:
  • Its survey of formal education, using the education expenditure questionnaire for ISCED levels 0-8 (questionnaire B);
  • International Monetary Fund (IMF) statistics for general government spending data.

• UIS processes data in an interactive manner with national authorities and technical focal points to verify the availability and validity of data with professionals in member countries and to calculate indicators.

• Databases are published during the month of September annually and are updated during the month of March.
Government spending as a percentage of general government spending in Arab countries. 2021 or latest year available

Source: UNESCO Institute for Statistics databases, May 2022
Thank you

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For more information about the indicator’s metadata: https://tcg.uis.unesco.org/methodological-toolkit/metadata/

http://uis.unesco.org/