SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

**METADATA**

**Target 1.a** 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

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

**Definition**
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.

**Calculation method**
Total government expenditure for *all levels of education combined* expressed as a percentage of total general government expenditure (all sectors).

\[ PXE_t = \frac{XE_t}{TPX_t} \]

Where

- \( PXE_t \) = Total general government expenditure on education (all levels of education combined) as a percentage of total government expenditure in financial year \( t \)
- \( XE_t \) = total general government expenditure on education (all levels of education combined) in financial year \( t \)
\[ TPX_t = \text{total government expenditure in financial year } t \]

**Interpretation**

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.

**Type of data source**

Administrative data.

**Disaggregation**

Possibly, by level of education.

**Data sources**

Data on education expenditure are received from country governments responding to the annual UIS survey on formal education or to the UNESCO-OECD-Eurostat (UOE) data collection. The data used to fill the questionnaire on education expenditure may come from annual financial reports by the Ministry of Finance and/or the Ministry of Education, and/or national accounts reports by the National Statistical Office. Data on total general government expenditure (all sectors) are obtained from the International Monetary Fund's World Economic Outlook database and are updated once a year.

**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.

**Limitations**

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. Although the IMF aims to publish data on total general government expenditure following common definitions based on the Government Finance Statistics Manual, in practice this concept (and what it includes) may differ between countries.