Out-of-School Children (OOSC): Global, regional, and country perspectives

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Overview

- Global trends in out-of-school children (OOSC) populations
- Costs of OOSC
- Root causes of OOSC
- Innovative solutions and financing mechanisms
- Policy changes and strategies
- Resource needs
- Lessons learned for India
Global Trends in Out-of-School Children (OOSC)
Global trends in OOSC populations

- The global number of children and young adolescents not enrolled in school has stagnated for nearly a decade.
Characteristics of OOSC

In East Asia & Pacific, more than half of out of school children are dropouts

RETENTION ISSUE

Breakdown of OOSC in East Asia & Pacific

- Left school: 52%
- Likely to enter in future: 39%
- Unlikely to enter: 9%

UIS-UNICEF 2012

In South and West Asia, almost half of out of school children are unlikely to ever enter school

ACCESS ISSUE

Breakdown of OOSC in South and West Asia

- Left school: 18%
- Likely to enter in future: 35%
- Unlikely to enter: 47%

UIS-UNICEF 2012
Global profiles of OOSC

Globally, OOSC are most likely to be:

- Children from low-income families
- Children affected by conflict and/or natural disasters
- Girls
- Children with disabilities
- Children from rural areas
- Working children
- Children from minority ethnic, religious, or language groups

The 263 million OOSC can only be reached with targeted interventions that address the range of barriers faced by marginalized youth.
Costs of Out-of-School Children (OOSC)
Costs of OOSC

Economic  

Health and Social  

Political  

Photo credit: World Bank Photo Collection
A Major Source of Economic Loss

Benchmarking the Economic Costs of OOSC (Thomas and Burnett 2015)

- Economic cost of OOSC as a % of GDP (micro method)
- Required additional spending on primary education as % of GDP
A case study of Colombia

**Fertility Rate**
- 2.5% reduction in the fertility rate
- Estimate based on UN Millen. Project (2005)

**Infant Mortality Rate**
- 27% reduction in the infant mortality rate
- Estimate based on UNICEF (1999)

**Poverty headcount ratio**
- 11% reduction in the poverty headcount ratio
- Estimate based on Zulaga (2010)

**Crime Rates**
- 25% reduction in crime rates (thefts and assaults)

Source: Thomas and Burnett (2015)
Political & long-term costs

- Individuals who have completed primary education are **1.5 times more likely to vote** (UNESCO 2005).

- Primary education has **positive effects on post-conflict reconstruction and peace-building**.

- Recent research establishes the **link between education and reduced vulnerability to climate shocks**.
Root Causes of Out-of-School Children (OOSC)
# Root causes of OOSC

1. **Insufficient and inflexible supply**
   - Particularly for children in remote, rural, and hard-to-reach areas.

2. **Lack of tailored education opportunities**
   - For drop-outs, girls, ethnic and linguistic minorities, and children with disabilities.

3. **Household economic barriers**
   - School fees, “hidden costs” of education, and opportunity costs.
Innovative Solutions and Financing Mechanisms
Innovative solutions to the root causes of OOSC

<table>
<thead>
<tr>
<th>1) Insufficient and inflexible supply</th>
<th>2) Lack of tailored education opportunities</th>
<th>3) Household economic barriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Mobile education delivery</td>
<td>- Non-formal, second-chance education focused on skills</td>
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<tr>
<td>- Technology-driven education</td>
<td>- Accelerated learning programs</td>
<td></td>
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<tr>
<td>- Alternative basic education</td>
<td>- Girls’ empowerment curricula</td>
<td></td>
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<td></td>
<td>- Curricula adapted to rural contexts</td>
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<td></td>
<td>- Mother-tongue education</td>
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<td></td>
<td>- Adapted education (disability)</td>
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<tr>
<td></td>
<td></td>
<td>- Output-based financing</td>
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<tr>
<td></td>
<td></td>
<td>- Conditional micro-loans</td>
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<tr>
<td></td>
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<td>- Conditional cash credits</td>
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<td></td>
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<td>- Child marriage prevention</td>
</tr>
</tbody>
</table>
Root Cause 1: Insufficient and Inflexible Supply

- Mobile education delivery
- Technology-driven education
- Alternative basic education
Root Cause 2: Lack of tailored education opportunities

- Non-formal, second-chance education focused on skills
- Accelerated learning programs
- Girls’ empowerment curricula
- Curricula adapted to rural contexts
- Mother-tongue education
- Adapted education for children living with disabilities

Non-formal
Accelerated Learning
Disabilities
Root Cause 3: Household economic barriers

- Output-based financing
- Conditional micro-loans
- Conditional cash transfers
- Child marriage actions
What do successful innovations have in common?

**Local relevance**
- Tailored to local context
- Strong links with local communities

**Sustainability & scalability**
- Plan for scale at inception
- Diversified sources of funding

**Collaboration & leadership**
- Diverse and multi-stakeholder partnerships
- Visionary, passionate leaders

Leverage technology, but only as needed
Innovative Finance Mechanisms

Innovative financing can be used to address the OOSC challenge by:

**Improving access**

**Governments**
- **Debt instruments**
  - Loan buy-downs, education bonds, DCDBs, diaspora bonds
  - To enable governments to borrow capital to provide access to physical schools
- **Instruments to increase revenue**
  - Remittance funds, Corporate levies, DIBs and SIBs
  - To spend on getting hard to reach OOSC into school e.g. hardship allowances for teachers, alternative education provision

**Service Providers**
- **Instruments that tie funding to access & learning targets**
  - Results-based financing, DIBs
  - To encourage service providers to enroll OOSC and support them to achieve academic outputs
- **Instruments that catalyze school finance market**
  - Debt, equity, patient capital
  - To support low-cost nonstate schools in areas where public delivery is weak or missing
- **Social impact investments**
  - Impact investing
  - To support social entrepreneurs developing innovative solutions for reaching OOSC (e.g. technology, alternative education, etc.)

**Households**
- **Instruments that reduce household costs**
  - Scholarships, conditional transfers
  - To reduce direct and indirect household costs of education for households
Policy Changes and Strategies
Policy Changes and Strategies: System-wide Reforms

Key reforms to reduce the household costs of education:

- **The abolition of school fees**
  - Increased enrolment rates in Eastern and Southern Africa (World Bank, 2009), and to a lesser extent in West and Central Africa (UNICEF and UIS, 2014).

- **Cash transfer programs**
  - Increased enrollment and attendance in school, as well as reductions in child labor, in Latin America and the Caribbean, and Eastern and Southern Africa.
  - E.g. Basic Education Assistance Model, Zimbabwe

- **School feeding programs**
  - Consistent and positive effects on children’s enrolment and attendance in India (Jomaa et al., 2011)
## Policy Changes and Strategies: Targeted Reforms

<table>
<thead>
<tr>
<th>OOSC Profile</th>
<th>Targeted Reform(s)</th>
<th>Example/Impact</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>- Ghana’s non-formal education program “School for Life” features <strong>classes in mother tongue languages</strong> for children in disadvantaged communities. It has helped <strong>over 120,000</strong> children to date, with <strong>82% of them making the transition to formal education.</strong> (UNICEF and UIS, 2015)</td>
</tr>
<tr>
<td>Girls</td>
<td>Child-friendly and gender-sensitive teaching in schools</td>
<td>- In-service training on child-friendly and gender-sensitive teaching in Ghana proved to be effective in <strong>improving girls’ enrolment and retention in schools</strong> (UNICEF and UIS, 2012)</td>
</tr>
<tr>
<td></td>
<td>Legal protection</td>
<td>- Laws and measures to restrict child marriage</td>
</tr>
<tr>
<td>Working children</td>
<td>Non-formal and transitional education</td>
<td>- “Basic Education for Hard To-Reach Urban Working Children” project in Bangladesh provides <strong>life skills-based, non-formal basic education</strong> for working children aged 10-14 years. (UNICEF and UIS, 2015)</td>
</tr>
</tbody>
</table>

*Source: UNICEF and UIS (2015), Fixing the Broken Promise of Education for All: Findings from the Global Initiative on Out-of-School Children*
## Policy Changes and Strategies: Targeted Reforms

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<th>Targeted Reform(s)</th>
<th>Example/Impact</th>
</tr>
</thead>
</table>
| Children with disabilities    | Legislative reform; teacher training                                              | - Serbia’s Law on the Foundations of Education (2009) prescribes that school enrolment policies must be **unconditional and inclusive** and abolishes the need for an assessment on the child’s capacity/skills as a pre-condition for enrolment.  
  - In-service professional training on teaching children with disabilities. (UNICEF and UIS, 2015) |
| Children in conflict          | Improved access to education through temporary learning spaces, and construction and rehabilitation of schools. | - The Back on Track Program (UNICEF, Government of the Netherlands, and the European Commission) restored access to school for 6 million children in 40 conflict-affected countries and territories between 2006 and 2010. (Back of Track and UNICEF, 2011) |

*Source: UNICEF and UIS (2015), Fixing the Broken Promise of Education for All: Findings from the Global Initiative on Out-of-School Children*
Resource Needs
Resource needs for the elimination of OOSC

Evolution of Costing Models...

- **Linear cost models**
  - Last decade, linear cost models estimated global annual funding gaps ranging from $6.5 billion (Bruns et al. 2003) to $17 billion (Delamonica et al. 2001).

- **Supply-side cost models**
  - Glewwe et al. (2006): Supply-side focused models only capture part of the OOSC challenge.

- **Needs of marginalized youth**
  - EPDC and UNESCO (2009) account for the needs of marginalized children and estimate an annual funding gap of $24.1 billion (US constant 2007 dollars) for primary and lower secondary school in all low-income countries.

- **Our model**
  - Thomas and Burnett (2015): focus on the needs of marginalized youth.

- **Annual cost of enrolling out-of-school children**
  - \[ \text{Annual cost} = \text{Public Expansion cost} + \text{Household Expansion cost} + \text{Targeted Interventions cost} \]
Application: Estimated total cost of enrolling OOSC in DRC

- The estimated total cost of achieving UPE is $82 per OOSC per year, compared to $47 per child per year currently spent.

- $111 million is equivalent to one-quarter of DRC’s total education budget in 2011.

- After the bulk of OOSC pass through basic education, the annual per pupil cost would fall, because capital expansion spending would no longer be required.

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Cost (m)</th>
<th>Current source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expansion</td>
<td>$44.5</td>
<td>Public</td>
</tr>
<tr>
<td>Expansion</td>
<td>$51.4</td>
<td>Household</td>
</tr>
<tr>
<td>Targeted Interventions</td>
<td>$14.7</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$110.6</td>
<td></td>
</tr>
</tbody>
</table>

Source: Thomas and Burnett (2015)
Lessons Learned for India
Profiles of out-of-school children (OOSC) in India

In India, OOSC are most likely to be:

- Scheduled Castes (SCs)
- Scheduled Tribes (STs)
- Muslims
- Other Backward Classes (OBCs)
- Low-income
- Girls
- Rural

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
Photo credit: World Bank Photo Collection
Characteristics of OOSC in India

- In India, almost half of OOSC are unlikely to ever enter school.

Breakdown of OOSC in India (2014)

- Unlikely to enter 48%
- Likely to enter in future 38%
- Left school 14%

Source: SRI IMRB 2014
Children of Muslim, SC, and ST communities make up most of the OOSC population in India, accounting for 67%, although they only make up 40% of the child population (UNICEF and UIS, 2014).

While the proportion of OBCs among OOSCs is high, it is lower than the proportion of OBCs in India’s child population.

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**Percentage distribution of all children and out-of-school children by social groups**

<table>
<thead>
<tr>
<th></th>
<th>6-10 years</th>
<th>11-13 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All children</td>
<td>Out-of-school children</td>
</tr>
<tr>
<td>ST</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td>SC</td>
<td>19</td>
<td>29</td>
</tr>
<tr>
<td>OBC</td>
<td>32</td>
<td>24</td>
</tr>
<tr>
<td>Others</td>
<td>24</td>
<td>9</td>
</tr>
<tr>
<td>Muslims</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>All</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
Key statistics on OOSC in India

Proportions of OOSC (6-13 years) by gender and age

- Gender disparities among OOSC are evident across all ages, particularly in the 11-13 years age group.

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
Key statistics on OOSC in India

Proportions of out-of-school children (6-10 years) by gender and social groups

- In all social categories, a higher proportion of girls are out of school than boys.

Source: SRI-IMRB 2009 unit level data

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
Key statistics on OOSC in India

Loss Estimates of OOSC in India (Thomas and Burnett 2015)

<table>
<thead>
<tr>
<th>Country</th>
<th>Direct GDP Loss from foregone primary education (%)</th>
<th>Probability-weighted loss from foregone secondary education (%)</th>
<th>Economic cost of OOSC as % of GDP/ Income gap (microeconomic estimation)</th>
<th>Economic cost of OOSC as % of GDP/ Income gap (macroeconomic estimation)</th>
<th>GDP growth (annual %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India 1</td>
<td>0.11</td>
<td>0.05</td>
<td>0.16</td>
<td>0.91</td>
<td>7.57</td>
</tr>
<tr>
<td>India 2</td>
<td>0.32</td>
<td>0.16</td>
<td>0.48</td>
<td>2.78</td>
<td>7.57</td>
</tr>
</tbody>
</table>

*India 1: SRI IMRB 2014
India 2: U-DISE 2014*
Barriers to Education in India

Demand-side barriers:
- Socio-cultural factors:
  - Female roles and responsibilities
  - Child marriage

- Economic factors:
  - Costs of schooling beyond fees (examination fees, books and stationery, uniform etc.)
  - Opportunity cost of child labor
  - Rural poverty and migration
  - Urban poverty, livelihood uncertainty, and environment risks

Supply-side barriers:
- Poorly functioning schools and infrastructural deficiencies
- Discrimination and exclusion at schools (primarily towards Muslims, SCs, STs, and OBCs)
- Lack of resources and facilities for children with disabilities and children affected by civil strife
- Inadequate teaching methods and curriculum, and non-mother-tongue language of instruction
- Limited financing

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
The data problem in India

Reasons why OOSC estimates differ

<table>
<thead>
<tr>
<th>Definitions used by different sources</th>
<th>Relevant age group</th>
<th>Grades included</th>
<th>Type of schools</th>
<th>Definition of attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>State level differences</td>
<td>Minimum age of admission</td>
<td>Beginning of school year</td>
<td>Years in primary and upper primary education</td>
<td>Rules of maintaining enrolment register</td>
</tr>
<tr>
<td>Data collection and estimation process</td>
<td>Timing of the survey</td>
<td>Purpose of the survey</td>
<td>Respondent bias</td>
<td>Capability of data collectors</td>
</tr>
</tbody>
</table>

Source: UNICEF and UIS (2016), Estimating the Number of Out-of-School Children: Methodological Problems and Alternative Approaches – India case study
Key Areas of Reform

- **System-wide reform**
  - **Reduce the household costs** of education through the abolition of school fees and other expenses (e.g. uniforms, textbooks), feeding programs, and conditional cash transfers.
  - **Target government funding to the specific problems** e.g. federal challenge funds
  - **Collaborate with NGOs and non-state providers**
    - Pratham Open Schools
    - Educate Girls and Rajasthan DIB
    - Indian School Finance Company for non-state schools
  - **Improve data collection on OOSC**
    - Need for more research on children at-risk of dropping out, harmonization of definitions and methodologies, and the provision of support to stakeholders on the use of education data.

Source: UNICEF and UIS (2014), Global Initiative on Out-of-School Children: A situational study of India
Key Areas of Reform

- **Targeted reforms**
  - Teacher training to reduce gender discrimination and exclusion of children with disabilities and minority ethnic and religious groups
    - Gender-sensitive teaching
    - Teaching children with disabilities
    - Mother-tongue instruction
    - Inclusive curricula and efforts to improve school climate
  - Promotion of alternative, flexible education options for working children
    - Non-formal education
    - Transitional education

Source: UNICEF and UIS (2015), Fixing the Broken Promise of Education for All: Findings from the Global Initiative on Out-of-School Children
Some Ideas to keep in Mind

1. Need a whole system approach: public and non-state sector
2. Specific problems need specific solutions targeted at root causes – no simple overall solution
3. Costs are higher than simply averaging current per student costs – different costs to overcome different causes
4. Scope for more output-based financing
5. Need to fix the data issues
6. And this is just the beginning – even among enrolled students, only 71% attend school enough to learn (ASER, 2014)
Thank You

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