

LEARNING FOR HUMAN DEVELOPMENT

EDUCATION SECTOR OPERATIONS STRATEGY

(2021-2025)

SOCIAL INFRASTRUCTURE DIVISION
ECONOMIC AND SOCIAL INFRASTRUCTURE DEPARTMENT
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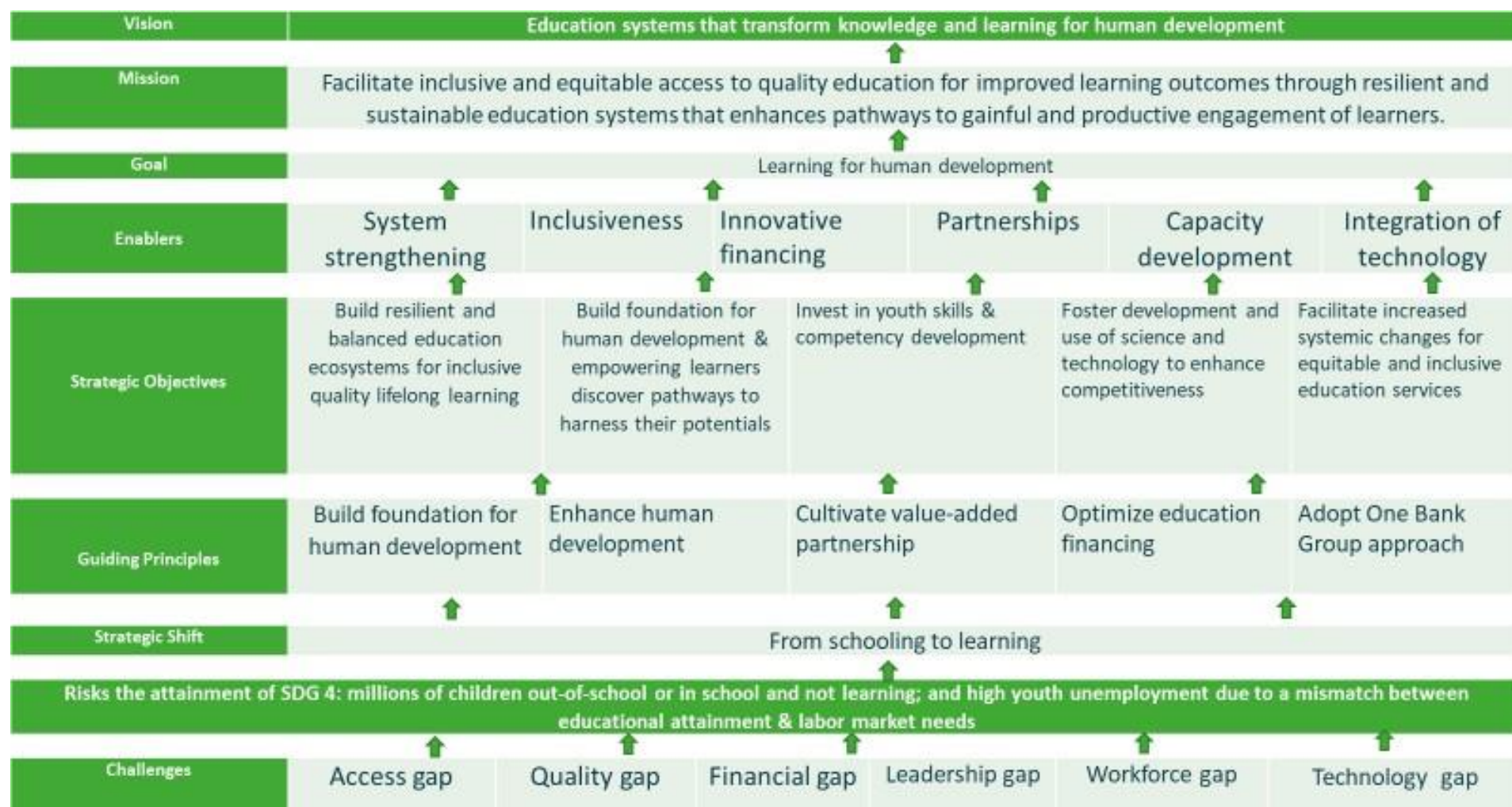
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Abbreviations and Acronyms

BEP	Bilingual Education Program
BPRD	Budget, Performance & Results
DepartmentEFA	Education For All
ERIL	Economic Research and Institutional Learning
ESID	Economic and Social Infrastructure
DepartmentGDP	Gross Domestic Product
GEMR	Global Education Monitoring Report
GOED	Group Operations Evaluation
DepartmentGPE	Global Partnership for Education
GVC	Global Value Chain
HCI	Human Capital Index
ICD	Islamic Corporation for the Development of the Private Sector
ICIEC	Islamic Corporation for the Insurance of Investment and Export Credit
ICT	Information Communication Technology
IRTI	Islamic Research & Training Institute
IsDB	Islamic Development Bank
ISFD	Islamic Solidarity Fund for Development
ITFC	International Islamic Trade Finance Corporation
LDMC	Least Developed Member Countries
MCPS	Member Country Partnership
StrategyMCs	Member Countries
MDG	Millennium Development Goals
MENA	Middle East and North Africa
MOOC	Massive Open Online Courses
MVP	Millennium Village Program
NEET	Not in Employment, Education or Training
OECD	Organization for Economic Co-operation and Development
P5P	President's Five Years Program
PAD	Project Appraisal Document
PCR	Project Completion Report
PIASR	Project Implementation Assessment Support Report
PISA	Program for International Student Assessment
PISA-D	PISA for Development
R&D	Research and Development
SDG	Sustainable Development Goals
SESRIC	Statistical, Economic & Social Research & Training Centre for Islamic Countries
STEM	Science, Technology, Engineering and Mathematics
STI	Science Technology and Innovation
TVET	Technical and Vocational Education and Training
UIS	UNESCO Institute of Statistics
UNESCO	United Nation Educational Scientific and Cultural Organization
VOLIP	Vocational Literacy & Poverty Reduction Program
WDI	World Development Indicators Database

The IsDB Education Sector Operations Strategy 2025 at a Glance



Executive Summary

1. This Education Sector Operations Strategy outlines the strategic directions and priorities for the IsDB interventions in the education sector, including investment, technical assistance, technical support, knowledge sharing and advisory services over the next five-year period 2021 – 2025. The strategy, which is anchored in the IsDB 10-Year Strategy, the President’s 5-Year Program (P5P), the cross-cutting sector policies of the Bank and the IsDB Education Sector Policy, set the agenda of the IsDB in its drive to support “learning for human development” in the Member Countries (MCs).
2. Education is a fundamental factor in human development. It improves the quality of lives and leads to broad social benefits to individuals and society thereby playing a crucial role in securing economic and social progress as well as alleviating poverty. The IsDB acknowledges the unfinished agenda of the “Education For All” initiative and the related Millennium Development Goal (MDG 2), and renews its commitment to supporting MCs’ attainment of the Sustainable Development Goal (SDG) 4 - ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The commitment is against the backdrop of the IsDB strategic drive to focus on creating job opportunities, enhancing MC competitiveness in global markets as well as the recognition of the critical role of education and training in building the requisite human capitalbase.
3. This strategy acknowledges that the overarching objectives that inspired the establishment of IsDB are more relevant today than ever before and that education has a role to play in supporting the attainment of these objectives. Indeed, the strategy comes in a rather challenging period characterized by dynamic changes in technology, demographic and climatic terms that are reshaping social and economic realities of our times. Furthermore, the overall low level of academic achievement and learning outcomes in several developing MCs, are exacerbated by the eruption of the COVID-19 pandemic which disrupted continued learning. Therefore, the need to strengthen education systems and build resilience is both urgent and crucial.
4. The generic challenges in the education sector have been grouped around six issues: First is an Access gap, with an estimated 29% (2017 UIS data) of out of school children in MCs. Second is a Quality gap, with millions of the children enrolled in school but not learning, a situation that has been aptly characterized as the ‘learning crisis’. Third is a Financing gap which concerns both domestic and external resources required to achieve the SDG 4 particularly in the wake of COVID-19 pandemic. Fourth is a Workforce gap in terms of quantity and quality of teachers. Fifth, there is a Leadership/capacity gap for effective and efficient governance of the education systems at the country level including the political

will to make necessary reforms towards improving learning outcomes. Finally, there is the Technology gap manifested through rapid changes in technology that could enhance learning but could potentially exacerbate inequalities. These issues are compounded by demographic changes, climate change, infrastructure deficit and the transition to green economy within the global market. The impact of COVID-19 pandemic has further exposed the inability of current modes of delivery to withstand shocks and emergencies and ensure inclusive learning.

5. It is these factors amongst others that necessitate this strategy as a shift from schooling (input and output-oriented interventions) to learning outcomes with a view to ensuring that learners acquire the requisite skills for the 21st Century. It aims to provide support towards inclusive and quality education service provisions anchored on equity and values that promote global citizenship while ensuring alignment with the P5P tracks.
6. Since inception, the IsDB has invested over \$4.91 billion in the sector in its MCs, making it second only to the World Bank. It has accumulated immense experience that is critical to guiding this strategy to consolidate the gains and learn from the lessons thereof. Some of these lessons point to lack of coherence between investments and policy priorities resulting in skewed attention towards tertiary rather than basic education. Many of the flagship initiatives remain small and largely input-output driven rather than results-driven. On hindsight and in view of the current COVID-19 pandemic, the use of ICT in education was not been equally accessible to all.
7. Against the background of current development challenges, the strategic aspiration is to support MCs to be more resilient and efficient especially in the wake of COVID-19 pandemic; to respond to the learning crisis by transforming education systems and shifting focus from schooling to result-oriented teaching and evidence-based learning.
8. The overall goal of the IsDB Education Policy is to “support education systems to build resilience and institutional capacity, ensure continued learning for all and enhance learning outcomes. Hence comes the theme “learning for human development”. The strategy strives to create and facilitate an enabling environment for the provision of purposeful education that is human oriented, responsive to the knowledge, skills and dispositions of all learners.
9. The ultimate measure of success of an education system can no longer be hinged on student scores and wages of graduates but rather on the fundamental philosophy of its ability to restore human dignity through an inclusive and equitable share of economic growth and prosperity of nations. Through this strategy, the IsDB recognizes all activities geared towards learning for the

purpose of building ‘the fundamentals of human development’ as imperative and constituting a niche area. Thus, the first pillar of the policy shall be its primary focus while acknowledging its intricate linkage with the second pillar which aims at the ‘enhancement of human development’ and therefore considered desirable for support.

Vision: Education systems that transform knowledge and learning for human development

Mission: Facilitate inclusive and equitable access to quality education for improved learning outcomes through resilient and sustainable education systems that enhance pathways to gainful and productive engagement of learners.

Goal: Learning for human development

Policy Pillar – Enhanced provision of basic education		Policy Pillar – Post-basic education provision		Policy Pillar – Advocacy & advisory services
Strategic Objective 1: Building resilient and balanced education ecosystems for inclusive quality lifelong learning	Strategic Objective 2: Building foundation for human development & empowering learners to discover pathways to harnessing their potentials	Strategic Objective 3: Investing in youth skills & competency development	Strategic Objective 4: Fostering development and use of science and technology to enhance competitiveness	Strategic Objective 5: Facilitate increased systemic changes for equitable and inclusive education services

Cross-cutting enablers:

Knowledge sharing and exchange through Reverse Linkage; capacity building and Technical advisory services

10. The Strategy implementation will anchor on the ‘selectivity’ guiding principle of the IsDB Group 10-Year Strategy (2015-2025). Its focus at the regional and country level will be aligned with the Member Country Partnership Strategy (MCPS) development process and global value chains (GVCs) of MCs. This is aimed at ensuring that regional disparities and the respective challenges and opportunities are taken into consideration. Thus, the level of attainment of the related SDG target indicators will be a basis for selectivity. The strategy seeks to gradually shift from single project financing to supporting a holistic sector-wide programmatic approach for alignment with the GVC and MCPS process.
11. The implementation of the strategy will require an enabling environment and crosscutting facilitators anchored on the institutional arrangements through the designated decentralized roles and responsibilities.
12. Against the Education Policy principle of “adopt one Bank Group approach”, the strategy will reinforce the building of synergies within the IsDB Group Entities interventions in education and training to optimize the combined Group resources.
13. The IsDB will engage, both at the Global Practice and the Regional Hub level, in a range of advocacy activities ranging from policy and strategic reforms to more

and better financing for education in close collaboration with other development partners, civil society organizations and other stakeholders.

14. In funding this strategy, the IsDB recognizes that development financing serves as a catalyst to leverage domestic resources and unlock private sector financing and takes note of the extraordinary circumstance posed by COVID-19 pandemic and its implications for the global economy. In the short to medium term, financing of education will be more challenging as both domestic and external resources are currently strained.
15. In the spirit of the IsDB Group synergy, and to ensure synergy with the Science, Technology & Innovation (STI) Policy and Operational Strategy, this strategy will harness the power of STI as a lever to help MCs meet the SDGs, through lifelong education, capacity building and research. The Scholarship programmes will be utilized to support the building of more inclusive societies at all levels of tertiary education for sustainable development in MCs and Muslim communities worldwide.
16. To ensure that education systems are supported to build resilience and increase efficiency and effectiveness, the strategy will seek to optimize innovative financing approaches by exploring the integration of Islamic financial products in future projects and programs, notably Awqaf and Islamic micro finance, to ensure sustainability.
17. The strategy will also promote engagement in strategic partnership to leverage co-financing, complementarity and synergy of interventions through innovative blended financing modalities including outcome-based financing in collaboration with other partners including the private sector and civil society (philanthropies and foundations). Aware of the role and significant contribution of the private sector in education service provision, the financing mechanisms would also explore engagements with private-for-profit service providers to tap on the IsDB private sector windows like ICD and ICIEC for funding of education interventions. Additionally, the strategy will explore non-traditional financing (i.e., blended finance, PPP) to mobilize and channel more private sector financing in the field of education.

Chapter 1: Introduction

19. Education is a fundamental factor of human development; enriches people's understanding of themselves and the world. It improves the quality of lives and leads to broad social benefits to individuals and society. Education raises people's productivity and creativity and promotes entrepreneurship and technological advancements. In addition, it plays a crucial role in securing economic and social progress and improving standards of living.
20. IsDB inspiration is derived from the realization that seeking knowledge is enshrined in the pillars of Islam and that the Islamic society was built on the theme "Read" with a heavy responsibility to place education in its rightful place in policies and development plans. Indeed, the acquiring and using knowledge for the betterment of humanity are sacred duties for Muslims. Over the centuries, this has motivated the Ummah to strive for education and lifelong learning. Muslims are encouraged to seek knowledge from the cradle to the grave¹.
21. Education is a public good, a human right and an enabler of other rights. The right to education is affirmed in numerous human rights treaties and recognized by governments as pivotal in the pursuit of development and social transformation. This recognition is exemplified in the international goals, strategies and targets that have been set for the Education for All goals established at Jomtien (Thailand) in 1990 and reaffirmed at the 2000 World Education Forum in Dakar (Senegal). As part of the United Nations Programme for Reform in 1997, the focus was for all entities of the UN system to bring human rights into the mainstream of their activities and programmes. The outcome was the UN Statement of Common Understanding, which integrated international human rights into plans, strategies and policies associated with development programmes. The rights-based approach focuses on the inalienable human rights of each individual, as expressed in UN instruments, and on governments' obligation to fulfil, respect and protect those internationally defined human rights. A distinctive feature of this approach is that it requires an equal level of commitment to both process and outcomes. Basic education is perceived not only as a right, but also as a duty in most Member Countries (MCs)– governments are typically expected to ensure access to quality basic education, while citizens are often required by law to attain education up to a certain basic level.
22. The Declaration on Education For All (EFA) in 1990 was indeed a game changer for education resulting in a renewed global commitment towards education, bringing a closer collaboration of agencies, governments and civil society for a global public good. The Millennium Development Goals (MDGs) articulated MDG 2: Achieve universal primary education– targeting that boys and girls complete a full course of primary

¹ A Hadith (Saying) of Prophet Mohammad (PBUH) upon whom the first revelation was the word "iqra" (read).

education by 2015; and MDG 3: Promote gender equality and empower women – targeting to eliminate gender disparity in primary and secondary education by 2005, and at all levels of education by 2015. On its part, Sustainable Development Goal 4 differs from both EFA and education related MDGs in scope, geographical coverage and policy focus. The SDG 4 “ensures inclusive and equitable quality education and promote lifelong learning opportunities for all”, pursues the unfinished education agenda, after MDG 2 and EFA failed to achieve universal basic education by 2015, with a commitment to ensure equal and high quality lifelong learning opportunities at all levels. With the narrow MDG focus on access to, and completion of primary education, and the EFA concern for access to quality basic education for all children, youths and adults, the SDG 4 broadens the policy agenda to include concern for equitable access to post-basic education and training for youths and adults, and a focus on the relevance of learning outcomes (see Annex 5 for SDG 4 outcome targets).

23. Whereas significant progress has been made around the world in increasing access to schooling, the increase in access has not translated into quality educational attainment of learners. UNESCO reports that in 2018, one in six or more than 258 million children and young people were denied the right to education, while millions more who are in school are not learning. Thus, the global education system is in a learning crisis. Indeed, the learning crisis was the focus of the World Bank’s World Development Report 2018. The UN global education goals also highlight the need for improved learning.

24. As a stakeholder and an active global player in the development arena, the IsDB acknowledges that achieving the SDG commitment to “leave no one behind” depends at least in part on recognizing that empowering people with the skills, knowledge and resources would improve their own social circumstances and make development more inclusive, effective, and sustainable as articulated in the President’s Five-Year Program. “My Five-Year Program promotes a change of narrative for development by adopting a growth mindset focusing on job creation and building and strengthening national competitiveness and connectivity to global markets. It prepares people for the future economy, focusing on partnership, especially with private sector, STI, global value chain, and making education more relevant to the economy”. H.E. Dr. Bandar Hajjar, IsDB President

25. Low learning outcomes is a serious issue of concern in almost all developing countries. Investment in human capital development is arguably the most important means of building the future generation for a more prosperous society. The fundamental challenge is the efficacy of its delivery.

Rationale for the Strategy

26. The first Education Sector Policy of the IsDB was approved in December 2018 to respond to external and internal changes that have impacted education and

development in MCs by providing a framework that guides investments in the sector towards the attainment of the 2030 Agenda. Whereas the external factors were driven by the Sustainable Development Goals, the internal factors were largely triggered by IsDB 10-Year Strategic Framework and the President's 5-Year Program (P5P) which restructured and repositioned the institution to be more relevant and responsive to the development challenges facing its MCs and Muslim Communities elsewhere.

27. The overarching principles of IsDB (Box 1) highlights the role of education in supporting its attainment. Education is a human right, essential to human capital development and a foundation for the sustainable development goals. The 21st Century skills that society yearns for from learners is expected to be delivered by education systems within the context of dynamic changes in technology, demography and climatic conditions that are reshaping social and economic realities of our times.

Box 1: IsDB Overarching Principles

- All people have the right to live in **dignity and prosperity**, and no one should be left behind.
- We believe in empowering people and communities. **Empowerment** to us means building peoples' capabilities to participate, influence, and control the events that affect their lives; to fulfil their potentials in building a sustainable future for themselves, and their communities.
- We are committed to the implementation of the 2030 Agenda for Sustainable Development (as articulated in the **SDGs**); and we believe in building strong partnerships to achieve the SDGs.
- We believe that governments should not only play the role of service providers. **Governments must see their roles in creating an enabling environment**, where all economic agents in the market play a role in development.

28. The IsDB has invested over \$4.91 billion in all the sub sectors of the education sector including scholarships, capacity building and technical advisory services in MCs and Muslim Communities elsewhere. Over half of these resources were approved in the last decade thereby illustrating the growing demand for IsDB intervention in the sector and the Bank's commitment to respond to this call. This strategy is therefore a renewed commitment to reinforce this endeavor and enhance the provision of quality education to unlock the full potentials of learners for lifelong gainful engagement and productivity in society.

29. While acknowledging the progress made in increasing access to education at all levels including improvements in gender parity, the IsDB MCs continue to be home to almost a third of the world's out-of-school children and having some of the lowest learning achievement levels. There are, however, huge disparities in MCs attainments with some doing much better than others. For example, expected years of schooling is as low as 5.0 years in Chad and further drops to 2.6 years of learning for a child, compared to Kazakhstan with 13.3 and 11.5 years respectively. In Sub Saharan Africa (region of 22 MCs) only 13% of a cohort of children completing primary education will learn the minimum proficiency and will reach the last grade without attaining the basic proficiency levels while a further 39% will not reach the last grade. The world average is

43%, 38% and 18% respectively (for learn, not learn, and not reach the last grade)². Thus, the progress in access has highlighted the huge challenges in the quality of education and hence the need to focus on learning outcomes. The impact of the COVID-19 pandemic has further exposed the inability of current modes of delivery to withstand shocks and therefore MCs require inbuilt systemic resilience mechanisms to ensure inclusive continued learning in all circumstances without exacerbating inequalities in access or quality of the learning opportunities thereof.

30. It is these factors amongst others that necessitate this strategic shift from input and output-oriented interventions to learning outcomes with the following aspirations:

- i. Access – 100% enrolment from preschool to secondary level; leave no one behind;
- ii. Quality - engagement and improvements in standardized national/international assessments;
- iii. Equity - inclusive access to quality educational services and reductions in achievement disparities (rural-urban, gender and quintile);
- iv. Values - an education system grounded in tolerance towards diversity, shared ethical values for global citizenship for peaceful cohabitation; and better civic engagement; and
- v. Efficiency - strengthened education systems that optimize student learning outcomes.

31. This shift is aligned with the P5P tracks on Awareness (through advocacy activities), Linkages (partnerships with various stakeholders), Competence (focus on skills and competency development), Funding (optimizing innovative financing), Delivery (on learning outcomes and employability of graduates), and Reinforcement (system strengthening and building resilience).

32. The strategy complemented by other sector strategies will guide the Bank's interventions in the education sector from early childhood through all the other levels of the formal and non-formal education system.

² <https://www.education-progress.org/en/articles/learning/>

Chapter 2: Sector Context & Transition Challenges

33. Over the past decade, major progress was made towards increasing access to education and school enrolment rates increased at all levels, particularly for girls. Nevertheless, millions of children are still out of school and more than half of all children and adolescents worldwide are not meeting minimum proficiency standards in reading and mathematics.
34. Progress in education is crucial for achieving most of the SDGs. In addition to serving as the focus for SDG 4, education directly contributes to poverty reduction, economic growth and labour market opportunities, as well as peacebuilding and the promotion of democratic institutions, global citizenship and civic engagement. Primary education is recognized as a catalyst to meeting many of the most important development challenges that exist today. However, while much progress has been made on access over the past two decades, indicators still point to serious education quality and human-resource shortfalls at all levels of education in ISDB Member countries (MCs).
35. The COVID-19 pandemic has amplified the challenges of the education systems and the struggles that children face in their quest for quality education. Even before the outbreak of the pandemic, there were major educational challenges highlighted in six priority areas. The. First, there is an Access gap, with an estimated 258 million school-aged children not in school, and a pyramidal transition from one level to the other. Second there is a Quality gap, with an estimated 600 million children enrolled in school but are not learning or attaining the minimum proficiency levels prescribed in the curriculum (content, skills and values) for their level of schooling – the learning crisis. Third, there is a Financing gap, which suggests that funding to the tune of \$39 billion (as estimated by the World Bank) each year is needed to achieve the education SDG targets. Fourth, there is a Workforce gap in terms of numbers and quality (competency in content and pedagogy) of teachers with the estimated demand for teachers expected to double by 2030. Fifth, there is a Leadership capacity gap in the governance and management of education often manifested in a lack the political will to make reforms and advance the education agenda within tight economic conditions. Finally, there is the Technology gap manifested through rapid changes in technology that could enhance learning but could potentially exacerbate inequalities.

Access gap

36. Going by the number of children enrolled in school, significant progress has been made on primary education enrolment (see Table 1 below). However, the impressive progress in school participation masks serious deficiencies in student retention, quality of education, and knowledge gained. Millions of children are not in school with the majority in Sub-Saharan Africa and South Asia. Dropout rates are a source of concern for reasons ranging from formal and informal fees, cost of textbooks and learning materials, teacher absenteeism, early marriage, child labor, amongst others. Girls face distinct barriers including cultural barriers and inadequate learning environments. At the

secondary education level, enrolment rates are much lower (71.48% on average in 2017). Transition to secondary is largely determined by available space. School construction is required, particularly in areas of rapid population growth. Thus, limited access to secondary education, which is often of poor quality, exacerbates the problem. Natural disasters such as floods, hunger, health epidemics and pandemics further impact negatively on access placing barriers to both attendance and the cognitive ability of learners.

Table 1: Basic indicators of IsDB Member Countries by Region

Indicators	Africa (ALA)	Asia	MENA & Europe	IsDB MCs
A: Demographic				
Population (million) - 2020	484.56	539.35	859.49	1883.40
Labor force (in million)-2020	170.12	252.65	290.99	713.76
Labor force participation (% of population)-2020	35.1	46.8	33.9	37.9
Unemployment rate (% of total labor force)-2020	5.36	4.69	9.08	6.63
Life expectancy at birth (year)-2017	57.45	71.81	71.43	67.96
Under-5 mortality rate (per 1000 live births)-2018	95.58	25.11	36.11	48.28
Adult literacy rate (%) (WDI)	54.92	89.55	72.30	72.83
Human development index-2018	0.50	0.72	0.70	0.62
B: Education				
Primary Net enrolment ratio (%)	79.16	94.42	82.95	86.15
Primary completion rate-2017	31.67	88.59	68.02	71.48
Secondary Gross enrolment ratio (%)-2017	40.19	82.52	64.48	69.42
Tertiary Gross enrolment ratio (%) -	7.94	30.96	32.62	24.12
	(2011)	(2018)	(2016)	(2014)
Expenditure in education (% of GDP)-2017	3.57	5.13	3.24	3.63

Source: Generated from ERIL Reports

37. Inadequate school infrastructure limits enrolment capacity or causes overcrowded classrooms. In particular, the lack of toilets/latrines and sanitary facilities creates serious challenges for girls as they reach puberty. In addition, only one in 20 public schools in developing MCs has appropriate latrines (clean sanitary materials accessible for girls), a key factor in encouraging the regular attendance of adolescent girls.
38. Unequal access to education in the MCs remains pronounced, beginning at the basic education level, it gets compounded at the secondary level and beyond. Children who are unable to go to school—even in countries with high enrolments—tend to be from disadvantaged communities and groups in society.
39. Vulnerable groups including girls and women are at a disadvantage in education in most MCs, as are children and youth from poor families or from families that are at risk of sliding back into poverty, live in rural and remote areas, belong to ethnic and linguistic minorities, have disabilities, and/or are refugees, internally displaced persons or migrants. Inclusive education calls for innovative approaches quite different from simply expanding the mainstream education system.

40. Higher education is experiencing both the "push" of large numbers of secondary education graduates, and the "pull" of labor markets demanding workers with relevant skills. The enrolment rate for tertiary education is just 9.06% in Sub Saharan Africa, compared to 46.26% in Western Asia & North Africa, and 51.38% in Southern Asia.³

Quality gap

41. Millions of the children enrolled in school are not learning, a situation that has been described as the learning crisis (see World Bank's World Development Report 2018). Thus, education quality remains a major concern as the pupils' acquisition level in most of the IsDB MCs is very low. The Program for International Student Assessment (PISA) for Development (PISA-D) 2018⁴ results revealed shockingly low learning levels in developing countries with only 12% of children who were tested achieving the minimum proficiency levels for Maths, and 23% for reading, compared with 77% and 80% in OECD countries. Poor learning is a result of the lack of meeting minimum standards in terms of inputs in most schools. Learning attainment levels remain low and there are deep disparities between countries and within countries. Large numbers of students appear to be learning little; and about one-third of those completing primary school lack basic numeracy and literacy skills. Some MCs register less than 20 percent of students achieving minimum proficiency levels in both reading and mathematics by the end of primary education. However, a few other developing countries have more than 80 percent of students achieving minimum proficiency level in mathematics or in reading by the end of primary education⁵.

42. Persistent weaknesses in basic education have slowed progression to higher levels of education. Technical and vocational education and training (TVET) experiences have recorded only modest results. Overall, training and skills development systems in emerging economies are not fully equipped to produce graduates with competencies that are aligned with the needs of the labor market. Still, there is much to be learned from past and current TVET programs as countries work to make improvements in this important subsector including in the following areas: strengthening TVET's links to industry and workplace training; basing TVET on standards that are set or validated by industry; making learner placement, internships, and on-the-job training programs regular features of TVET delivery; and coordinating TVET development with government departments responsible for trade and industry, workplace relations, and science and technology, to align skills being taught with government policy directions and manpower needs.

³ <http://data.uis.unesco.org/>

⁴ Ward, M. (2018), "PISA for Development: Results in Focus", *PISA in Focus*, No. 91, OECD Publishing, Paris, <https://doi.org/10.1787/c094b186-en>.

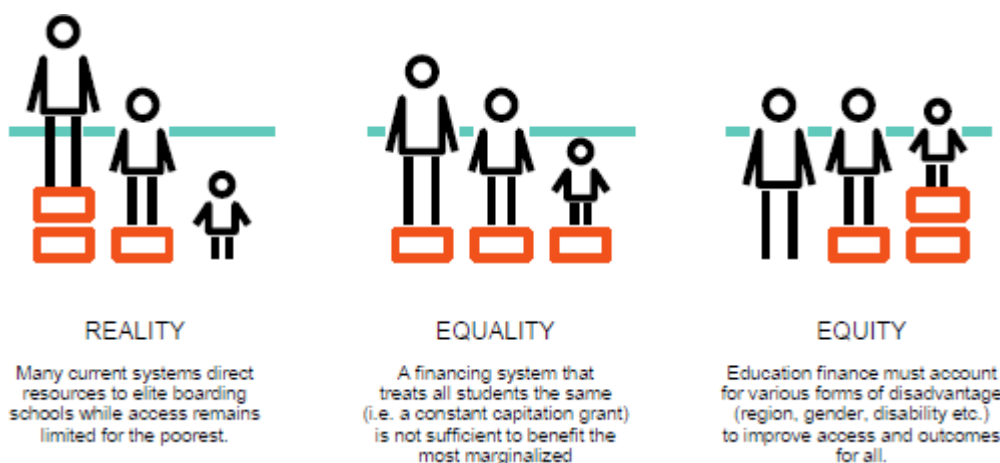
⁵ GPE, Results Report 2019 (page 10)

43. Member Countries in Africa and Asia are realizing that their economies cannot compete in a globalized world without a growing cadre and critical mass of people with advanced degrees and technological skills. Higher education contributes significantly to the technological capacity and overall competitiveness of MCs. As such, there is an increasing trend for MCs to establish good quality universities and "centers of excellence." As these developments appear more frequently on the higher education landscape across the MCs, it will be important to ensure that access to higher education becomes more inclusive so that no sector of society is deterred in its development by lack of or inadequate human capital.

Financing gap

44. In low-income countries where domestic revenue are often insufficient and inconsistent, particularly in contexts where state capacity is restricted, public resources allocated for education are limited. Therefore, education systems often rely on additional external funding sources such as international donors or the private sector. Achieving the global education goals will require additional domestic financial commitments over the coming years especially in the wake of the global economic impact of COVID-19 pandemic. More importantly these resources should be used more effectively to reduce spending inefficiencies common in many education systems. Meanwhile, external aid to education has not increased to anticipated levels. According to the UNESCO's Global Education Monitoring Report, aid to education in 2017 fell by 2% compared to 2016. The levels of aid to education continue to stagnate, growing by only 1% per year on average since 2009. Donors have not kept their promises on the UNtarget of 0.7% of gross national income to foreign aid. Countries need to bridge these funding gaps if they are to provide the educational opportunities their populations demand. Evidence indicates that equity-based financing can make a difference in addressing inclusiveness for excluded students and learners⁶.

⁶ Secondary Education in Africa: Preparing Youth for the Future of Work, Mastercard Foundation, July 2019



Workforce gap

45. The Incheon Declaration and Education 2030 Framework for Action articulates a comprehensive approach to teachers and teaching and calls for teachers and educators to be empowered, adequately recruited, well-trained, professionally qualified, motivated and supported within well-resourced, efficient and effectively governed education systems. Teachers are central to the provision of quality education, yet the UNESCO reported in 2018 that 85.18% of teachers globally received the minimum teacher training level, while in least developing countries the proportion was only 70.63%. Teacher shortages have serious consequences on students' learning abilities while instability in the teacher workforce due to turnover and/or attrition negatively reflects on student achievements. There are also competency gaps in content knowledge and pedagogy especially at the secondary level for Science, Technology, Engineering and Mathematics (STEM).
46. The shortage of teachers is often more acute in rural communities where many students in rural schools are being taught by teachers who barely know more than their students. In the wake of the COVID-19 pandemic and the resort to distance learning and digital technology to ensure learning continuity, there is a new realization that teachers need additional training for proficiency in the use of the new modes of distance learning and teaching. Expanding quality education requires comprehensive policy, financing, and structural reforms in order to improve teacher training, curricula, and education service delivery. The working conditions of teachers amongst other factors that contribute to the growing teacher shortage must be tackled – low pay reducing attractiveness of teaching profession, tough school environments including lack of housing facilities demoralizing especially to female teachers, lack of career professional development and training opportunities. As a result, these factors affect the attractiveness of the teaching profession.

Leadership/capacity gap

47. Effective governance and efficient management of an education system at country level are crucial to improving learners' outcomes. Inadequate attainment levels cannot be solely attributable to teachers but to factors such as inconsistent curriculum, inadequate assessment mechanism, insufficient funding and resistance to embracing 21st century skills amongst others, which are all a direct result of leadership failures.
48. To expand access and transition from schooling to learning outcomes, MCs need to implement reforms to strengthen governance and build capacity. This requires exemplary leadership at the school level to inspire teaching and learning. Leadership capacity and commitment are needed to pursue the required reforms on education planning, management, monitoring to enhance system efficiency. MCs will need to pay more attention to improving synergies between education subsectors, such as: instituting sector-wide policies, harmonizing curricula, ensuring equal access to training programs, providing flexible pathways for graduates of lower levels to continue their studies at higher levels.
49. In many countries, there are many layers of government involved in education system. MCs should increasingly pursue decentralized approaches to education management to enhance resource allocation and service delivery. Decentralized approaches are more likely to yield greater inclusiveness and improved education outcomes provided that the requisite leadership capacity exists or is built to ensure efficiency.

Technology gap

50. Most education systems in MCs hitherto relied on labor-intensive pedagogical processes, typically involving teachers in face-to-face interaction with students in classroom settings (the talk and chalk method). The unprecedented events, caused by the COVID-19 pandemic, have put education technology in the spotlight like never before. With the consequent closure of educational institutions to exercise social distancing in majority of the MCs, education technology has leapt to a prominent position as a mitigation measure to ensure continuity of learning. Technology has indeed changed every industry including reshaping how we learn in real time. Although technology has made learning exciting for many students, it presents a challenge to many teachers who have inadequate support/access to new educational technologies that ensure better teaching and improved learning. Indeed, technological literacy hitherto was not a mainstream prerequisite for teachers, but recent developments are pushing it into the limelight. Digital learning opportunities provide students with instant feedback to help verify and discover their learning gaps. Given the challenges of access to digital technology, there are genuine concerns of an increased digital divide between nations and within different socioeconomic groups in countries thereby increasing inequalities. MCs will need to find a sustainable way of ensuring digital access for all students especially in the rural areas and poor urban communities. A lot of teachers will need retooling especially in the pedagogy of distance and e-learning.

Global Drivers of Change that Impact on Education

51. Beyond the six key challenges discussed above, there are other exogenous factors that drive global changes and have direct consequences on the performance and outlook of education and training. This is so because the provision of education happens within a wider global context. Some of those key factors are:
52. *Demographic change*: The proportion of youths in MCs is increasing and has implications for education and training. Economic growth will continue to depend on a productive workforce albeit its changing requirements in terms of skills and competencies due to technological advancements. There will be increased needs for lifelong learning opportunities for the youths and the active workforce to remain relevant and employed. The mobility of labor through migration also raises concerns on training to fill the skills gaps. The need to teach learners to learn how to learn has never been greater than during this current age of Information.
53. *Educational attainment*: Education contributes to economic growth with higher levels of educational attainment directly enhancing workforce productivity and efficiency. “According to the Human Capital Index (HCI), nearly 60 percent of children born today will, at best, be only half as productive as they could be if they had complete education and full health. This has profound implications not only for their future income and wellbeing, but also for national economic growth and competitiveness and overall poverty reduction”, Annette Dixon, WB July 2019. The HCI values are weakest in Sub Saharan Africa, Middle East and north Africa (MENA) and South Asia. Human capital outcomes can be enhanced by innovative technologies but requires political will and commitment, and education and training play a pivotal role thereof, equipping individuals take advantage of opportunities in the labor market.
54. *Globalization of markets*: The world has become a global village with rapidly changing technological advancements shaping production and trade – defining specializations and skills requirements. Shifts from agriculture to manufacturing and services industries necessitate changes in skill requirements from labor-intensive to value-added manufacturing and processing, demand corresponding adjustments and changes in education and training systems.
55. *Science, Technology and Innovation*: Science, Technology and Innovation are influential drivers of economic growth and will undoubtedly continue to shape the world. All sectors of the economy are affected by constant innovations for improved efficiency. Research and Development will continue to play a critical role in the advancement of science, technology and innovation. Global competitiveness will be determined, to a large extent, by the investments in STI with implications for skills and competency development of the workforce. Thus, there will be the need for continuous training and upgrading of skills of learners and indeed the current workforce. The need for the education system to produce graduates who are creative and innovative has never been greater. Innovativeness and creativity are the key drivers of the knowledge economies.

MCs must upscale their innovative and creative capabilities if they are to effectively become competitive on the global scene.

56. *Climate change*: The adverse impacts of climate change, i.e. increased temperature, increased occurrence of floods or drought, sea level rise, coastal erosion or cyclones, are already affecting education infrastructure in vulnerable IsDB MCs. To ensure resilience and sustainability of investments in education infrastructure, vulnerability assessments prior to selection of infrastructure locations and adoption of climate-proofing measures should be done in a systematic manner. Harnessing opportunities for low carbon – or even carbon neutral – infrastructure in new or refurbished buildings will put the education sector as a contributor in MCs’ efforts to curb global greenhouse gas (GHG) emissions. The nature and structure of employment, skills and training requirements are directly impacted by global warming in fields such as agriculture, fishing, tourism and mining amongst others. In such sectors that are highly affected by climate change, basic knowledge on related risks and skills to develop and implement adaptation measures will be more and more required from practitioners. In terms of opportunities, the notion of the green economy and green jobs has gained prominence and the lack of relevant skills in areas such as renewable energy or climate smart agriculture is a potential major bottleneck towards its realization. Like all transitions, the shifts to new technologies and the use of artificial intelligence (AI) towards the green economy or to address climate risks, will require proactive reforms in training and skills development to respond to the labor market needs and ensure that youths and the workforce harness the opportunities thereof.

57. *Disaster Risk*: Schools are used as community shelters during natural disasters thereby disrupting learning continuity, in addition to the infrastructural damages from such disasters in many instances. The situation is more devastating in countries where access to educational services is already strained. The disruption to learning could be further exacerbated by delays in repairing the damaged school infrastructures. Research has shown an overall reduction in educational attainment, lower academic performance, and high rate of absenteeism among children who experience disaster shocks. Sickness due to malnutrition during drought and/or diarrheal diseases after floods, injury or displacement may cause absenteeism from school⁷.

⁷ How natural disaster undermine schooling. Erica Chuang, Jessie Pinchoff and Stefanie Psaki. 2018

Chapter 3: IsDB Interventions in Education

“IsDB’s interest in education arises from three key considerations: Firstly, that Education is a human right and must be available to all. Secondly that Man is at the heart of development and leads it. Building human capital guarantees success in development. Thirdly that all countries, including IsDB Member Countries, have committed to implementing the SDGs, including SDG 4”

Dr. Bandar Hajar, Virtual Extraordinary Conference of Education Ministers of ISESCO Member States, May 2020

58. Since its establishment, IsDB has supported education in MCs with the objective of promoting economic growth, reduce poverty and improve human development. The projects supported ranged from basic and secondary education, tertiary education, technical/vocational education and training and adult education. In terms of resource allocations by type of educational level, higher & tertiary education benefited the most followed by basic and secondary education, and then vocational training. IsDB investments in the sector were largely for the construction and establishment of educational institutions until the advent of the Human Development Department in 2009 when it started investing in soft components such as curriculum development, teacher training and other capacity building efforts.
59. The cumulative approvals to date show that Asia accounted for the largest share of financing 37.2% (\$1,588.5 million) while Africa & Latin America and MENA & Europe had 31.5% (\$1,346.1 million) and 31.3% (\$1,335.4 million) respectively. The annual approvals do not reflect any consistent pattern between regions or within regions. There is, however, a consistent decline in approvals since 2016 (see Table 2).

Table 2: Approvals (US \$m) in Education 2016 – 2020 and Cumulative since inception

IsDB Region	2016	2017	2018	2019	2020	Total 2016-2020	Cumulative Since inception
Africa & Latin America	64.4	40.9	154.2	0.2	44.9	304.6	1,346.1
Asia	176.6	13.0	0.5	64.9	-	255.0	1,588.5
MENA & Europe	3.1	122.6	16.2	34.0	9.1	184.9	1,335.4
Total	244.0	176.5	170.9	99.1	54.0	744.5	4,270.1

Source: IsDB Country Snapshot April 2020, ERIL

60. In addition to these traditional project approvals, the IsDB Scholarship Program has been a flagship initiative led by the Bank since 1983 assisting MCs and Muslim Communities in Non-Member Countries building human capital to reduce the workforce capacity gap, especially in the scientific and technological domains. Over 18,000 qualified female and male students from 56 MCs and 67 Muslim communities in non-member countries have been sponsored in top 10 reputable universities across the world to pursue higher education in most needed and advanced fields with a special focus on “Sustainability Sciences” to empower communities achieve the SDGs.

Furthermore, over 12,000 have graduated in highly demanded socio-economic development fields and are currently championing changes in their countries.

61. To promote entrepreneurship and reduce poverty, the IsDB launched in 2019 a joint scholarship programme with the Islamic Solidarity Fund for Development (ISFD) targeting 21 LDMCs over the next ten years. The scheme aims to offer opportunities to needy and talented students to study TVET and bachelor's degree programs in development related fields to empower them to become active contributors and player in their societies and countries and thus contribute towards addressing the needs of poorer and marginalized communities. This will strengthen the drive to build a network of developers' and use technology to facilitate connectivity across communities and borders.
62. Similarly, in 2019, the Bank launched a joint programme with The World Academy of Science (TWAS) in Trieste, Italy for capacity building and technology transfer aimed at building critical mass of human resources in the fields of Science, Technology and Innovation (STI) and other development related fields to address development challenges of member countries.

Lessons Learnt

63. IsDB has been a major player in the education sector of its Member Countries, with investments that have been second only to those made by the World Bank. However, the volume of these investments has been skewed in favour of non-least-developed countries, as well as towards tertiary education, and largely focused on infrastructure and equipment.
64. IsDB should renew its focus on, and accord high priority to, the growing list of its Member Countries that can now be classified as conflict or post-crisis countries. These are the countries where the need to build the foundations for human development is greatest but are limited in their ability to borrow at commercial rates.
65. The lessons learnt⁸ from IsDB investments in education over the years have generally varied by region and country, but the generic cross-cutting ones can be summarized as follows:
 - a) The criteria used for deciding on investments in education have had more to do with the ability to repay debt than the changing needs of Member Countries in education and development.
 - b) Concessional financing has not been exclusively allocated to Least Developed Member Countries (LDMCs): In the absence of a clearly defined resource allocation

⁸ BCG 40 – year Performance Assessment, 30 April 2014

policy or financing model/framework on access to concessional financing, some beneficiary countries were not necessarily deserving poor LDMC countries. About 35% of concessional resources were allocated to non-LDMC, compared to only 6% of non-concessional resources allocated to LDMC.

- c) Interventions were largely input-driven (quantum transfer of financial resource) rather than results-driven: The core education sector indicators of the Bank focus on outputs rather than outcomes and hence give a distorted view of the effectiveness of the Bank interventions.
- d) Perception of IsDB pricing as uncompetitive compared to other MDBs resulting in reluctance of MCs to acquire financing for social sectors: The pricing policy on IsDB ordinary/non concessional resources is deemed too costly for many developing countries.
- e) The IsDBG flagship programs remain small and need significant scaling if they are to generate significant impact (Bilingual Education Program-BEP, Scholarship program, Millennium Village Program-MVP, Out-of-School Children Program-OOSC, Vocational Literacy & Poverty Reduction Program-VOLIP, Youth Employment Support Program-YES etc): This is compounded by a low absorptive capacity in targeted countries.

Box 2: Bilingual Education Program

The Challenge: Several international declarations aimed at universalizing access to basic education have still not resolved the plights of millions of out-of-school children in Sub-Saharan Africa. With poverty and concerns that formal education delinks children from their Islamic heritage, communities enroll children, especially girls in the parallel traditional education (Quranic, Dara and Madrassa schools) thus making it an important nexus of the education system. These institutions of learning, however, do not provide adequate literacy and numeracy skills to learners for gainful employment opportunities in society.

The model: The Bilingual Education program integrates formal education with Islamic education systems by introducing the Arabic language to provide a dual language (Arabic and English/French) competency for learners. It bridges the two systems and allows government to provide public funding to Islamic institutions, train its teachers, and enhance the learning environment.

The approach: To respond to community demand to provide an education system that caters and reflects their religious values while offering learners' skills and competencies for equal opportunities in society. It involves a curricula integration that introduces Arabic and English/French languages plus literacy and numeracy skills. It enhances inclusiveness through the creation of improved and modernized structures, capacity building, provision of learning materials amongst others. The IsDB has provided grants and concessional loan financing for the program.

Impact: The program has boosted the learning environment and expanded access through increased enrolment, build capacities of teachers and educators, and allowed for transition of learners to secondary levels. The initiative has started changing the landscape for both support and advocacy towards the integration of traditional education in the region with formal mainstream education and contributing to the internationalization of education.

Way Forward: To scale up the model, IsDB will explore leveraging its resources with other partners, including philanthropies, and to create innovative and sustainable funding for the program.

- f) Relative difficulty of sustaining the interventions and gains made in flagship programs: The recurrent costs of maintenance of physical infrastructure and routine

operations are hardly adequately catered for in project designs nor are operations and maintenance allocations adequate after project completion thus making it difficult to scale up successful operations. Project designs do not adequately incorporate recurrent cost implications of capital investments on staffing, operational and maintenance requirements/costs, amongst others to ensure sustainability.

- g) Utilizing/leveraging the services of specialized agencies has enhanced implementation effectiveness of social sector projects. The use of UN Agencies and /or other competent service providers has enhanced both the procurement processes and improved service delivery in the soft components.
- h) The use of ICT has not been optimal and requires further investment to enhance learning continuity. Its use in projects as a tool to support teaching and learning motivates learners, creates a child centered environment and stimulates children's interest and boosts attendance.
- i) Major reforms within IsDB indicate the need to focus on building strong partnerships: The need for a more flexible and diversified use of resources for financing education in Member Countries, including innovative financing tools, joint-financing instruments, enhanced national revenue sources and flexible financing tools. IsDB should engage more actively (especially through its Hubs) with other education partner agencies that are part of the global development architecture to leverage on their expertise and resources.
- j) Weak or low rate of implementation of strategic partnerships with other development partners and across sectors: Although development partners acknowledge the need for synergy and collaboration in supporting education systems in developing countries, the strategies employed including the financing mechanism leave much to be desired. The diversity in strategic partnership ranges from parallel financing mechanisms to non-execution of signed memorandums of understanding. Sector operations were largely stand-alone.

Comparative Advantage of IsDB

66. The IsDB has been engaged in the education sector in MCs since its inception and in Muslim Communities in Non-Member countries with its initial interventions being mainly focussed on school construction. The Bank's projects have been successful in enrolling and retaining children in school thereby enhancing inclusiveness and equity, however, its impact on learning outcomes and creating employment opportunities for youths has not been well established or proven given the lack of focused impact assessments.

67. The SWOT analysis below shows the potentials for the Bank to leverage on its strengths to tap on the opportunities for more and better investments in the sector.

S Strength	W Weakness
<ul style="list-style-type: none"> • Convening power to leverage resources and advocate for better financing for education. • Renewed commitment to human development inspired by P5P and several cross sectoral policies. • IsDB is a trusted and reliable development partner. 	<ul style="list-style-type: none"> • Limited concessional & grant resources. • Investments determined by ability to repay rather than changing needs. • Limited client-centricity (limited human capacity / Limited field/country level presence) • Limited synergies amongst Group Entities. • Small sized project operations. • IsDB financing is not competitive for social sector investments. • Limited number of Education Sector Specialists.
O Opportunities	T Threats
<ul style="list-style-type: none"> • Potential to harness the diverse IsDB Group mandates & resources. • The global consensus around SDG 4 that places strong emphasis on learning outcomes to leave no one behind. • Rebuilding better education systems in the wake of COVID-19 pandemic & strengthening the use of ICT in education. • Growing number of new Partnerships on innovative financing. • A participatory MCPS process & GVC framework creates new capacity building requirements for skills development, R&D and STI in MCs. • Huge potentials to exploit the youth dividend with targeted interventions and initiatives. • Focal Point for Education for the ACG for potential resource mobilization/innovative financing. • Grant Agent of GPE with resource mobilization and innovative financing potentials. • Leveraging on civil society and non-traditional partners during emergency to support countries affected by fragility and conflict 	<ul style="list-style-type: none"> • Low absorptive capacity in MCs. • Limited project processing capacity. • Fragility and conflict in MCs. • Potential shrink in domestic and external financing as a result of COVID-19 pandemic. • Lack of willingness to rally the diverse interventions of the IsDB Group around education and training related activities for greater synergies.

68. The learning crisis in most developing countries strongly justifies the global shift in focus from schooling to learning outcomes. The awakening on the consequences of school closures created by the impact of the COVID-19 pandemic further demonstrates that current education systems were built around face-to-face classroom delivery. The current situation has, therefore, created an opportunity for schools and education systems to experiment and strengthen the use of ICT in education to complement the traditional delivery method. It provides opportunities for collaboration with the private sector.

69. The GVC framework provides opportunities for investment in education and training to build human capital in the emerging production chains and take advantages of economic growth and the jobs created thereof. Thus, the IsDB will invest in skills develop, R&D and STI in MCs.
70. The strategy will support the strengthening of education systems to build resilience and ensure their abilities to address inequalities in access and learning outcomes. IsDB investments and resources will therefore target countries lagging on the attainment of SDG 4 while focusing on disadvantaged groups at the country level. All such interventions shall be geared and aligned towards improving learning outcomes.

Chapter 4: Strategic Orientation/Directions

“Since I assumed office as the President of the IsDB, I formulated a new vision where Science technology and Innovation plays a central role in promoting economic and social development”.

Dr. Bandar Hajjar (World Governments Summit 2018)

71. The IsDB MCs agree on the urgent need to safeguard their children’s future and IsDB is determined to play its part in encouraging MCs to create an enabling environment that will facilitate a paradigm shift in its approach to development. This will involve a shift in thinking from ‘funding’ of development projects to ‘financing’ of the funding gaps in needed investments - the IsDB avails MCs the 1/5/10 Opportunity (the mobilization of US \$1 trillion through five major industries to lead development in MCs, generating 10 million new jobs annually by 2030)⁹. It will also require soft interventions in the GVC value-added process in which an upgrade in education, research and development, and skills would be required to innovate in the creation of new products or to strengthen the producing country’s market share. Industries are the engines of job creation, and skills are a catalyst for growth and job creation and are critical to employability. A strategy to strengthen human capital in MCs is an opportunity to enhance long-term growth potential and tackle inequalities.
72. The collide in provision of education services in IsDB MCs is significantly implicated by the contemporary development challenges such as poverty, climate change, conflict, disaster risks, high population growth. The aspiration of this strategy is to support MCs to be more resilient and efficient especially in the wake of the COVID-19 pandemic and to respond to the learning crisis by transforming education systems from schooling to effective teaching and learning. This is anchored on the conviction that quality education is critical for enhancing individual and societal productivity, and that a key constraint to achieving this goal relates more to institutional reforms than just resource increase.
73. Against the Education Sector Policy’s guiding principles and its enablers, the IsDB strives to support an enabling environment for the provision of purposeful education that is human oriented and responsive to the interests, skills and disposition of all learners. In accordance with the Islamic perspective, the fundamental pillars of education are determined by knowledge, competencies and skills combined with ethics and values.
74. The education sector has symbiotic subsectors namely: (i) basic education, (ii) secondary education, (iii) technical and vocational education and training (TVET), and

⁹The Road to the SDGs. The President’s Programme: A New Business Model for a Fast-Changing World, DsST, IsDB 2019

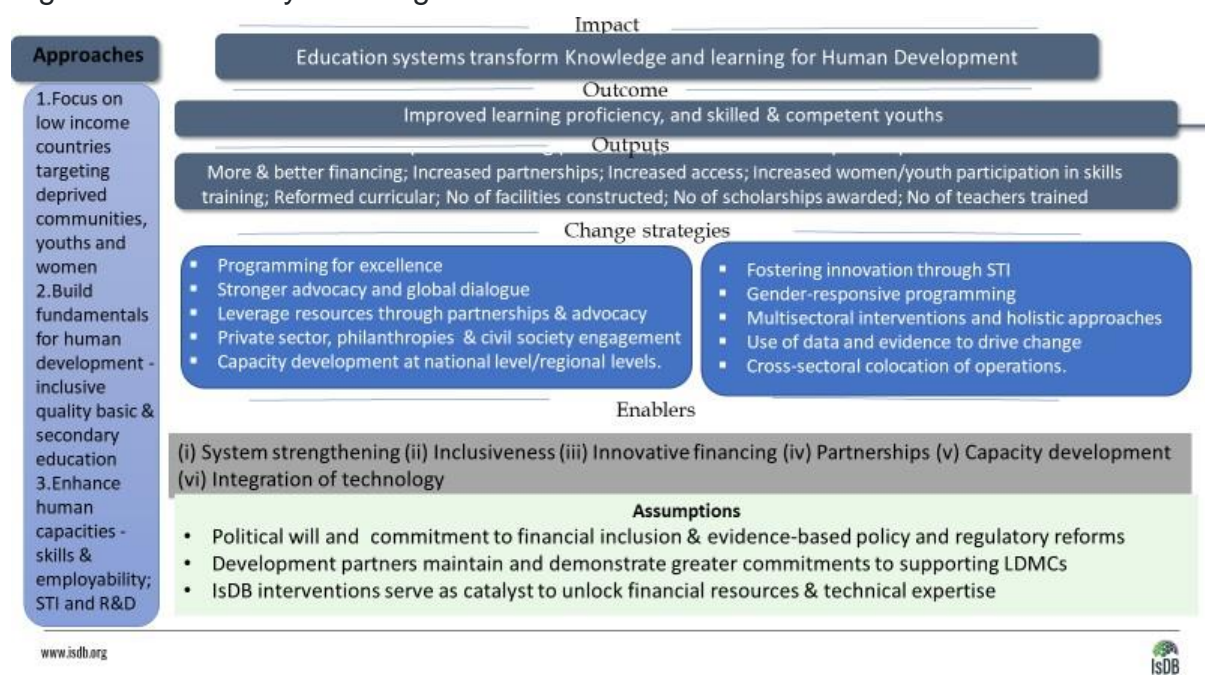
(iv) higher education. The core pillars of the IsDB Education Policy are structured to respond to the fundamentals of each of these sub-sectors. The first pillar -enhanced provision of basic education – is aimed at providing the bedrock for lifelong learning as a precondition for individual development and social growth. The second pillar – post-basic education provision – encompasses Secondary education to impart additional grounding in literacy, numeracy, and other vital skills; TVET for the provision of knowledge and competencies that prepare individuals for the job market, support semiskilled and skilled occupations, and facilitates enterprise productivity and wealth creation; and Higher education to fill the need for higher-level managerial, technical, and administrative skills. The third pillar -advocacy and technical assistance – is a support mechanism and cuts across all the subsectors.

75. As MCs move up the economic and technological ladder, an education system that focuses on learning plays a pivotal role in meeting the evolving labor market needs and sustaining growth performance. In a knowledge-based world economy, education is important for technological innovation, invention and skills development. IsDB will continue to support MCs through a shared vision in fulfilling this role.
76. Through this strategy, the IsDB will prioritize programs aimed at building the ‘the fundamentals of human development’ as imperative and constitutes a niche area. Thus, the first pillar of the policy shall be its primary focus while acknowledging its intricate linkage with the second pillar addressing the ‘enhancement of human development’ and therefore considered desirable for support. Cognizant of its limitations and the fact that MCs are part of other bilateral, regional and global groupings, the IsDB shall explore partnerships with other actors and collaborate in advocacy efforts for systemic reforms. There is a growing need for harmonization and alignment of programs and interventions amidst the increasing numbers of international aid donors.
77. Defining IsDB education sector strategy for the next five years couldn’t have been more challenging under the current global pandemic caused by the COVID-19 outbreak which comes at the heels of a global learning crisis. The impact from the COVID-19 pandemic has increased the pressure on education systems which were already dealing with complex challenges. Yet it provides a unique opportunity to rethink educational provisions in terms of systemic resilience that ensures continued learning in diverse circumstances including emergencies and within the milieu of changing circumstances and demands. Through this strategy, the IsDB will continue to partner and collaborate with MCs and other partners to enhance and protect the quality of education for every learner during and post-pandemic.

Theory of Change

78. The theory of change in this strategy is predicated on the conviction that Islamic society was built on the theme “READ” and must uphold the injunction that all children, boys and girls, be accorded the right to live and thrive to their fullest potential through lifelong learning opportunities. That education yields returns to both individuals and society and hence the most important investment for a country on its people. The theory is that through its leveraged investments (financial and technical) in education, the IsDB will support and facilitate that transformation of education systems to enhance human capital development (Figure 1 below).

Figure 1: The theory of change



79. IsDB will deliver change by combining high-quality programmes at scale, harnessing innovation with the development and use of technologies and collecting evidence. It will pursue this in partnership with MCs and development partners including civil society, the private sector, philanthropies and other local stakeholders. It leverages wider change nationally and globally through advocacy, communications and campaigning. Through the Developers’ platform, the IsDB will encourage advocacy to mobilize resources for the cause of children, and work with partners and stakeholders to achieve the SDG 4 goals.

80. The IsDB interventions in the education sector are meant to foster economic development and social progress in MCs given the potential power of education in transforming societies and strengthening sustainable development. The objective is to provide learners with an all-encompassing preparation including spiritual and moral values, knowledge and skills, ethics and proficiencies needed in a changing society.

81. To achieve the strategic mission towards its overarching goal of “learning for human development”, the IsDB will be guided by the following strategic objectives (Figure 2) and the broad range of activities for each objective:

Figure 2: Strategic Objectives & Activity Outline

Policy Pillar – Enhanced provision of basic education		Policy Pillar – Post-basic education provision		Policy Pillar – Advocacy & Advisory services
Strategic Objective 1: Build resilient and balanced education ecosystems for inclusive quality lifelong learning	Strategic Objective 2: Build foundation for human development & empowering learners discover pathways to harness their potentials	Strategic Objective 3: Invest in youth skills & competency development	Strategic Objective 4: Foster development and use of science and technology to enhance competitiveness	Strategic Objective 5: Facilitate increased systemic changes for equitable and inclusive education services
Strategic Implementation Activities				
<ul style="list-style-type: none"> -Conducive learner-centered learning environments created including WASH facilities -Support regular data reporting including learning assessment and performance monitoring -Stakeholder engagement to enhance holistic sector-wide approaches -Integration of Islamic education with formal system -Gender responsive systems & approaches – essential life skills, equitable learning outcomes, increasing earning etc. -Support Teacher proficiency & professional development -In-service and pre-service training -teacher incentives & motivation -Enhancing curricula relevance -setting & rethinking curricula priorities -Addressing disabilities, -Invest in ICT infrastructure, system, policies and expertise -monitoring teaching & learning -Embedding sustainable & innovative financing (e.g. Awqaf) in projects & programs - Mainstreaming civil society in public strategies, financing and programs to improve access and quality 	<ul style="list-style-type: none"> -investing in early childhood development programs for school readiness -Scaling up proven accelerated learning programs for inclusiveness -Enhancing learning outcomes -Reaching out to marginalized & underprivileged households and communities -Targeting out-of-school children and refugees for inclusive quality basic education -Learning assessment -Promoting bilingual education -Support the modernization & integration of Madrassas -Use of ICT to enhance learning: e-learning, distance learning & self-learning -developing collaboration with specialized civil society organization to leverage on their existing capacities and reaching out the hard—to reach communities -capacity development program led by civil society notably distance learning portals 	<ul style="list-style-type: none"> -Gender mainstreaming in sector operations - Mainstreaming disaster risk awareness raising through the development of new curricula or the update of the existing ones. -Developing and teaching emergency and rescue tools -Developing pathways to job creators & entrepreneurship (not job seekers) -PPP & Civil Society engagement focused on youth empowerment, creating employment and counseling opportunities -Promoting learning outcomes and skills - fundamental (literacy, numeracy & digital skills), transferable (communication, creativity, problem-solving & critical thinking skills) and job specific skills (coding etc.) -Upgrading training infrastructure -Promoting careers in Islamic Banking and Finance -Promote private sector and industry engagement/partnership in training & entrepreneurship development -Provide access to financial services for private -Initiate /promote Incubators & Startups -Digital entrepreneurship -incubation facilities & innovation hubs - Setting up training and qualification pathways -Training for jobseekers in occupations suffering shortages 	<ul style="list-style-type: none"> -Addressing inequitable access to basic technology (energy, connectivity etc.) - reducing the digital divide -Innovative use of appropriate ICT to reach the marginalized -Enhancing action-oriented research and development -Provision of scholarship in sustainable science fields relevant to SDGs -Building proficiency in Science, Technology, Engineering & Mathematics (STEM) -Building laboratory infrastructure in Higher Education to boost research capacity -Building higher education infrastructure (in areas free of natural hazard and or respecting the norms of construction) -Promote disciplines in Islamic Banking and Finance in Higher Education -Promote research and training, and advisory services in the Islamic Financial Services industry -Linking educational research & educational policy and practice in MCs -Promote use of research findings in policy & strategic reforms -Creation of Massive Open OnlineCourses (MOOC) 	<ul style="list-style-type: none"> -Participate in global discourse on education -Participate in global for a on aid architecture -Participate in country level policy/strategy discuss & donor reviews -Engage in resource mobilization initiatives & campaigns -Encourage effective partnerships between governments, employers and training institutions -Avail Reverse Linkage opportunities to build capacities -Campaign for equity & inclusiveness at all levels -Promotion of youth empowerment -Promote Islamic finance products to sustain investments -Supporting establishment of regulatory & institutional frameworks for developing Islamic finance in education -Promotion of dialogue, awareness and consultations with civil society to empower vulnerable groups -Promotion of collaboration between public, private and civil society as network of developers
Knowledge sharing and exchange through Reverse Linkage; capacity building and Technical advisory services				

82. *Objective 1* - Build resilient and balanced education ecosystems for inclusive quality lifelong learning: In this objective, IsDB undertakes a challenging task to support MCs transition from schooling to learning outcomes. This shift will be anchored on the IsDB 'new Business model' on resource mobilization and specifically focusing on value-added partnership in areas such as R&D and institutional reforms to optimize financing for education. It is a conscious and necessary step that will require institutional changes and approaches to the provision and delivery of educational services. The intricate linkages between the distinct subsector of an education system requires a holistic approach to policy and strategic planning and management to ensure a balanced ecosystem that is devoid of negative spillover effects of an over concentration on any single subsector. Gender will be hardwired in this strategic objective and in all aspects of planning and service delivery. A participatory and inclusive approach will be carried out as part of a bottom up approach to take into consideration, through a consultative process, the voice of the vulnerable communities.

83. *Objective 2* - Build foundation for human development & empowering learners discover pathways to harness their potentials: In this objective the IsDB acknowledges that its MCs are home to the largest numbers of out-of-school children, refugees and youths, some of whom are unlikely to access education. Equally disturbing is the low level of learning outcomes in basic education particularly in the early grades. The IsDB commits to making this objective an imperative and will be accorded the highest priority. The impact from the COVID-19 pandemic on education systems in developing countries has exposed the inequalities in access to educational opportunities and could further exacerbate the education crisis thereof. Yet, it also provides an opportunity to explore appropriate use of low-tech, medium-tech and high-tech approaches to ensuring continued learning moving forward. Thus, this objective will encourage the use of such approaches to reach the hard-to-reach communities and marginalized groups including refugees and children in conflict situations, especially girls. It will essentially support all efforts aimed at meeting the basic right to education as a fundamental to human development.

84. *Objective 3* - Invest in youth skills & competency development: The trends and projections for unemployment, labor underutilization and proportions of young people not in employment, education or training (NEET) in MCs is worrisome. The twin challenge of decent work deficit and poverty will become more challenging with the increase working-age population. The International Labor Organization reports that globally, 267 million young people (aged 15-24) are not in employment, education or training (NEETs), and many more endure substandard working conditions¹⁰. The challenge of creating jobs and livelihood opportunities for youths is immensely increased in the wake of technological, environmental and demographic shifts. It is not sufficient for economies to create job opportunities but rather the assurance that skills

¹⁰ World Employment and Social Outlook- Trends 2020, ILO

development of the youths is responsive and relevant to the needs of the labor market, thereby avoiding an exacerbation of the skills mismatch.

85. This strategic objective will support TVET systems in MCs to pursue transformation and innovation to evolve from being a vehicle for functional skills development for employability to the development of broad-based and transversal skills that enable graduates to access further opportunities for learning and competency development. Thus, empowering youths and providing pathways for young people to develop their competences and transition to the world of work.
86. *Objective 4* - Foster development and use of science and technology to enhance competitiveness: In this strategic objective, IsDB anchoring on the principle of enhancing human development and leveraging on the integration of technology shall support MCs harness the critical role that education, research, STI can play in bolstering an economy's capacity to withstand emergencies, organize, rebuild, recover and be resilient. It will particularly support institutional capacity building at higher education and encourage scholarly pursuits in action-oriented Research & Development (R&D) and the promotion of STEM at the secondary level to feed the requisite quality intakes thereof.
87. *Objective 5* - Facilitate increased systemic changes for equitable and inclusive education services: In this strategic pillar, the IsDB will advocate and or provide technical advisory services on important activities to facilitate system changes and reforms in the areas of policy and strategic focus or in the financing of education. It will prioritize partnership building and developing initiatives to leverage capacities/expertise, and better and more financing for education.
88. The strategic objectives have the following enablers:
- a) **Systems strengthening:** Good governance in education systems contributes to the effective delivery of education services. It involves building resilient systems (national goals, policies and strategies), effective utilization of information for performance and results tracking, ensuring appropriate incentives and promoting accountability. Interventions will support leadership training to build participatory systems that involve communities and or build autonomy at tertiary levels.
 - b) **Inclusiveness:** Social inclusion will entail the process of creating opportunities and provisions for disadvantaged individuals and groups to access education. To address the disparities in access to education, interventions will target the most deprived and vulnerable groups in society including those with disabilities and special needs.

- c) Innovative financing: Innovative financing will involve tapping new funding sources or engaging new actors/partners and enhancing the efficiency of finances. A broad range of Islamic financing modalities will be utilized and or blended with conventional operations to ensure sustainability.
- d) Partnerships: Forging partnerships with multilateral and bilateral agencies and other stakeholders/partners will remain crucial in mobilizing resources and ensuring efficient utilization for the attainment of the global goals in education.
- e) Capacity development: Capacity development will aim at empowering and strengthening endogenous capabilities, leading to transformations that empower individuals, leaders, organizations and societies. It will involve exploring ways of delivering learning and enhancing continuous professional development of educators and other professional in the education system. Thus, it will target three levels: individuals, institutions and the enabling operational environment.
- f) Integration of technology: Integration of technology will entail supporting the use of ICT to increase access to and improve relevance and quality of education service delivery. It will further facilitate distance learning and online education and support innovations in science and technology.

Education for Global Value Chain (GVC)

89. Skills have always been a key issue for any stage of the industrial activities and processing of products. Particularly acute is the issue of skills development, task-independent and task-based, –to keep pace with rapid globalization & technological advancements. Cognitive, social and emotional skills, and readiness to learn are crucial for performance in GVCs. The three cognitive skills - literacy, numeracy and problem solving - appear to be a general, industry- and task-independent set of skills that positively relate to labor productivity and to integration into GVCs in all industries. Therefore, the education system plays a key role in ensuring that learners are endowed with those cognitive skills early in life, which in turn may increase their productivity and greater forward integration of industries into GVCs.¹¹ Investing in skills will help MCs seize the opportunities and benefits of global value chains.

90. The correlation between task-based skills, performance and participation in GVCs is more industry-specific. Unlike cognitive skills, task-based skills exhibit more industry specific and generally relatively weaker relationships with productivity and international forward integration. However, among the task-based skills considered, ICT skills,

¹¹ Grundke, R. et al (2017). Skills and Global Value Chains: A Characterization, OECD.

management and communication skills and readiness to learn are significantly and positively associated with productivity and with forward integration into GVCs, for all industries. Increasing productivity and forward integration into GVCs calls for industries to specialize in specific tasks. This in turn requires having a workforce endowed with the skills needed to carry out those tasks. The latter constitutes an important challenge for our MCs and for the design of policies aimed at promoting the structural transformation of economies. Enhanced coordination and alignment of industrial and trade policies with education and skills policies is thus necessary to avoid counteracting policies and possible inefficiencies.

91. This strategy is aligned with IsDB Group MCPS process. It will support the outputs of the GVCs analysis, particularly the identified products/industry at the country level for its operationalization. Education interventions in the GVCs-based MCPS will largely be focused on preparing graduates and the workforce from the education & training institutions to acquire the requisite skills and competencies at different stages of the value chain. In addition, it will support R&D at tertiary education levels to incorporate technological advancements and adaptation.

92. Specifically, education interventions in the GVCs-based MCPS will be targeted at three stages i) product upgrading to meet the capacity demand for higher quality products or services; ii) process upgrading to improve efficiency through advanced equipment or technology; and iii) functional upgrading to improve capacities to attain higher value stages of the production chain. These various stages will require training/retraining in new sets of skills and competencies. The education and training institutions will play a role in the GVC, formulating and programs at higher education level and conducting technical and vocational training courses.

Chapter 5: Implementation Arrangements

93. The implementation of the strategy will require an enabling environment and crosscutting facilitators including some clearly defined institutional arrangements. The strategy will be implemented based on the strategic reorientation and new business model of the IsDB including its decentralized structures with policy and strategic oversight at the Global Practices and operations at the Regional Hubs for greater proximity to MCs. It is aligned with the President's 5 Year Plan (P5P) and the related Integrated Strategic Programming Framework. Over 80% of IsDB professional staff in the education sector are deployed in the Regional Hubs with complementary support from other crosscutting disciplines (economists; procurement, financial and project management specialists). These staff will require retooling for greater effectiveness in policy & strategic in-country dialogue with development partners.
94. The quality of the implementation of this strategy will require two interrelated functional dimensions namely the oversight and the delivery functions. The policy oversight cum governance function is at the global practice level, and at the regional Hub level, the facilitation and operational environment for providers (public and private) to manage and deliver results. Hence, the strategic implementation will require a coordinated engagement with MCs and other development partners at the local country level and at the global arena through constant dialogue to create the desired enabling environment. The strategy is not an end, but a means towards achieving the broader policy goals.
95. This strategy will reinforce the building of synergies within the IsDB Group Entities (Table below) interventions in education and training to optimize the combined Group resources. The related mandates of these Entities in education and training are diverse but complementary to the overall objective of developing human capital. ISFD focuses on developing and financing pro-poor interventions/programs such as the out-of-school program and the Bilingual Education program. The ICD is concerned with offering affordable financing schemes and advisory solutions for the private sector development and supporting of entrepreneurship. The ITFC focuses on enhancing the value chains and developing interventions at the level of the trade related public and private stakeholders. It facilitates the setting up of structures to ensure matchmaking between the needs of the employment market and the products offered and to build capacities in term of skills and competencies. The IRTI undertakes research, training, capacity development and advisory services in Islamic Economics, Banking and Finance using online and e-learning approaches. The ICIEC supports public and private sector engagements/partnerships and provide insurance-related education and training investments. In addition, IsDB has been implementing a scholarship programme for over three decades that covers all higher education levels providing MCs and Muslim communities in Non-Member countries with the required human capitals for their development. Thus, the implementation of this strategy will seek to both encourage the Entities to invest in education and training while encouraging harmonization and building of synergies.

Figure 3: IsDB Group Entities



96. The IsDB will engage, both at Global Practice and the Regional Hub level, in a range of advocacy activities ranging from policy and strategic reforms to more and better financing for education in close collaboration with other development partners, civil society organization and other stakeholders. This is intended to create awareness around issues, challenges and opportunities in education that require policy attention for the greater good of society and to harness ideas and best practices for improvements in the provision of educational services.

97. The Strategy implementation will anchor on the IsDB Group 10-Year Strategy (2015-2025) guiding principle on the 'selectivity' to provide focus at the regional and country level to determine priority engagement and specifically aligned with the MCPS development process, particularly through the GVCs approach. This implies that MCs that have not attained universal basic education (e.g. Sub-Saharan Africa and South Asia) will receive greater priority and considerations for systems strengthening and provision of basic education (Policy Pillar 1) and supporting through concessional and blended financing facilities. Countries in transition towards universal secondary education and facing high youth unemployment (e.g. MENA and Central Asia) will be encouraged to pursue enhancing human development (Policy Pillar 2) through expansion of secondary and developing more responsive TVET systems. Given the critical contribution of higher education in providing the human resource to other levels of the education system and towards economic activities, MCs will be supported at this level based on their abilities to absorb ordinary financing. This is aimed at ensuring that the regional disparities and the respective challenges and opportunities are taken in consideration. Thus, the level of attainment of the related SDG target indicators will be a basis for selectivity.

98. The transition from an input/output led project design to an outcome-based project and program design will be demanding both in terms of financial resource and capacities to ensure quality at entry. It will require deeper skills mix during project preparation and thus the need for detailed feasibility studies from MCs and or availing project preparatory facilities.
99. To reinforce partnerships development efforts, the strategy will seek to adopt a two-prong approach. Firstly, to synergize internal cross-sectoral and cross-departmental consultations in project design and implementation supervision to enhance the skill mix of project teams. This will enhance the colocation of operations with other sectors (infrastructure, met-services, environment, agriculture, health, water/sanitation, renewable energy etc.) in order to have education infrastructures which are resilient to natural disasters and enhance the awareness of learners on the risks and ways to mitigate their negative impact. Secondly, to engage in joint donor sector reviews and dialogue with governments at country level with other development partners, and in joint project design and supervision missions as part of efforts to build stronger operational collaboration. This will also involve collaboration with civil society organizations that have the comparative advantage in reaching out to vulnerable groups. Synergies will be built/created between the Education sector and the thematic sectors/areas such as civil society engagement, disaster risk management/emergency, fragility and resilience, youth and women empowerment and STI to reinforce the project the collective engagement of the Bank.
100. There is a renewed awakening to the potentials of ICT in education to enhance learning. Mindful of the need to ensuring affordability and inclusiveness, empowering learners to acquire digital skills in the 21st Century is a necessity. The strategy will leverage of the STI platforms to particularly enhance efficiency and relevance at higher education, ensuring institutional adaptiveness to technological advances for improved learning outcomes.
101. Though the strategy will continue the pursuit of smart partnership modalities with top universities, Ministries of Higher Educations in Member Countries, Government Institutions, International Development Institutions providing scholarships and Donors in the form of Memorandum of Agreement (MoA) to strategically leverage and raise funds to scale-up the scholarships provisions, the IsDB scholarship flagship programme remains small and need significant scaling if it is to generate greater impact. Moreover, IsDB could tap and benefit from IsDB Scholarship Alumnus when designing an education intervention in MCs. Therefore, for cost effective, the roster of Education Consultants may include Scholarship Alumnus to benefit from their expertise.
102. The strategy will utilize the Reverse Linkage program platform to facilitate South-South cooperation and enhance exchange of knowledge, expertise, technology and resources

to build institutional capacity. Similarly, further alignments will be explored with the Technical Cooperation Program to support the capacity development needs of MCs while promoting cross-country connectivity amongst institutions and individuals to increase and improve the appreciation of knowledge in providing developmental solutions.

103. Through the Women and Youth empowerment as well as the IsDB-ISFD Scholarship program, the strategy will build synergies to enhance entrepreneurship and innovation through skills development training programs that build and nurture talents and competencies. Interventions in TVET will particularly encourage start-up accelerators and incubators for youths and women while providing access to financial services.
104. ICIEC will support the strategy implementation by offering guarantee facilities, development of off-balance sheet and innovative funding structures (A/B Loans, 1st Loss-2nd Loss and Pari-passu amongst others. ICIEC will also explore attracting MDBs and International Financial Institutions to mobilize resources from international reinsurance markets.
105. In close collaboration with the Knowledge Management and Institutional Learning Unit, the strategy will leverage on the existing Community of Practice and other platforms to develop a repository of Best/Good Practices to share knowledge, experiences and lessons learned. The strategy will also leverage on the knowledge platforms (ICT-based and open access) of the IsDB Regional Cooperation and Integration Operational Strategy for direct leveraging with partners and Developers.
106. This strategy also reaffirms IsDB commitment to collaborate with development partners and civil society (philanthropies and foundations) in fragile, conflict and post-conflict countries to achieve SDG 4. This will include civil engagement and advocacy to leverage both capacity and resources, especially during emergencies, to support education.
107. For the IsDB interventions under the Education Sector Operations Strategy (2021-2025), procurements will be carried out as follows:
 - i. For Education sector investment projects/programs, the Beneficiary will prepare at early stage of projects preparation/processing, appropriate Procurement Strategy and Procurement Planning (PS&PP) to be prepared with the aim of developing the right procurement approaches including procurement arrangements, market engagement, procurement risks management and contract strategy to enable Beneficiary to deliver Project Development objectives and Value for Money.

- ii. In emergency situations, the beneficiary should only prepare a higher level/simplified PS&PP as soon as practicability possible. Based on PS&PP a fit-for-purpose procurement approach will be adopted keeping in view specific situation of each project, ground realities and the market situation. A flexible procurement arrangement as per IsDB's relevant Procurement Guidelines will be designed for each intervention to better service delivery to Members Countries.
- iii. For Technical assistance, technical support, knowledge sharing and advisory services and interventions in fragile & conflict situations, "fit for purpose" and flexible procurement arrangements as per IsDB's relevant Procurement Guidelines will be designed for better service delivery to Members Countries based on the situation on the ground and the realities of the market assessment

Interdisciplinary and multidisciplinary approach

108. Improvements and solutions to existing problems in education can only be understood and addressed in a larger context and that proposed solutions must therefore include a very different set of aspects and perspectives. There is an increasing need for work within and across academic and professional boundaries to develop effective solutions. Education sector often deals systematically with topics/issues from other disciplines/sectors, and as such needs solutions encompassing an interdisciplinary exchange/approach.
109. The education sector needs to collaborate with other sectors and thematic areas of the IsDB for coordination of efforts and to explore greater synergies in co-financing or co-locating operations for mutual benefits and impact. Annex 2 provides details of examples of such linkages and potential areas of collaboration in the implementation of this strategy.

Risk factors and Mitigation measures

110. The implementation of this strategy against the backdrop of the current global pandemic, further amplifies the risk of attaining the SDG 4 in MCs. Amongst them are the following and possible mitigation measures:
- i. *The complexity of development and the difficulties around guaranteeing educational outcomes.* Continued participatory engagement in sector wide approaches to defining national policy and strategic frameworks in MCs for ownership and sustainability.
 - ii. *The number of fragmented development partners far exceeds the increase in aid volume while having significant administrative costs on recipient country systems.* The official development financing landscape is increasingly fragmented with numerous players alongside MDBs including vertical funds, bilateral donors, other multilateral agencies / initiatives, Trust Funds, Non-Governmental Organizations and Private

foundations etc. Product diversification and value-added partnerships to leverage more and better financing resources will enhance IsDB relevance.

- iii. *Prioritizing the tackling of growing inequalities in MCs versus traditional advocacy for growth-oriented strategies.* Adopt a simultaneous approach towards growth that allows for adequate mechanisms for income distribution for a shared prosperity.
- iv. *Providing sufficient funding through appropriate channels and with the right mix of policies in fragility and conflict countries.* Application of cross sectoral strategies including the Fragility & Resilience Strategy, Disaster & Risk Management Strategy and the Regional Cooperation and Integration Strategy amongst others.
- v. Dealing with recurring financial crisis and volatility may continue to be a critical challenge. Forging partnerships to leverage resources and expertise.

Chapter 6: Funding Mechanisms & Resource Allocation

111. The funding mechanism of this strategy, first and foremost, acknowledges that development financing serves as a catalyst to leverage domestic resources and unlock private sector financing. Transitions - from outputs to outcome based - can be expensive particularly in terms of political consideration as the latter is more long-term and requires new orientation. Thus, advocacy to ensure better business climate with appropriate regulatory frameworks to attract private sector investment in education to complement public resources will be critical. The critical nature of resources is aptly underscored by Jeffery Sachs in a statement in which he said:

“Of all the investments needed to achieve sustainable development, none is more important than a quality education for every child. The time has come to create a Global Fund for Education to ensure that even the world’s poorest children have the chance to receive a quality education at least through secondary school”.

112. The strategy comes during an extraordinary pandemic that caught the global community unprepared and will undoubtedly change the world henceforth. The impact of the outbreak of COVID-19 on the world economy will be hardest felt by low income countries and potentially impact on governments’ capacity to mobilize both domestic and external resources. Whereas the economic stress may cause MCs to borrow more, it will increase their debt obligations and expose donors to higher risks. In several MCs where household expenditures on education are still relatively high, the impact of the COVID-19 pandemic on household incomes poses acute challenges in terms of choices and could increase inequalities in educational opportunities.

113. Taking cue from the COVID-19 pandemic, the future financing of education will be more challenging with expectations that both domestic and external resources will be hard hit. The need for building resilience and increasing efficiency and effectiveness through innovative approaches will be critical. This strategy will explore the integration of Islamic financial products in future projects and programs, notably Awqaf and Islamic micro finance to engrain sustainability and built resilience.

114. In implementing this strategy, IsDB concessional loans and grants resource allocation to the sector will exclusively be prioritized for low-income and lower middle-income countries and shall particularly be aimed at addressing the gaps in access and learning outcomes, equity and inclusiveness, at basic and secondary education including early childhood education.

115. In addition, the strategy will leverage on IsDB resource mobilization efforts with partners for concessional resources to LDMCs, notably on the Global Muslim Philanthropic Fund for Children with UNICEF and the partnership with GPE for basic and secondary education financing. Meanwhile the strategy will pursue new resource streams with the Arab Coordination Group and GPE for basic and secondary education, and with African Development Bank on the establishment of the African Education, Science, Technology

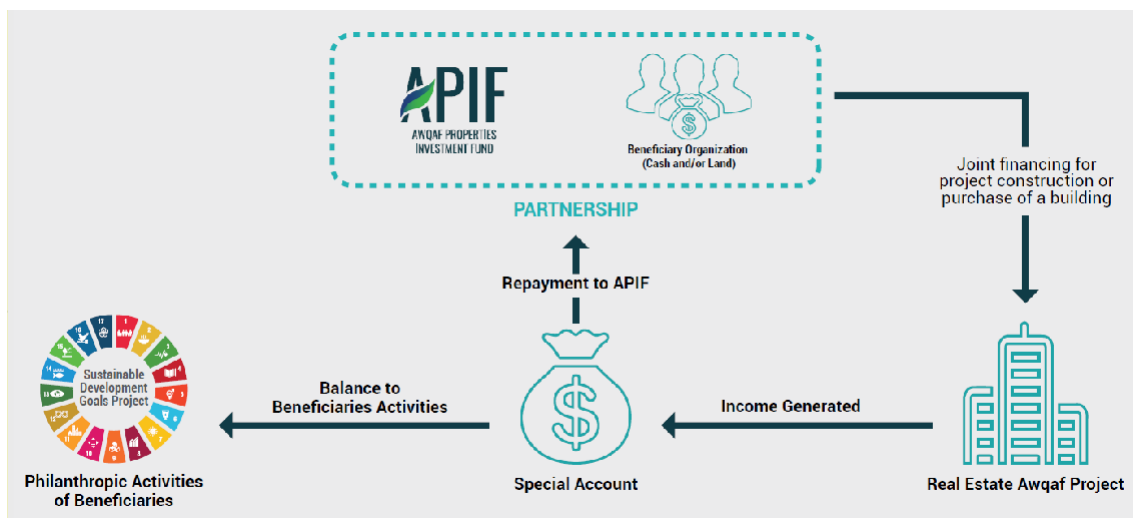
and Innovation Fund targeting TVET, STI, STEM, R&D and higher education in Africa amongst others.

116. In the development of the Annual Work Plan, the IsDB will prioritize programs, projects and operations that bring to bear several inter sectoral linkages (co-locating operations) for the allocation of loan and grant resources for low-income and lower-middle income countries. This is aimed at enhancing a holistic approach to ensuring a conducive, safe and healthy learning environment that serves the needs of learners.

Box 2: Awqaf as a Mechanism to Support the Financial Sustainability of Educational Institutions

The concept of Awqaf (singular: Waqf, i.e. Islamic charitable endowments) has great potential for international development policy and practice. Historically, Awqaf have played a major role in Islamic Civilization by providing sustainable financing for many social services, including education. Furthermore, the importance of the Awqaf/endowment concept is not limited to its historical or religious dimensions. Rather, this concept is relevant within the framework of contemporary civilization. For example, many modern Western institutions, most notably major universities, rely heavily on their endowments.

The IsDB is spearheading the introduction of Awqaf as a tool for development via the Awqaf Properties Investment Fund (APIF). As a few of the Fund's innovative pilot projects suggest, opportunities for internal synergies exist, whereby a waqf component can be embedded in educational projects thereby unlocking additional financing from APIF. The revenue generated from the financed Awqaf real estate assets would then be used to repay APIF's instalments as well as to support the post-completion recurrent operations costs of the educational facilities financed under the same projects. This is summarized in the schematic below, targeting SDG 4.



117. The Strategy will pursue the building of strategic partnerships to leveraging co-financing, create complementarity and synergy of interventions through innovative blended financing modalities including outcome-based financing in collaboration with other partners and the private sector. The strategy will scale up cooperation with Global Partnership for Education (GPE) to unlock its Multiplier Funds including in partnership/collaboration with other Arab Funds. The strategy will explore engagement with the GPE and the Arab Funds to create a blended finance facility for education that

could be hosted within the region. In this regard, the strategy will advocate for opportunities to raise support and highlight the importance of exploring innovative financing tools and crowding in additional finance from the Arab region into basket Funds.

118. Aware of the role and significant contribution of private sector and the third sector (philanthropic and civil society) in education service provision, the financing mechanisms would also explore engagements with private-for-profit service providers to tap on the IsDB private sector windows like ICD, ITFC and ICIEC for funding of education interventions. Due to the lack of in-house expertise in the field of education, these Entities will be in need of IsDB's expert support and advice, thus, the principle of 'one bank group approach'. Meanwhile the Strategy will continue to engage the private sector in supporting public education in MCs as part of corporate social responsibility.
119. In the spirit of the IsDB Group synergy, funding through the STI Policy towards education and training related interventions for institutions shall be considered as part of the overall goal of the strategy in capacity building in MCs. These include the Engage and Transform platforms for boosting skills, sourcing ideas and knowledge transfer through matchmaking, technology transfer, start-ups and small & medium enterprise development. Similarly, awards of the Scholarship program in different fields and levels of study will be so considered. Deliberate efforts will be made to build synergies in these directions to support the education and training value chain.
120. The strategy seeks to gradually shift from single project financing to support a holistic sector-wide programmatic approach for alignment with the MCPS process, in particular through the GVC-focused analysis. This will ensure that the entire value chain of sustained education and training provision for a country's product champions guides intervention in the sector to fulfil the human capital requirements thereof.
121. The strategy will seek to mobilize flexible and blended financing packages to support the education sector in MCs. This would include providing financing, knowledge and other resources from across the Bank as well as leveraging finance from key partners operating in the education sector particularly through south-south and triangular cooperation.
122. In close collaboration with ERIL and BPRD, the ESID will develop a monitoring and reporting framework to provide an annual status report on the implementation of the Strategy as a basis for continuous improvement and enhancement of the implementation mechanisms. Annex 1 provides the performance and outcome indicators to measure progress in implementation.

Chapter 7: Monitoring and Evaluation

123. Through this strategy, the IsDB commits to work with the global community to support its MCs achieve the SDG 4 targets through enhanced human development and shared prosperity. Measuring outcomes in education is not straightforward and often the poor outcomes (such as mismatch, shortages and gaps in skills of graduates against labor market demands and expectations) are easily recognizable while on the contrary, positive outcomes (low unemployment, increased productivity or economic growth) are generally lumped into other indicators. Nonetheless, measuring performance is essential to monitor progress and inform future decisions on activities to improve effectiveness, efficiency and relevance of an education system. Consequently, the progress and/or changes in the outcome and impact indicators assume that the requisite institutional reforms are implemented and supported by government commitment and a strong political will.
124. The strategy recognizes that IsDB MCs are at diverse stages of development and at varying stages of achievement towards SDG 4, and commits to accompanying each country based on needs with priority for low and middle-income countries. The performance monitoring framework (Figure 4) is aligned with the policy pillars and the strategy objectives, and consists of performance, outcomes and impact indicators.
125. Although the monitoring framework specifies the direct deliverables of the strategy, the ultimate objective of transforming education systems is a collective responsibility for government and its development partners. In this regard, the ERIL Department will play a crucial role in helping establish a periodic publication of selected sector data in addition to its current country snapshot to facilitate a one-stop-shop reference point for monitoring progress towards SDG 4. This is particularly important for monitoring progress towards SDG 4 but also to guide and align investment choices to country needs.

Figure 4: Performance Monitoring Framework

Policy Pillar	Strategic Objective	Monitoring Indicators			
		Performance	Output	Outcome	Impact
Enhanced provision of basic education	Build resilient and balanced education ecosystems for inclusive quality lifelong learning	<ul style="list-style-type: none"> Build & upgrade education facilities with renewable energy supply & WASH facilities Support regular data reporting including learning assessment and performance monitoring Stakeholder engagement to enhance holistic sector-wide approaches Integration of Islamic education with formal system Gender responsive systems & approaches (essential life skills, equitable learning outcomes, increasing earning etc.). Support Teacher proficiency & professional development -In-service and pre-service training Enhancing curricula relevance (setting & rethinking curricula priorities) Addressing disabilities, malnutrition and related impediments to attendance & performance Invest in ICT infrastructure, system, policies and expertise Monitoring teaching & learning No of incentive packages provided for teacher motivation 	<ul style="list-style-type: none"> No of facilities constructed/ upgraded No of teachers receive professional development training & certified No of advocacy events & dialoguesessions on strategic reforms No of curricula reforms initiated and on engaged in ICT for education policy/strategies & infrastructure No of teachers accessing incentivepackages No of institutions introducing programs in Islamic Finance & banking No of graduates in Islamic finance & banking programs No of remote learning platforms launched and/or crowdsourced No of WASH facilities created No of awareness campaigns onwater, sanitation and hygiene issues School feeding initiatives & programs launched with partners 	<ul style="list-style-type: none"> Change in Gross & Net enrolment rates by level, gender & region Change in proportion of out-of-school children Change in transition rate Change in % of students achieving minimum scores in standardized assessments/examinations Change in % students passing final/terminal examinations Proportion of teachers with required national qualifications by level andgender Change in pupil teacher ratio by level No of students accessed through remote and distance learning platforms Improved nutritional & health status of children 	<ul style="list-style-type: none"> Change in average number of years of schools & adjusted years of learning
	Build foundation for human development & empowering learners discover pathways to harness their potentials	<ul style="list-style-type: none"> Investing in early childhood development for school readiness Scaling up proven accelerated learning programs forinclusiveness Investments in the modernization & integration of Madrassas & promoting bilingual education Use of ICT to enhance learning: e-learning, distancelearning & self-learning Promote disciplines in Islamic Banking and Financein Higher Education Creation of Massive Open Online Courses (MOOC) 			

<i>Post-basic education provision</i>	Invest in youth skills & competency development	<ul style="list-style-type: none"> No and volume of skills development operations/projects funded No of initiatives (start-up, SMEs, matchmaking, canters of excellence, entrepreneurship, job centers etc.) launched & operational No/% of projects & programs incorporating youth development Facilitate access to education opportunities and school-to-work transition Addressing youth educational needs and facilitating skills acquisition for employability Access to microfinance for youths and women 	<ul style="list-style-type: none"> No of TVET facilities constructed/ upgraded & equipped No of youths accessing information on job opportunities No of curricula reforms embedding values & ethics and 21st Century skills No of graduates from tertiary education by field of study Number of students receiving scholarship in designated fields of study No of infrastructure built in tertiary institutions No of platforms for funding opportunities in STI No of teacher trained in STEM subjects No of entrepreneurship initiatives launched No of youths/women & SMEs benefitting from microfinance facilities 	<ul style="list-style-type: none"> Change in enrolment in skills development and training programs by field, level of qualification (according to national or regional qualification frameworks) and by gender No of youths certified/graduating from training by field, level of qualification & gender Number/% increase in students pursuing STEM subjects Proportional increase in qualified personnel Reduced gender disparities in access to education (STI, STEM & TVET) No of women trained in skilled technology related jobs 	<ul style="list-style-type: none"> Change (%) in youth employment rates -Change in perception towards the relevance of TVET -No of job opportunities created -Change in proportion of youths "Not in Education, Employment or Training" (NEETs) -Increased tolerance for diversity in society
	Foster development and use of science and technology to enhance competitiveness	<ul style="list-style-type: none"> No and Volume of scholarships awarded by level and field of study, gender & region No of action-oriented research and development programs initiated Training of teachers in Science, Technology, Engineering & Mathematics (STEM) Building laboratory infrastructure in Higher Education to boost research capacity Promote research and training, and advisory services in the Islamic Financial Services industry Linking educational research & educational policy and practice in MCs Create incentives for Teachers of STEM and Researchers Facilitate South-South Reverse Linkage opportunities to build MC capacities in STI and technology transfer Access to competitive funding opportunities on STI. Facilitate the access to property rights for researchers and innovators (patents, copyrights, industrial property...) 			

<p><i>Advocacy and advisory services</i></p>	<p>Facilitate increased systemic changes for equitable and inclusive education services</p>	<ul style="list-style-type: none"> • Participate in global discourse on education • Participate in country level policy/strategy discuss & donor reviews • Engage in resource mobilization initiatives & campaigns • Nurture effective partnerships between governments, employers and training institutions • Avail Reverse Linkage opportunities to build capacities in MCs • Campaign for equity & inclusiveness at all levels • Promote Islamic finance products to sustain investments • Supporting establishment of regulatory & institutional frameworks for developing Islamic finance in education • Promotion of dialogue, awareness and consultations with civil society to empower vulnerable groups • Promotion of collaboration between public, private and civil society as network of developers • Embedding sustainable & innovative financing (e.g. Awqaf) in projects & programs • Promoting gender responsive curriculum development and teacher training. • Leverage civil society -Philanthropies & Foundations – to mobilize resources 	<ul style="list-style-type: none"> • No of initiatives & programs developed & launched • Volume of resources leveraged from partnerships including Philanthropies & Foundations • No of high-level global events attended by Senior Management • No of technical engagements & participation in global initiatives in education • 	<ul style="list-style-type: none"> • More and better financing for education • More inclusiveness educational provisions • Empowered stakeholders and learners • Civil society engagement • More inclusive approaches educational provision • Holistic education sector plans 	<p>Transformed and resilient education systems</p>
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Annex 1: Education Sector Operational Strategy Implementation Action Plan

Activities	2021	2022	2023	2024	2025	Responsibilities
1. Mainstreaming & aligning education strategy with interventions in the sector						
1.1. Develop guidelines/checklist to ensure GVC based MCPS programming align with strategic objectives	X					SID, DOST, CRS, BPRD
1.2. Develop guidelines/checklist to ensure non-MCPS programming align with strategic objectives	X					SID, DOST, CRS, BPRD
1.3. Support project design to ensure quality at entry	X	X	X	X	X	SID, RHs, CRS
1.4. Support to project implementation (PIASR, CPPR, PCR)	X	X	X	X	X	SID, RHs, GOED
2. Advocacy, resource mobilization and allocation						
2.1. Advocate for systemic reforms						
2.1.1. Engage in country level policy & strategic discussions/reviews	X	X	X	X	X	SID, RHs, CRS
2.2. Advocate for more & better financing for education						
2.2.1. Develop innovative financial models with partners	X	X	X	X	X	SID, PPP, GRMD, FCD, ISFD, APIF, Entities
3. Capacity building for lifelong learning to strengthen education ecosystems						
3.1. Support institutional & individual capacity building						
3.1.1. Reinforce institutional capacity at Global Practice and Regional Hub levels	X	X	X	X	X	SID, RHs, BPRD
3.1.2. Promote lifelong learning & professional development	X	X	X	X	X	SID, RHs, RSD
3.1.3. Use of Reverse Linkage in project design to build capacity & support institutional resilience	X	X	X	X	X	SID, RSD,
3.1.4. Provide targeted scholarships for LDMCs focused on skills training	X	X	X	X	X	SID, ISFD, STI
3.2. Support skills development for youths and transition to work						
3.2.1. Initiate start-up, SMEs, matchmaking, entrepreneurship, job centers for youths & women	X	X	X	X	X	SID, RSD, AID, Entities
3.2.2. Strengthen linkages between institutions & industry for internship & transition to work	X	X	X	X	X	SID, RHs, CRS, PPP
4. Mainstreaming the use of ICT & STI in education						
4.1. Mainstream and embed use of ICT and digital technology as teaching & learning tools	X	X	X	X	X	SID, EID, STI, RHs, CRS
4.2. Support/facilitate digital educational platforms to promote educational entrepreneurship	X	X	X	X	X	SID, EID, STI, RHs, CRS
4.3. Facilitate Reverse Linkage opportunities to build MC capacities in STI and technology transfer	X	X	X	X	X	SID, EID, STI, RSD, AID, EID, RHs
5. Expand the provision of quality basic & secondary education						
5.1. Enhancing curricula relevance (setting & rethinking curricula priorities)	X	X	X	X	X	SID, RHs
5.2. Develop programs to enhance inclusive education & scaling up accelerated learning models	X	X	X	X	X	SID, RHs, ISFD
5.3. Promote integration & modernization of madrassa education and bilingual education	X	X	X	X	X	SID, RHs, ISFD
5.4. Promote teacher professional development	X	X	X	X	X	SID, RHs, ISFD
6. Monitoring and evaluation of strategy implementation						
6.1. Establish publication of periodic Education sector profile for MCs	X	X	X	X	X	SID, ERIL,
6.2. Prepare annual Briefs on MCs performance based on Global Education Monitoring Reports	X	X	X	X	X	SID, KMIL

Annex 2: Linkages between the Education Operations Strategy and Other IsDB Sector Strategies

Sector/Thematic Area	Strategic Priorities	Linkages	Areas for collaboration & colocation of operations
Agriculture	<ul style="list-style-type: none"> • Increase access to market facilities • Strengthen human and institutional capacity • Promote private sector contribution/participation • Advance the application of STI and digital revolution • Promote inclusive, sustainable and integrated approaches 	<ul style="list-style-type: none"> • R&D on improved technologies STI including improved seed varieties and planting materials, livestock breeding programs, mechanization, climate- smart agricultural technologies, among others • Agricultural education & training • Innovation to increase productivity • Joint interventions in education, land use and infrastructure to improve household income levels • Co-funding and co-locating operations to enhance resilience and sustainability • Promote private sector participation and effective engagement 	<ul style="list-style-type: none"> • Enhancing the role of teaching, research & agricultural services • Providing technical skills for agriculture • School farms & gardens for sustainable school feeding nutrition & improved attendance/learning outcomes • Revitalizing TVET for entrepreneurship & jobs - practical oriented curricular • Building capacity for functional entrepreneurial value chains in agriculture • Linking research, STI and skills development with industry value chains in partnership with private sector • Higher education engagement in agricultural value chain to promote youth employability • Targeting scholarship towards graduate & post graduate studies in agricultural transformation will entail identifying appropriate universities and mechanisms including partnerships with various donors to fund and support graduate studies in agriculture and rural development • Joint capture knowledge related to innovations to enhance capacity development in the agriculture and rural development sector in the member countries • Basic educational activities in rural development interventions
Climate Change	<ul style="list-style-type: none"> • Mainstreaming climate considerations within IsDB operations 	<ul style="list-style-type: none"> • Enhancing/building capacity to plan and prepare for projected climate changes 	<ul style="list-style-type: none"> • Support the provision of access to appropriate information and technologies on current and projected climate change impacts through education & training,

	<ul style="list-style-type: none"> • Promoting MC climate change resilience • Supporting MCs transition to Green economy/low-carbon transition • Mobilization and leverage for climate investment 	<ul style="list-style-type: none"> • Integration of low carbon and climate resilience options in project and program designs • Adapt known, emerging and future climate change effects on training & retooling for adaptation to new methodologies and labor market requirements • Leveraging cross-sectoral (such as energy, transport, agriculture, water and sanitation, health and urban development) and thematic (such as gender, youth) climate solutions to address systemic climate impacts in education 	<ul style="list-style-type: none"> • Establish assessment tools and guidance documents on civil works designs (flood & cyclone prone areas, extreme heat etc.) as well as nature-based solutions for education infrastructure to foster for safe & conducive learning environment • Support the enhancement of environmental education in school curriculum at all levels • Support the development and adoption of proactive reforms in training & skills development to include green jobs and sustainability profession through education • Education and awareness raising campaign/advocacy for increased climate adaptation and mitigation action as well as broader climate policy reforms • Development of innovative, dynamic and multidimensional teaching approaches to integrate climate change education in various pedagogical fields and disciplines. • Mobilize multi-stakeholders (private and public) resources (human, technical and financial) to advance environmental education and capacity/skills acquisition for low carbon and climate resilient futures
Civil Society Engagement	<ul style="list-style-type: none"> • Mainstreaming Civil Society Organizations knowledge and experiences in operations • Engaging Civil Society Organizations as partners • Capacity building • Diversifying the source of financing 	<ul style="list-style-type: none"> • Engage civil society in fragile & conflict situations for better service delivery to affected communities • Engage civil society in strategic dialogue and advocacy • Setting up sustainable financing mechanisms for civil society engagement 	<ul style="list-style-type: none"> • Advocate for private sector & civil society engagement • Engage civil society as Implementing Partners of project components to leverage expertise • Partnerships to promote innovative projects to support refugee education & resilience building • Establishing platforms for crowdfunding from civil society • Providing education in emergency & fragile situations • Leverage civil society -Philanthropies & Foundations – to mobilize resources

		<ul style="list-style-type: none"> • Information and outreach 	
Energy	<ul style="list-style-type: none"> • Increase energy access, increase energy efficiency & scale up renewable energy 	<ul style="list-style-type: none"> • Providing reliable and affordable energy supply • Access to new & appropriate technologies for energy supply • Designing school infrastructure with appropriate energy sources 	<ul style="list-style-type: none"> • Embedding renewable & affordable energy sources especially solar energy in school infrastructure designs • Promote private sector interventions • Promote energy storage solutions in school infrastructure located in off grid areas to ensure energy reliability Capacity building and advocacy
Health	<ul style="list-style-type: none"> • Improving nutrition & health status targeting vulnerable and poor populations • Prioritize the strengthening of primary care delivery and prevention • Innovative financing for health projects and programs • Improve IsDB governance and capacity building for health • Financial risk protection as part of the international universal Health coverage standards 	<ul style="list-style-type: none"> • Building human capital through investing in people through health and quality education as key to ending extreme poverty and creating more inclusive societies. • Girls' and women's education improve health outcomes & reduces maternal and child mortalities and increase economic productivity • Access to improved nutrition enhances early childhood development • Access to school health services improves school attendance and performance 	<ul style="list-style-type: none"> • Targeted opportunities in programs for the poor & disadvantaged • Health education and promotion at kindergarten, primary and secondary schools • Inclusive access to health services for all learners • Explore eHealth solutions • Awareness campaigns against health, socioeconomic & gender-based obstacles and cultural factors for individual health care access • Higher education and training to build human resources for health systems & effective health service delivery - train primary health care professionals • Embedding communications approaches for behavioral change for healthy lifestyles in school curricula
ICD	<ul style="list-style-type: none"> • Promote private sector development 	<ul style="list-style-type: none"> • Affordable financing for private sector • Support entrepreneurship 	<ul style="list-style-type: none"> • Blended finance & PPP to mobilize financing in education • Providing advisory services to encourage the establishment, expansion & modernization of SMEs

	<ul style="list-style-type: none"> Facilitate access to Islamic capital markets Mobilize additional financial resources for private sector Promote entrepreneurship, and encourage cross-border investment 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Collaboration in creating integrated entrepreneurship ecosystems for job creation
ICIEC	<ul style="list-style-type: none"> Provide Trade credit insurance facilities to Banks, Suppliers and Contractors dealing in Member Countries Provide Political risk insurance facilities to cross-border investors, projects managers, contractors and Banks Provide cover against Non-Honoring of Sovereign Financial Obligations and Non-Honoring of SOE's Financial Obligations risks 	<ul style="list-style-type: none"> Engagement with Private sector as well as with PPP, Governments and State- Owned Entities Partnership with other MDBs and International Financial Institutions Boost intra- OIC trade Facilitation of Foreign Financing Resources Mobilization of Reinsurance Resources 	<ul style="list-style-type: none"> Providing guarantees for foreign trade Providing guarantees for cross-border trade and project financing Providing guarantees for private sector foreign infrastructure (civil works & equipment) investments in education & training Developing off-balance sheet and innovative funding structures Resource mobilization and support for education sector in MCs.
Information & Communication Technology (ICT)	<ul style="list-style-type: none"> Mainstreaming ICT in IsDBG interventions to achieve the SDGs Universal access to information and communication technology Providing an enabling environment for education & other sectors 	<ul style="list-style-type: none"> Digital inclusion and E-education (e-learning, digital technology, distance learning etc.) Building distance/digital learning infrastructure (hardware & software) 	<ul style="list-style-type: none"> Developing ITC for education policy frameworks & masterplan Embedding ICT infrastructure and applications as a tool for teaching & learning Enabling inclusive access to digital content Ensuring cyber security for learners and content material Use of data and AI for business, research & service delivery

	<ul style="list-style-type: none"> • Capacity building & knowledge generation to serve as an enabler for knowledge-based economies 	<ul style="list-style-type: none"> • ICT is an enabler for learning transformation & capacity building 	
ISFD	<p>Seeks to reduce poverty in MCs through:</p> <ul style="list-style-type: none"> • The Promotion of pro-poor growth • support to human development especially improvements in health care, education and job creation, • The provision of financial support and social safety nets for the poor; and • Enhancement of good governance & access to public service delivery by the poor. 	<ul style="list-style-type: none"> • Education is a fundamental human right • Share view of the multidimensional nature of poverty • Building the fundamentals of human development encompasses education, health, water, housing amongst others for vulnerable groups. 	<ul style="list-style-type: none"> • Funding to scale up ISFD flagship programs notably Bilingual Education, Out-of-school children, VOLIP • Addressing youth skills through targeted scholarship programs – IsDB-ISFD TVET scholarship awards program. • Program development targeting the poor and marginalized • Resource mobilization including exploring blended financing with partners for more and better financing for education • Embedding access to microfinancing opportunities in TVET operations

IRTI	<ul style="list-style-type: none"> • Undertake research for developing economic development solutions using Islamic principles. • Adopt problem solving approach with effective partnerships. • Develop Islamic Finance as a tool to address various issues of socio-economic development. 	<ul style="list-style-type: none"> • Research • Knowledge products & advisory services • Capacity building and training • Learning initiatives 	<ul style="list-style-type: none"> • Support development of curricula in Islamic finance and banking in higher education institutions • Support capacity building in research in higher education • Provide capacity building and training in Islamic finance & banking through MOOCs • Enhancing industry skills in Islamic Banking and financial instruments • Provide fee-based trainings on use of technology in Islamic finance (AI and Blockchain). • Education on impact investment and hybrid instruments
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	<ul style="list-style-type: none"> • Develop and disseminate research and policy findings in different fields, and organize seminars, workshops and training programmes for capacity development. • Promote and encourage impactful solutions using Islamic economics & finance. 		<ul style="list-style-type: none"> • Fee-based Training in Awqaf, management of not-for-profit organizations and leadership. • Training and education in Islamic Social Finance • Training in poverty measurement and zakat targeting for the poor.
ITFC	<ul style="list-style-type: none"> • Facilitate OIC MCs intra-trade • Improve access to trade finance for businesses • Build and enhance public and private capacities; • Support key sectors in the member countries 	<ul style="list-style-type: none"> • Improving lives through inclusive growth • Supporting job creation through private sector development • Promote the use of Technology, Skills and Innovation • Develop SME's support programs; • Disseminate the best agriculture practices 	<ul style="list-style-type: none"> • Support & collaborate in training programs targeting youth and women economic empowerment & employability • Collaborating in building skills & competencies for the value chain of champion products • Provide digital solutions to the prioritized sectors in MCs, mainly in agriculture • Facilitating private sector engagement with training programs and matchmaking • Building partnerships for resource mobilization for the implementation of trade development engagements • Promotion of youth entrepreneurship through business incubations • Contribute to the modernization of the key sectors in MCs; • Tackling barriers to trade and female & youth capacity enhancement opportunities through training and skills development • Provide trade-related capacity development

Public-Private Partnership (PPP)	<ul style="list-style-type: none"> • Reinforce PPP enabling environment • Ensure long-term infrastructure investment • Facilitate institutional & financial sustainability 	<ul style="list-style-type: none"> • Provide additional options and opportunities for learning -for-profit & not-for-profit • Partnerships in design & implementation of training programs (win-win partnerships) 	<ul style="list-style-type: none"> • Private sector engagement for social infrastructure investments in education • Facilitate access to on-the-job training opportunities and industrial experience for trainees in TVET • Initiate incubators, startups and match making • Explore FinTech solutions in partnership with private sector • Line of finance for private sector investors in education
Regional Cooperation & Integration (RCI)	<ul style="list-style-type: none"> • Enhancing cross-border connectivity • Improving investment climate • Mainstreaming trade and Islamic financing • Facilitating cooperation to provide regional public goods 	<ul style="list-style-type: none"> • Cooperation to provide regional public goods (education, training, research, regulations) • Mainstreaming Islamic Finance through capacity building programs, agreements on rules and standards • Improving connectivity through networks of universities and research centers • Capacity building on policy engagement to catalyze interventions & investments • Support development and implementation of education frameworks utilizing GPE financing and identifying critical shared priorities for education improvement. • Encourage GPE to 	<ul style="list-style-type: none"> • People Exchange, Transnational Education, Information Exchange, and Regulatory Reform • Regional agreement on education standards to improve the quality of education systems and increase mobility of students and staff • Regional strategic cooperation to mobilize resources and to facilitate academic exchanges • Integration through regional networks and universities • Open and Distance Learning • e-Trade & e-Governance • Leverage on & build capacity of higher and tertiary education institutes to train, engage & deliver productive youths • Capacity building on integrating interventions and planning management • Explore blended financing facilities with partners (ACG/GPE) • Access to education for refugees in MCs • Promotion of Arabic language in MCs as a vehicle for development & integration • Bilateral cooperation through Reverse Linkage platform

		merge its country allocations into a regional window.	
Resilience & Fragility	<ul style="list-style-type: none"> • Invest in conflict & disaster prevention • Transitioning relief to development • Supporting recovery and building resilience • Mobilizing resources for resilience 	<ul style="list-style-type: none"> • Increase engagement & partnership to improve service delivery • Expands economic opportunities for girls and women • Support recovery and resilience and address fragility traps 	<ul style="list-style-type: none"> • Support the reconstruction of educational infrastructure after natural disasters and in post-conflict areas • Provide support to vulnerable learners • Programming for post-conflict situations working with government, partners & higher education institutions • Facilitating social inclusion and youth & women empowerment • Strengthening resilience of educational institutions • Provide guidance notes on civil works designs (flood & cyclone prone areas, extreme heat etc.) for safe & conducive learning environment
Science Technology Innovation (STI)	<ul style="list-style-type: none"> • Integrating STI in IsDB programs & projects • Strengthening STI systems in MCs • Support human capital development for the workforce necessary for a functional STI system • Support research and the enhancement of scientific and technological infrastructure • Scaling up innovative projects • Providing capacity building for the protection of intellectual property rights 	<ul style="list-style-type: none"> • Opportunities for STEM training to nurture scientists, engineers & technicians • Strengthens higher education institutional capacity for R&D • Funding opportunities • Researchers and innovators 	<ul style="list-style-type: none"> • Training of Teachers of STEM at higher education for secondary education • Create incentives for Teachers of STEM and Researchers • Support programmes/projects and infrastructure for STEM in secondary and higher education • Facilitate South-South Reverse Linkage opportunities to build MC capacities in STI and technology transfer • Linking educational research & educational policy and practice • Development of linkages between academic organizations and industries to develop STI based solutions • Development of scientific research laboratories, science parks and technology business incubators • Expand opportunities for cyber physical systems for 21st century skills and the 4th industrial revolution • Access to competitive funding opportunities on STI.

			<ul style="list-style-type: none"> Facilitate the access to property rights for researchers and innovators (patents, copyrights, industrial property...)
Transport	<ul style="list-style-type: none"> Universal affordable access Disaster and post-conflict reconstruction Efficient transport system Regional connectivity Green transport 	<ul style="list-style-type: none"> Reliable and affordable transport services increase learning opportunities 	<ul style="list-style-type: none"> Access to transport services for learners Construct and connect schools to access and feeder roads Provide road safety signages near schools
Urban	<ul style="list-style-type: none"> Safe and sustainable urban settlements Urban economy Urban mobility Urban housing & slum upgrading Urban water & sanitation Climate action & environmental resilience 	<ul style="list-style-type: none"> Capacity building & knowledge programs on improved living conditions in urban slums 	<ul style="list-style-type: none"> Provide affordable education & training for urban poor to improve livelihoods Urban housing schemes for teachers and educators Providing sanitation services in urban educational facilities Raising Awareness about Water, Sanitation and Hygiene in Schools Awareness campaigns & civic engagement for improved living conditions in slums Provision of Specifications and Building Standards for the construction of Schools and Universities in flood prone areas or in Zones subject to seismic activities Linking Municipalities and Local Authorities to support provision of food to low level schools, and in poor and deprived areas or slums. Raising awareness in schools on climate & environment Issues
Water	<ul style="list-style-type: none"> Effective water resources management Resilient water systems Universal and adequate access 	<ul style="list-style-type: none"> Educational facilities need reliable & affordable sources of water supply Capacity building & knowledge sharing 	<ul style="list-style-type: none"> Conduct awareness campaigns on importance of water, sanitation and hygiene in preserving lives Integrate water and sanitation components in education interventions

	<ul style="list-style-type: none"> • Water use efficiency 	<ul style="list-style-type: none"> • Women & youth empowerment 	<ul style="list-style-type: none"> • Provide systematically WASH facilities for enhanced learning environment, with special attention to gender needs • Incorporate hygiene & water conservation in school curricula • Build capacity on water governance and management • Support a new generation of water practitioners, through scholarship and/or TVET • Promote research and development in the water sector
Women empowerment	<ul style="list-style-type: none"> • Improving Women's access to resources and services • Mainstreaming women's needs in the Bank's projects • Promoting women's agency and participation • Fostering learning and capacity development 	<ul style="list-style-type: none"> • Women's empowerment through education - opportunities for skills development • Access to educational services & employment opportunities to reduce disparities • Trickle down effects of women empowerment on children's health and learning outcomes 	<ul style="list-style-type: none"> • Addressing gender inequality through opportunities & access to education (STI, STEM & TVET) for women's empowerment & employment of women in skilled technology related jobs • Promoting gender responsive curriculum development and teacher training. • Fundamental literacy and numeracy skills programs for women
Youth	<ul style="list-style-type: none"> • Youth Education • Economic Empowerment • Youth Engagement 	<ul style="list-style-type: none"> • Addressing youth educational needs and facilitating skills acquisition for employability • Facilitate access to education opportunities and school-to-work transition • Expanding skills development & TVET 	<ul style="list-style-type: none"> • Strengthening entrepreneurship value chains focusing on youth – training for employability • Facilitate & finance startups and incubations to scale • Creating avenues & opportunities for youths to access career guidance information and skills needed for employability • Institutional capacity building to improve training ecosystems

		<p>programs for marginalized youths</p> <ul style="list-style-type: none"> • Youth engagement platforms and programs for awareness & access to information and services 	<ul style="list-style-type: none"> • Demand-led TVET programs for formal employment across value chains' stages. • Remote learning and online courses for youth with focus on financial literacy and management. • Transferable life skills programs • Targeted scholarship programs for youth skills development • Crowdsourcing initiatives through online platforms • Documenting good practices & learning from evidences
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Annex 3: Strategic Priorities of other Multilateral Development Banks

MDB	Education Strategy Priorities
African Development Bank (AfDB)	Reform and transform higher education systems in Africa by: <ul style="list-style-type: none"> • Strengthening national and regional centers of excellence for training in selected priority areas • Building and/or rehabilitating existing science and technology infrastructure • Linking higher education to the workplace
Asian Development Bank (ADB)	<ul style="list-style-type: none"> • Increase and continue to align its support in the education sector • Emphasize strengthening quality, inclusiveness, and relevant skills • Adjust subsector priorities while recognizing major differences in education needs across countries • Utilize new and innovative models of service delivery and financing • Promote regional cooperation and cross-border collaboration
Inter-American Development Bank (IADB)	Focus on three main areas <ul style="list-style-type: none"> • early childhood development, • school-to-work transition, and • teacher quality
World Bank (WB)	<ul style="list-style-type: none"> • System assessment and benchmarking tools • Learning assessment • Impact evaluation and research • Technical support for system strengthening • Results-oriented financing • Multisectoral approach • Strategic partnerships
European Investment Bank (EIB)	<ul style="list-style-type: none"> • Increasing the quality and effectiveness of education and training systems in the European Union • Facilitating the access of all to the education and training systems • Opening up education and training systems to the wider world
Council of European Development Bank (CEB)	The CEB invests in social projects that foster inclusion and improve the living conditions of the most vulnerable populations: <ul style="list-style-type: none"> • Inclusive growth • Support for vulnerable groups • Environmental sustainability

Annex 4: Features of SDG 4 – Education 2030

A universal agenda for all countries: The 2030 Agenda for Sustainable Development is framed by 5 key objectives: (1) People - to end poverty and hunger; (2) Planet - to protect the planet from degradation (3) Prosperity - to ensure that all human beings can enjoy prosperous and fulfilling lives (4) Peace - to foster peaceful, just and inclusive societies and (5) Partnership - to mobilize the means required to implement this Agenda through a revitalized global partnership for sustainable development. The concern for sustainable development and its three dimensions – economic, social and environmental - is at the heart of the 2030 global development agenda. This globally shared concern for sustainability implies a *universal agenda* relevant to all societies regardless of income and/or development status. This can be understood as a *universality of principles* (human rights), *universality of reach* (focus on equity and inclusion), and *universality of country coverage*.

A broad scope ensuring lifelong learning opportunities for all: SDG4-Education 2030 aims to ensure equitable opportunities to education in a holistic and *lifelong learning* perspective. It aims to ensure universal pre-primary and secondary education leading to effective and relevant learning outcomes for all children, youth and adults as a foundation for lifelong and life-wide learning. In addition, SDG4 also aims to ensure *equal opportunity in access to further learning opportunities* for youth and adults throughout life.











Renewed focus on equity, inclusion and gender equality: SDG4-Education 2030 includes a renewed and broader focus on inclusion, equity and gender equality. This is particularly explicit in target 4.5 which aims to eliminate gender disparities and ensure more equitable access to all levels of education and vocational training for vulnerable populations including persons with disabilities and indigenous peoples.

Renewed focus on effective learning: SDG4-Education 2030 includes a renewed focus on *effective learning* and the acquisition of relevant knowledge, skills and competencies. This is evident in the targets and global indicators for pre-primary (Targets 4.2), primary and secondary education (Target 4.1), as well as for youth and adult literacy (Target 4.6).

New focus on relevance of learning: What is new in the SDG4-Education 2030 is the focus on the *relevance of learning*, both in terms of vocational and technical skills for decent work (Target 4.4), as well as for 'global citizenship' in a plural, interdependent, and interconnected world (Target 4.7).

Unpacking Sustainable Development Goal 4 Education 2020, UNESCO

Annex 5: SDG 4 Targets

	<p>Target 4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes</p>
	<p>Target 4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</p>
	<p>Target 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p>
	<p>Target 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p>
	<p>Target 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p>
	<p>Target 4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy</p>
	<p>Target 4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender quality, promotion of a culture of peace and nonviolence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development</p>
	<p>Target 4.a Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all</p>
	<p>Target 4.b By 2030, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries</p>
	<p>Target 4.c By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States</p>

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Rated AAA by the major rating agencies, the Islamic Development Bank is a multilateral development bank that has been working for over 45 years to improve the lives of the communities it serves by delivering impact at scale. The Bank brings together 57-Member Countries across four continents, touching the lives of 1 in 5 of the world population. Its mission is to equip people to drive their own economic and social progress at scale, putting the infrastructure in place to enable them to fulfil their potential. Headquartered in Jeddah, Kingdom of Saudi Arabia, IsDB has regional hubs and centers of excellence in 11 of its Member Countries. Over the years, the Bank has evolved from a single entity into a group comprising five entities: Islamic Development Bank (IsDB), the Islamic Development Bank Institute (IsDBI) tasked with research and training, the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Islamic Corporation for the Development of the Private Sector (ICD), and the International Islamic Trade Finance Corporation (ITFC).

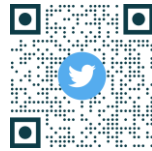
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