



Education 2030 Framework for Action Benchmark Indicator

METADATA

Government expenditure on education as a percentage of GDP

Definition

Government expenditure on education (current and capital) expressed as a percentage of the Gross Domestic Product (GDP) in a given financial year.

Purpose

To assess a government's policy emphasis on education relative to its national economic wealth. The Education 2030 Framework for Action endorses this indicator as a key benchmark for a government financing of education, allocating at least 4% to 6% of its GDP.

Calculation method

Government expenditure on education in a given financial year expressed as percentage of the GDP for the same financial year.

$$XGDP_FSGOV_t = \frac{PXE_t}{GDP_t}$$

Where:

$XGDP_FSGOV_t$ = Government expenditure on education as a percentage of GDP in financial year t

PXE_t = Total government expenditure on education in financial year t

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GDP_t = Gross domestic product in financial year t

Interpretation

In general, high values of the indicator denote strong governmental commitment and prioritization to education. This often suggests substantial investments in infrastructure, teacher salaries, educational materials, and programmes, potentially enhancing education quality and access. In contrast, low values may suggest that education is less prioritized compared to other sectors. Insufficient funding can result in challenges such as overcrowded classrooms, underpaid teachers, or limited access to education, especially for disadvantaged groups.

Values of at least 4% to 6% indicate that the country meets the benchmark endorsed by the Education 2030 Framework for Action.

When disaggregated by level of education, this indicator informs about the emphasis of government policy priority across levels of education.

Type of data source

Administrative data.

Disaggregation

By level of education.

Data required

Government expenditure on education by level of education, GDP data.

Data sources

Data on education expenditure are provided by country governments through their responses to the annual UIS education survey and the UNESCO-OECD-Eurostat (UOE) data collection. The information used to complete the education expenditure questionnaire is typically sourced from annual financial reports issued by the Ministry of Finance/Economy or the Ministry of Education, or from national accounts books prepared by the National Statistical Office.

GDP data are sourced from the World Bank's World Development Indicators (WDI) online database, which is updated quarterly, typically in March, June, September, and December. The calculation of the indicator is based on the June update for the UIS biannual data disseminations.

Quality assurance

The indicator should be calculated using consistent and actual data on total government expenditures on education and GDP. Government expenditure on education should encompass all relevant ministries and administrative levels to ensure comprehensive coverage. Additionally, differences between fiscal year and academic year budget periods must be accounted for to maintain accuracy and comparability.

The UIS defines the protocols and standards for government expenditure data reporting by countries, and maintains a global database on the indicator.

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The World Bank ensure GDP [data quality](#) by using standards, methodologies, sources, definitions, and classifications that are internationally accepted.

Limitations and comments

In some instances, data on government expenditure on education refer only to the Ministry of Education, excluding other ministries that may spend part of their budget on educational activities.