



THE CASE FOR ENGAGING ARAB DONORS IN FINANCING GLOBAL EDUCATION

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INTRODUCTION

Investing in education has been pivotal to making progress toward achieving the Millennium Development Goals. Research shows that investing in providing a high-quality education alleviates extreme poverty, improves health outcomes, protects girls from early marriage and empowers women.¹ Recent evidence also suggests that for every \$1 spent on education, between \$10 and \$15 can be generated in economic growth.² But after a marked decrease in the number of children and adolescents who were out of school around the world between 2000 and 2007, progress has stalled.³ In 2012, 58 million children and 63 million adolescents, respectively, did not have access to primary and secondary education.⁴

The financing gap continues to be one of the major obstacles to global development efforts. For the global education agenda, the United Nations Educational, Scientific and Cultural Organization (UNESCO) estimates the current need at \$42 billion annually through 2015—\$29 billion to achieve universal primary education, and \$13 billion to improve access to lower secondary education.⁵ Even with donors' contributions, the yearly gap remains \$38 billion.⁶ And this

gap is also widening, because more than 20 bilateral and multilateral donors—including 9 of the largest 15 donors—have reduced their aid disbursements to basic education, leaving an even greater burden on the low performing countries themselves.⁷ To help tackle this challenge, the United Nations General Assembly established the Intergovernmental Committee of Experts on Sustainable Development Financing to support countries in mobilizing more resources and to advise them on how to spend these resources more effectively. Though the formation of this committee is a crucial step in addressing the financing issue, the global education community would also benefit from intensifying its efforts to engage a wider set of stakeholders from every sector and region.

In this regard, donors from developing countries and emerging economies have already demonstrated their commitment to furthering development and have begun to take important steps to engage with the global community. For example, African philanthropists and social investors recently gathered in Addis Ababa at the first African Philanthropy Forum to share knowledge and coordinate their efforts. And Brazil, Russia,

India, China and South Africa (known as the BRICS) have agreed to establish the New Development Bank, with an initial authorized capitalization of \$100 billion. These events should help usher in a decade of increasingly inclusive global dialogue on how to find new and more sustainable solutions to the challenge of financing education on a global scale.

The Arab world could also play an important role as a partner in finding more sustainable solutions to addressing the global education financing gap. (For the context of this paper, the “Arab world” refers to the countries of Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, the Kingdom of Saudi Arabia, Somalia, Sudan, Syria, Tunisia, the United Arab Emirates, and Yemen.) The United Arab Emirates (UAE), for example—due to exceptional measures to address Egypt’s financial and infrastructure needs—became the most generous donor relative to its gross national income (GNI), with a ratio of official development assistance (ODA) to GNI of 1.25 percent in 2013, surpassing the previous world leaders, Norway and Sweden, which both had ratios of 1.07 percent.⁸ Beyond simply providing funding, Arab donors are well positioned to play a more significant role in addressing their own national and regional education challenges, as well as in contributing to global efforts.

Despite their significant contribution, there is a lack of literature evaluating how Arab donors engage with the global education agenda. Few studies have explored the role of the diversity of donors in the Arab world, and none have looked exclusively at contributions to education. In reviewing the support for education between 2010 and 2012 provided by approximately 200 Arab donor institutions—ranging from multilateral financial institutions to local religious organizations—it became evident that Arab donors

are significant contributors to education nationally, regionally and globally. This paper presents the case for the international education community to more effectively engage donors from the Arab world, on the basis of these five opportunities:

1. The region’s deeply rooted cultural and religious traditions of giving to education provide a strong foundation for further engagement.
2. Arab ODA for education is significant and is growing in absolute terms.
3. Royal investments and advocacy for education offer an opportunity to leverage resources to increase funding and commitment to the education sector.
4. The growth of the education market and the increase in corporate philanthropy in the Arab world are drawing the private sector in the region closer to the center of the education agenda.
5. Arabs in the diaspora are mobilizing funding for education to improve the prospects of children and youth from their countries of origin.

For the various types of Arab donors, this paper outlines the levels of financing for education, the targeted educational subsectors, and the geographic areas receiving the funding (all to the extent to which information is available). The paper reviews institutional Arab donor engagement in developing countries, both within and outside the Arab world. In doing so, it does not include individual donations or governmental spending of ministries of education on domestic education. And though it includes the key players, the paper does not represent an exhaustive account of Arab donor institutions. Where data are not available, examples of Arab donors illustrate the various types and levels of their involvement. The paper concludes by delineating five areas that may serve as starting points for better engaging Arab donors in education.

THE FIRST OPPORTUNITY: A STRONG FOUNDATION FOR GIVING

To understand giving practices in the Arab region, it is imperative to understand their religious underpinnings and how religious guidelines have and continue to influence giving. While giving to education in the

Arab region is far from strictly religious, the connection between Islam and giving to education is deeply rooted, as shown in the types of religious forms of giving in Islam listed in table 1.⁹

Table 1: Examples of Religious Forms of Giving in Islam		
Name	Obligatory	Description
<i>zakat</i>	✓	An annual tax on capital assets by which Muslims donate one-fortieth of their wealth, provided it reaches a certain minimum threshold
<i>sadaqa</i>	✗	A voluntary form of individual charity that can be given at any time, as many times throughout the year, and in any quantity or form
<i>Waqf</i>	✗	Islamic foundation or endowment—institutionalization of <i>sadaqa</i> —that refers to the perpetual preservation of assets, typically revenue or property, for specific religious or philanthropic purposes

After religious institutions, education is the second most common form of *awqaf*, as defined in table 1. The practice of *awqaf* dates to more than a millennium and a half ago to the Quba Mosque in Medina—the first religious *waqf*—for the poor and the needy. Although, historically, *awqaf* were in the form of nonperishable contributions such as land and buildings, starting in

the 12th century *awqaf* began financing scholarships, books, libraries and salaries for teachers.¹⁰ In fact, historians argue that the ancient Muslim world was able to contribute bright minds from the impoverished classes because of the opportunities created by educational *awqaf*.¹¹

Case Study 1: Al-Azhar *Waqf* and University

One of the oldest *awqaf* supporting education is Al-Azhar University, along with its associated institutions in Cairo. Al-Azhar began as a mosque and center for religious studies in the 10th century. In 1961, it expanded into a modern university with the incorporation of secular faculties. Presently, the university is arguably the most prestigious establishment in Egypt, and it is the world’s chief center of Islamic studies; the religious scholars it trains play prominent roles in public life both within and outside the region. In Egypt, the *waqf* also oversees a national network of schools, teaching a combined secular and religious curriculum to approximately 2 million students in both primary and secondary schools.

Source: N. J. Brown, *Post-Revolutionary Al-Azhar* (Washington, D.C.: Carnegie Endowment for International Peace, 2011), http://carnegieendowment.org/files/al_azhar.pdf

Since the establishment of Al-Azhar, *awqaf* have also financed many other educational institutions. At the beginning of the 20th century, of the 64 schools in Jerusalem, 40 were *awqaf* that had been established between the 12th and 16th centuries.¹² However, most educational *awqaf* across the Arab world were nationalized and handed over to either ministries of education or ministries designed specifically to manage *awqaf*, reducing the influence of religious institutions on education.

Today, in the majority of Arab countries, special ministries and funds have been established to collect and distribute contributions made through religious forms of giving and to oversee Islamic endowments. Although detailed records of these ministries' financial resources and disbursements are not readily accessible, education continues to be stated as a focus of some, with an emphasis on educating the poor and orphaned as well as promoting religious education and Quranic literacy.

Case Study 2: The Ministry of Awqaf and Islamic Affairs in Morocco

In Morocco, the Ministry of Awqaf and Islamic Affairs is very active in promoting education. The ministry manages traditional education, which is similar to the curriculum offered in public schools, but with a greater emphasis on religious instruction. In the 2012-13 academic year, the ministry oversaw education in 388 schools, the majority of which were in rural areas (63 percent) and were attached to mosques (68 percent). More than 22,000 students were enrolled under the instruction of about 3,000 teachers. In 2013, the Ministry of Awqaf and Islamic Affairs further invested more than \$11 million to build and equip education institutions. In more than 5,000 mosques throughout the country, it also runs a literacy program that benefited 250,000 people last year, 87 percent of whom were women.

Sources: Ministry of Awqaf and Islamic Affairs, Measuring Traditional Education (Rabat: Ministry of Awqaf and Islamic Affairs, 2013), http://habous.gov.ma/files/attalim_alatiq_2013/tadbir_attalim_alatiq_2013.pdf (in Arabic); Ministry of Awqaf and Islamic Affairs, "Literacy Program in Mosques Registers More Than 250,000 Beneficiaries for the 2013–2014 School Year" (in Arabic), 2014, <http://habous.gov.ma>.

Case Study 3: The Makassed Philanthropic Islamic Association of Beirut

While there is no ministry to oversee religious endowments in Lebanon, several *awqaf* operate in the education sector. One of the most influential is the Makassed Philanthropic Islamic Association of Beirut, which was initiated in Lebanon in 1878 by Sheikh Abd-Alkader Kabbany. This *waqf* seeks to extend basic education—with an emphasis on moderate Islamic instruction—to all students, running 4 primary schools and 6 secondary schools in Beirut as well as 35 primary schools and 3 secondary schools in rural areas across Lebanon. Makassed schools are not limited to Muslims, and the association provides 16,000 Lebanese children and youth of different backgrounds with free primary schooling and subsidized secondary schooling. Additionally, Makassed operates four institutes of postsecondary education in the country, including the Makassed Higher Institute of Islamic Studies, the Makassed Higher Institute of Nursing, the Higher Institute of Teacher Training, and the Abdul Hadi Debs Vocational and Technical Center.

*Sources: Makassed Philanthropic Islamic Association of Beirut, "Education Directorate," no date, <http://www.makassed.org.lb/education.html#n4>; R. Hamyeh, "Lebanon's Makassed: The Sinking of an Ancient Institution," *Al-Akhbar*, 2012, <http://english.al-akhbar.com/node/8523>.*

Although *awqaf* are Islamic foundations, not all *awqaf* have religious motivations or seek to spread Islam or increase adherence to it. A significant portion of *awqaf*, including those established by both Muslims and non-Muslims, have served and continue to serve nonreligious or secular purposes. This is also true for zakat—an obligatory charitable contribution made by Muslims worldwide that constitutes one of the five pillars of Islam. Zakat funds and individual zakat donations are an important source of funding for organizations providing education support to disadvantaged groups such as orphans and impoverished communities.

In addition to *awqaf*, many faith-based organizations, both Muslim and Christian, operate in the region. Within their respective faiths, these organizations seek to mobilize actors ranging from large global foundations with multiple offices in different countries to local groups working in small communities.

They are also able to encourage religious forms of giving, often through fund-raising campaigns, such as Muslim Aid's zakat collections during the holy month of Ramadan. Though some of these religious organizations seek to provide religious education, others, though faith-based, often have nonreligious purposes, and thus they fund secular education both in and outside the region.

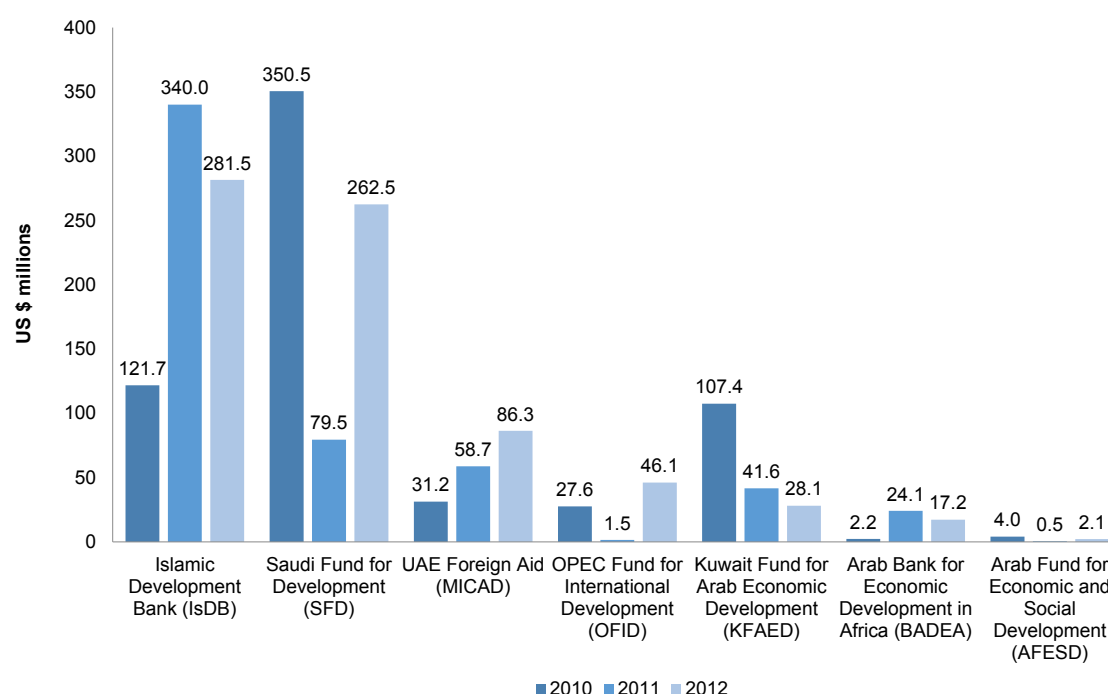
Given that Islam and education were historically closely intertwined in the Arab world, so too was giving to education. Today, Islamic guidelines still strongly influence and encourage both individual and institutional giving to education, making Muslim organizations and their primary funders important partners in both implementing and funding education in the Arab region and abroad. Engaging Muslim organizations in the global dialogue on education financing presents an opportunity to explore shared priorities and coordinate efforts.

THE SECOND OPPORTUNITY: SIGNIFICANT OFFICIAL DEVELOPMENT ASSISTANCE

Even before the UAE significantly increased its aid budget in 2014, Arab governments were among the most generous in the world, providing more than \$270 billion in ODA between 1978 and 2007.¹³ Collectively, Arab ODA accounts for 13 percent of the Development Assistance Committee's (DAC's) total ODA and nearly three-quarters of non-DAC ODA, with Saudi Arabia, Kuwait, and the UAE representing 90 percent of it.

Between 2010 and 2012, those bilateral and multilateral Arab aid agencies for which financial information is available committed more than \$1.9 billion to finance global education.¹⁴ The largest donors during these years were the Islamic Development Bank (IsDB) and the Saudi Fund for Development (SFD), which respectively provided \$740 million and \$690 million. The vast majority of these contributions were in the form of loans and technical assistance. (See figures 1, 2, and 3.)

Figure 1: Commitments to Education by Arab Institutions, 2010 to 2012 (U.S. Dollars)



**Figure 2: Commitments to Education by Arab Institutions, 2010 to 2012
(% of Total Aid)**

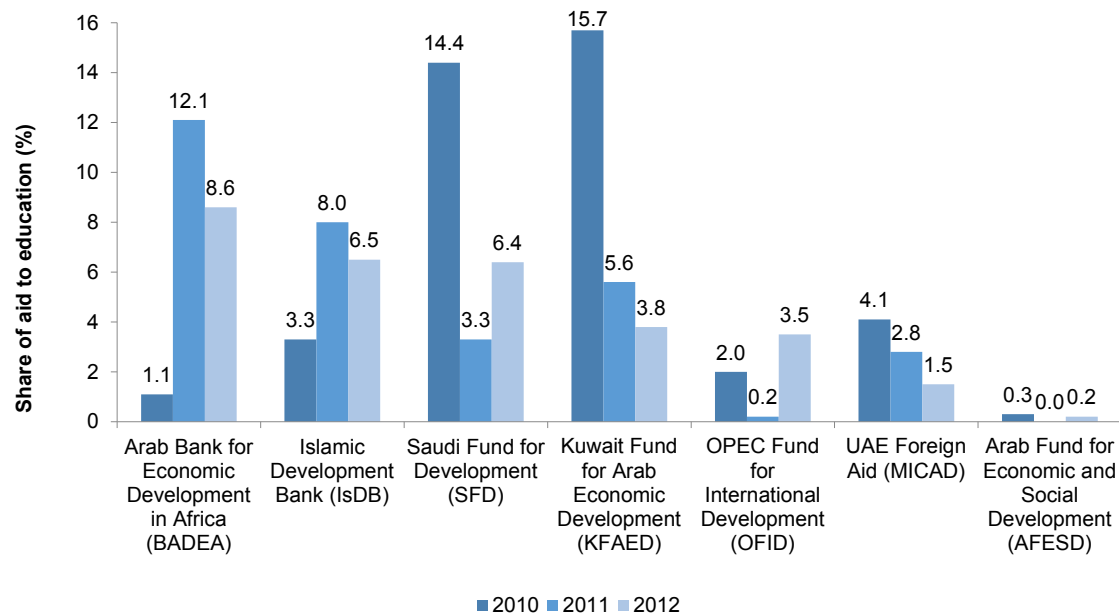
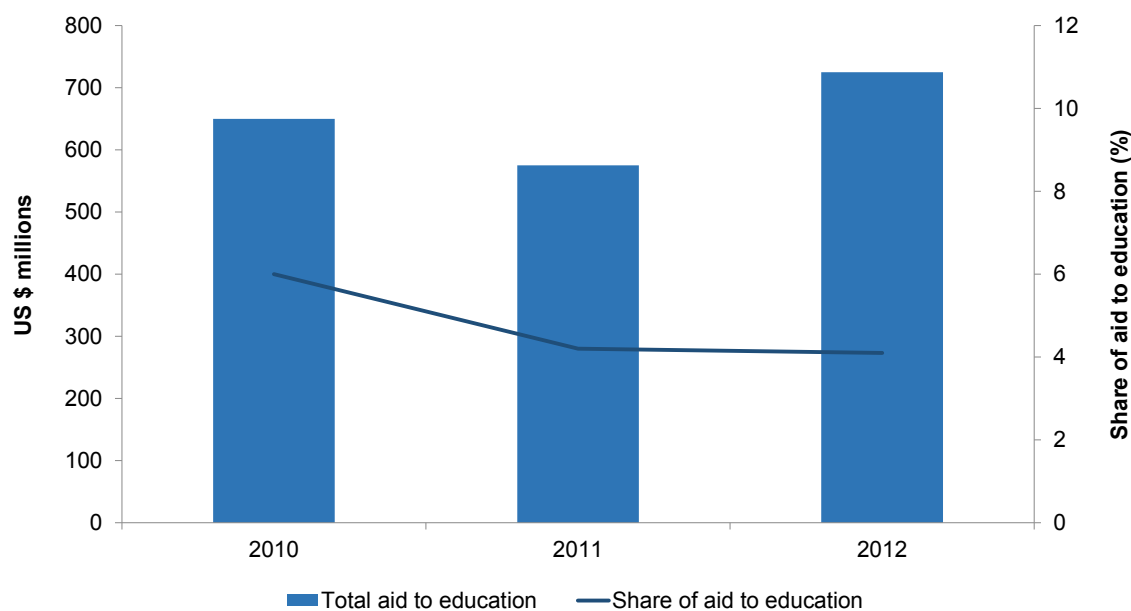


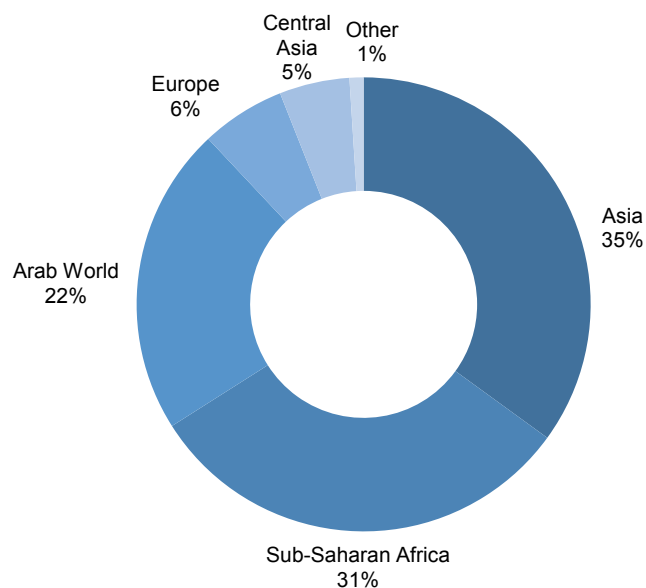
Figure 3: Aid to Education and Share of Total Aid to Education, 2010 to 2012



Although total assistance to education increased from \$640 million in 2010 to \$720 million in 2012, the proportion of assistance to education dropped from 6 to 4 percent during that period. This was in slight contrast to the global share of aid to education, which dropped from 12 to 11 percent between 2010 and 2011.¹⁵ It is important to note, however, that when reporting on aid by sector, the bilateral and multilateral Arab

aid agencies often include funds allocated to education under humanitarian assistance or infrastructural development, such as refugee education and the construction of schools. These activities are then excluded from reported education sector aid. More detailed reporting on education initiatives in all sectors may therefore result in higher figures for total education aid.

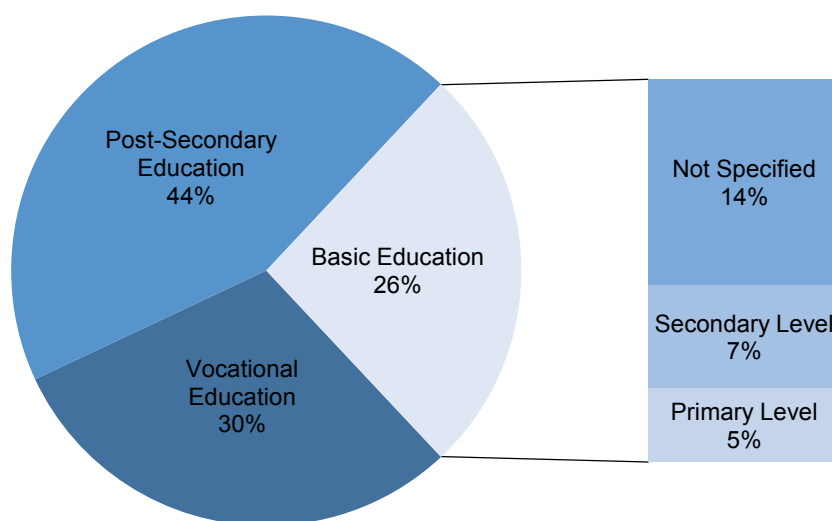
Figure 4: Geographic Distribution of Education Aid, 2010 to 2012



The geographic distribution of aid to education suggests a strong role in global education, with approximately a third of education aid from bilateral and multilateral Arab aid agencies going to Asia and another third to Sub-Saharan Africa (figure 4).¹⁶ Top non-Arab recipients included Indonesia, Turkey,

Uganda, Gambia, and China. Within the Arab world, between 2010 and 2012 more than 90 percent of aid to education went to the North African countries of Mauritania, Morocco, and Tunisia though funds to Palestine are often reported separately and not disaggregated by sector.

Figure 5: Distribution of Education Aid by Sector, 2010 to 2012 (%)



Almost half of the education aid given by bilateral and multilateral Arab aid agencies funded postsecondary and tertiary education, amounting to approximately \$800 million to the sector between 2010 and 2012 (figure 5). The three largest projects included an SFD loan of \$135 million to Indonesia to construct research and medical education centers at Sebelas Maret University and Andalas University; an IsDB *istisna'a* of \$123.75 million, again to Indonesia, to improve access to and the quality of Islamic higher education institutions; and an SFD loan of \$112.5 million to Mauritania to finance a new university campus in the capital city of Nouakchott. IsDB defines an *istisna'a* as “a contract in which one of the parties, the seller—the IsDB, as financier, in this case—is obliged to manufacture/construct or produce a specific thing, which is possible to be made from materials available to him, according to certain agreed-upon specifications, and have it delivered to the buyer at a determined price.”)

Close to a third of the aid to education provided by bilateral and multilateral Arab aid agencies during the same three years, which totaled approximately \$530 million, was committed to vocational education. The IsDB provided more than \$110 million in a loan and *istisna'a* to Turkey for the development of vocational education in Istanbul, while the SFD provided loans of \$60 million to Tunisia to develop the national vocational training system as well as \$45 million to both Uganda and Malawi for the construction and equipping of technical institutes and training colleges.

Slightly more than 25 percent of the aid to education was committed to providing basic education, 5 percent was allocated to primary education, 7 percent went to secondary education, as explicitly stated in the annual reports, and 14 percent was unspecified. The majority of these funds went toward the development of educational infrastructure. Top contribu-

tions include the IsDB's provision of \$18 million in a loan to Bangladesh for primary education development, including the construction of schools in rural areas prone to flooding and cyclones, and the SFD's commitment of \$45 million and \$37.5 million to the construction and equipping of secondary schools in, respectively, Mozambique and Cape Verde.

Although bilateral and multilateral Arab aid agencies already provide significant aid to education, more detailed reporting by sector and subsector, facilitated by stronger collaboration with the global education community on funding key priorities, could demonstrate

an even greater role in financing global education. Their investments in education cover several education subsectors and reflect a combination of their own priorities and those of their recipients. While not enough information is available to reflect on the impact of these investments, there is an opportunity to engage bilateral and multilateral Arab aid agencies in discussions of regional and global education priorities and gaps, so that they can both better understand problems and share solutions for the policy and technical challenges they face in aligning their priorities with the global education community's post-2015 goals.

THE THIRD OPPORTUNITY: ROYAL INITIATIVES AND ADVOCACY

In those Arab countries with royalty—Bahrain, Jordan, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, and the UAE—the biggest donor institutions and philanthropic organizations are under the leadership of the royal

family. Many of these organizations have prioritized education, but they have varying levels of financial resources, different operating models, and a mix of national, regional and international emphases.

Table 2: Royal Organizations with Education as the Primary Focus

Organization	Country	Founder
Queen Rania Foundation for Education and Development	Jordan	Queen Rania Al Abdullah
Education Above All Foundation (EAA)	Qatar	Sheikha Moza bint Nasser
Qatar Foundation for Education, Science and Community Development	Qatar	Sheikh Hamad bin Khalifa Al Thani and Sheikha Moza bint Nasser
King Faisal Foundation	Saudi Arabia	Sons of King Faisal bin Abdulaziz Al Saud
Dubai Cares	UAE	Sheikh Mohammed bin Rashid Al Maktoum

Of the more than 30 royal organizations involved in one or more subsector of education, 5 focus primarily on education, as listed in table 2. Of these, the 3 largest—the Qatar Foundation, the Queen Rania Foundation, and the King Faisal Foundation—are all

umbrella organizations that can be characterized as mainly operating foundations, which implement their own initiatives through their own programs. Although they differ in size and scale of operation due to the vastly different amounts of resources available to

Case Study 4: The Queen Rania Teachers Academy

The Queen Rania Teachers Academy (QRTA) was launched in 2009 under the patronage of Her Majesty Queen Rania Al Abdullah to offer professional development for teachers and educators in Jordan and throughout the region. Working with the Columbia University Teachers College, the Columbia University Middle East Research Center, and the Ministry of Education, QRTA seeks to improve the quality of education offered in the country by providing teachers with access to vocational training, professional support and research on educational methods. This effort includes offering various workshops and summer courses on topics such as English instruction, the International Baccalaureate curriculum, and student mental health, in addition to providing teacher training manuals and equipping new teachers with practical skills for the classroom. The organization also works with educators and school leaders to establish networks that foster ongoing dialogue about how to improve the quality of teaching in specific subject areas and general professional development, allowing for valuable knowledge exchange and peer support.

Source: Information from QRTA's website (www.qrta.edu.jo), verified by Haif Bannayan, QRTA's chief executive officer.

them, all have created important education institutions that address gaps in their national education priorities, such as Education City in Qatar and Effat University for women in Saudi Arabia, and have established nonprofit organizations that serve the educational community, such as the Queen Rania Teachers Academy in Jordan.

By necessity, royal organizations work closely with local governments and nongovernmental organizations (NGOs), though they also collaborate with inter-

national organizations. Among royal organizations, the Qatar Foundation and its sister organization, Education Above All, have established themselves as the most significant global players by providing a platform for global education dialogue through the World Innovation Summit for Education (known as WISE) and by establishing organizations focused on addressing important gaps in the global education community such as scaling up efforts to provide an education to out-of-school children.

Case Study 5: Educate A Child

Educate A Child (EAC), which was launched in 2012 by Her Highness Sheikha Moza bint Nasser of Qatar, is a global initiative committed to extending basic education to out-of-school children worldwide. As a program of the umbrella foundation Education Above All (EAA), EAC partners with NGOs such as Save the Children, the Cooperative for Assistance and Relief Everywhere (CARE), and the International Rescue Committee (IRC)—as well as with UN agencies like UNICEF, UNESCO, UNRWA and UNHCR—to fund initiatives to improve access to education. These include projects in Bangladesh, Brazil, Chad, Côte d'Ivoire, the Democratic Republic of Congo, Ethiopia, Haiti, India, Iran, Iraq, Jordan, Kenya, Lebanon, Malaysia, Myanmar, Pakistan, Rwanda, Somalia, South Sudan, Sudan, Syria, Thailand, Uganda, and Yemen. EAC and its partners are on track to enroll over two million children by the end of the 2014-2015 academic year, and it is seeking to provide access to primary education to 10 million children by the end of the 2015-2016 academic year. EAC also seeks to contribute to mobilizing \$1 billion to support global education.

Source: Information from EAC's website (<http://educateachild.org/>) and interview with Mary Joy Pigozzi, EAC's director.

Although financial reports are not available for all royal organizations, typically, they have relatively large endowments by their own country's national standard. In addition to their own funding, the visibility and public position of the royal family members allow them to attract resources from a wide spectrum

of donors, including government, corporations, other local and foreign foundations, and wealthy individuals. Some actively raise funds for their efforts; others are increasingly requiring partners to match their funding.

Case Study 6: Dubai Cares

Dubai Cares is a philanthropic organization that works through its implementing partners to guarantee universal access to high-quality basic education for children around the globe. It was started by Sheikh Mohammed bin Rashid Al Maktoum in 2007, and it has already reached more than 10 million children in 35 countries: Afghanistan, Angola, Bangladesh, Bosnia-Herzegovina, Cambodia, Chad, Comoros Islands, Djibouti, Ethiopia, Ghana, Haiti, India, Indonesia, Jordan, Laos, Lebanon, Lesotho, Malawi, Mali, Mauritania, Mozambique, Namibia, Nepal, Niger, Pakistan, Palestine, the Philippines, Sierra Leone, South Africa, South Sudan, Sri Lanka, Sudan, Tanzania, Yemen and Zambia. The programmatic approach looks to develop integrated and holistic interventions that focus on school, health and nutrition and that improve children's learning outcomes. Its accomplishments include helping to build and renovate more than 1,500 classrooms, training more than 38,000 teachers, distributing more than 2.1 million textbooks, and establishing more than 6,750 parent-teacher associations. It was one of the first groups to support the Learning Metrics Task Force, and thereby it is engaged in global efforts to improve the field by developing better ways to measure significant learning outcomes. In 2012, Dubai Cares contributed more than \$15.7 million to guarantee access to a high-quality education and to healthy and safe learning environments. Funds were raised from a variety of sources, including corporate and individual sponsorships as well as through different fund-raising campaigns.

Sources: UAE Ministry of International Cooperation and Development, UAE Foreign Aid Report 2012 (Abu Dhabi: UAE Ministry of International Cooperation and Development, 2013), <http://www.micad.gov.ae/ResourcesGuidelines/UAE%20Foreign%20Aid%20Report%202012.pdf>; information verified by Beau Crowder, director of programs, Dubai Cares.

Education is a high priority among the Arab royalty who have established philanthropic organizations. By more effectively engaging these organizations, the global education community can respond to an op-

portunity to leverage their resources to increase their funding and commitment to education, both within the Arab region and internationally.

THE FOURTH OPPORTUNITY: THE PRIVATE SECTOR'S INCREASING ENGAGEMENT

Corporations are starting to play a bigger role in education in the Arab world, driven by the high demand for more private schools and the public sector's need for their collaboration to address the youth skills gap. Their involvement ranges from investing in private ed-

ucation on a for-profit basis, to making contributions for social good through their corporate foundations, to corporate social responsibility (CSR) programs and the projects of individual and family foundations built from business wealth.

Country	Value (in U.S. dollars)	Number of Students
Egypt	3.5 billion	2,000,000*
Saudi Arabia	2.2 billion	720,000**
United Arab Emirates	1.4 billion	370,000**
Kuwait	0.8 billion	200,000**

* from Al Masah

** calculated based on figures provided by Booz & Co

Source: Al Masah; Booz & Co.

The education market in the Arab region is one of the largest in the world and is continuing to grow (table 3). Within this market, the demand for private education, and the corresponding response by the private sector, are significant and growing. The combined private and public education markets in the region are projected to increase from a total value of \$75 billion in 2010 to \$96 billion in 2015, with much of the increase in the Gulf countries.¹⁷ Projections indicate that the private education market could be worth \$11.2 billion by 2020.¹⁸ The growth in private education is being driven by the overall growth in demand for education, due to the increase in the region's student-age population. The growing public awareness of the higher quality of education often provided by private

schools relative to their public counterparts and a corresponding increased willingness among parents to pay for this better quality of education for their children are further contributing to this growth. The private sector's expansion has been particularly rapid in the subsectors of early childhood education, higher education and vocational training.

This growth is being challenged by some of the same issues with which public sector education systems must contend, such as the shortage of qualified teachers. This has prompted a few larger companies to become more engaged in a dialogue about how to provide a high-quality education and to invest in the sector.

Case Study 7: GEMS Education

The Dubai-based company GEMS Education began in 1959 as a small family-owned business and is now one of the largest private operators of schools in the world. More than 100,000 students across the Middle East, Southeast Asia, Africa, Europe and the United States are currently enrolled in GEMS schools. In the 2013-14 fiscal year, the company invested more than \$267 million in its schools and generated a profit of \$75 million. A division of the company, GEMS Education Solutions, consults with both the public and private sectors on how to improve the quality of education worldwide. GEMS Education has also committed \$100 million to providing access to high-quality education through the Varkey GEMS Foundation. Along with UNESCO, the UAE Ministry of Education, and Dubai Cares, GEMS Education and the Varkey GEMS Foundation also co-organized the Global Education & Skills Forum in early 2014 to bring together policymakers and business people in order to strengthen the private sector's involvement in education and to match skills with labor demands.

Source: Information from websites, verified by Vikas Pota, who is the senior executive director of GEMS Skills, the group director of corporate affairs of the GEMS Education, and the chief executive of the Varkey GEMS Foundation.

Private sector investment in education is far from limited to private companies operating in the field of education. Many corporate foundations and individual and family foundations built from corporate wealth are focused on supporting higher education through scholarship programs and endowments to university programs or centers. Others seek to address the skills gap by offering vocational programs to help youth join the labour market. At the higher education level, among the greatest beneficiaries are the American University of Cairo and the American University of Beirut. By contrast, few of these foundations are focused on working at the primary and secondary levels.

Beyond the generally small number of corporate foundations, the private sector's preferred method for making social investments remains CSR programs, which appear to be on the rise, although there is no regional tracking of them. A small but growing number of companies disclose their total expenditures on

CSR initiatives; however, this is rarely further subcategorized to disclose expenditures on education initiatives.

At the same time, there is a growing awareness and desire in the private sector to shift from making traditional charitable donations to engaging in more strategic, multistakeholder partnerships that can generate clearer and more substantial results, including in the education sector. This movement is being driven in large part by the growing urgency with which the private sector feels that high-priority issues such as improving the quality of education need to be addressed on a greater scale. In this regard, some education initiatives have already indicated how to more effectively attract private CSR funds by demonstrating rapid, tangible progress; by engaging the private sector as an active partner, rather than simply as a donor; and by bringing together an effective combination of stakeholders and a platform for achieving scale.

Case Study 8: The Abdul Hameed Shoman Foundation

The Abdul Hameed Shoman Foundation is a private nonprofit NGO established by the Arab Bank, one of the region's largest financial institutions. Named after the bank's founder, the Shoman Foundation began in 1978 with the decision to dedicate a portion of its profits to supporting scientific research and cultural understanding in Jordan and the larger Arab world. In 2012, the Arab Bank devoted 74 percent of its total budget for community investment to the foundation, amounting to approximately \$11.4 million. Today, it has one of the largest budgets among corporate foundations, with approximately 50 percent allocated to education in the last three years. The foundation has a dedicated fund that encourages and supports scientific research in Jordanian universities and other institutions in the country. It also engages young children in science education by working with schools to develop science fairs and clubs. One of the most significant contributions of the foundation is its ongoing investment in public libraries. It first established a public library in Jordan in 1986, and it now manages and supports 14 libraries in Palestine. The foundation also distributes awards for Arab researchers and children's authors. Additionally, the foundation holds regular public forums where intellectuals, researchers and other experts discuss topics relevant to the political, economic, social and cultural issues in the region and around the world.

Sources: Information from website and 2012 Annual Report for the Arab Bank Group, verified by Valentina Qussisiya, the chief executive officer of the Abdul Hameed Shoman Foundation, and by Farah Nasif, who is in charge of strategic planning and institutional development for the Abdul Hameed Shoman Foundation.

Case Study 9: The Madrasati Initiative

The Queen Rania Madrasati Initiative brings together businesses, NGOs, communities, and governmental partners to work together to rejuvenate Jordan's public schools, in a comprehensive framework that includes restoring infrastructure and upgrading facilities to enhancing and improving the quality of learning. More than 80 companies support the initiative's work, providing funds for their programs and becoming engaged partners in the schools. Through public-private partnerships, Madrasati has improved education in approximately 500 schools, reaching more than 170,000 students.

Source: Information from website, verified by Tala Sweis, director of the Madrasati Initiative.

Overall, the Arab world's private sector has a strong and growing interest in contributing to strengthening education in the region. Whether it is private education companies seeking not only to deliver education but also to engage with, and support, the sector more broadly in addressing shared barriers and limitations, or whether it is corporate CSR programs seeking the most leveraged impact for their investment and involvement, in each circumstance there is a growing desire to work in partnership with other sophisticated

stakeholders on effective, scalable initiatives. To support and accelerate this innovation, more Arab-based corporations and business leaders could be engaged in global-level forums such as the Global Business Coalition for Education. International stakeholders may be able to help catalyze and contribute expertise or other resources to emerging Arab platforms that are focused on developing solutions to region-specific education challenges, especially the youth unemployment crisis.¹⁹

THE FIFTH OPPORTUNITY: ARABS IN THE DIASPORA BRING NEEDED RESOURCES AND EXPERTISE

Several factors make Arabs in the diaspora an important group of donors that may prove to be among the most effective at engaging with the global education community. They have the advantage of operating out of countries with well-established philanthropic and education models, while also understanding the Arab region's education challenges and opportunities. They are largely motivated by their abilities to influence change in their countries of origin, and they can often raise funds quickly in response to crises by mobilizing communities of donors abroad.

Among the independent foundations reviewed for this paper, those of Arabs in the diaspora made some

of the largest education donations. For example, in 2014, the Levant Foundation, founded by a Syrian-American, gave the single largest contribution, \$32 million, to the American University of Beirut.²⁰ The sizes of donations made by foundations formed by Arabs in the diaspora are only one indication of their level of engagement. Many of these organizations have also demonstrated a long-term commitment to their beneficiaries. A prime example is support for Palestinians and Palestinian refugees in the West Bank and Gaza, Syria, Lebanon, and Jordan. During more than 65 years of conflict with Israel, funders have persisted despite lost investments and unsustainable conditions.

Case Study 10: The Welfare Association

Registered in Switzerland, the Welfare Association (WA) is an independent nonprofit organization established in 1983 by a group of Palestinian business and intellectual figures. WA provides development and humanitarian assistance to Palestinians in the West Bank, including Jerusalem, Gaza, the 1948 area, and the Palestinian communities in Lebanon. To fund its projects, the organization leverages international donor agencies, governments, foundations and individual contributions. Its education programs include early childhood education, remedial education, teacher training, higher education, psychosocial and financial support, and vocational training. It also works with educators and administrators to improve the quality of learning in schools and to integrate technology into the classroom. In more than three decades, during which it has received \$550 million in support, WA has contributed more than \$97 million to the education sector. In 2012 alone, it dedicated 23 percent of its \$38.5 million budget to education programs.

Source: Information from WA's 2012 Annual Report, verified by Tafeeda Jarbawi, its director-general.

A crisis, such as the war in Syria and its impact on refugees, is a key driver in the engagement of Arabs in the diaspora. Their contributions are extremely valuable, in large part because of the shortage in funding from regional and international donors to support education for refugees. Though it is not likely that foundations alone could fill the financing gap to support education for the region's vast refugee populations,

donations by Arabs in the diaspora can be valuable for the flexibility they offer, in contrast to traditional aid from governments. They have the potential of being timelier, of being focused on unmet needs or a neglected segment of a population, and of being able to address longer-term interventions, when resources from aid agencies often dry up.

Case Study 11: The Asfari Foundation

The Asfari Foundation is a British registered charity set up by Ayman and Sawsan Asfari in 2006. The foundation works with young people, education and civil society in its target countries of Syria, Palestine, Lebanon and the UK. Its Youth Empowerment Program provides master's scholarships to talented young people from its Arab target countries at UK universities such as St Andrews, Imperial and Edinburgh. It also provides grants to organizations that help train and educate disadvantaged young people to enable them to start businesses or get jobs. The foundation's Civil Society Program aims to strengthen civil society through individual fellowships and grants for young civil society activists at various institutions, including Columbia University, Chatham House and the Reuters Institute for Journalism. It also supports research on civil society by young people at universities such as St Andrews and the American University of Beirut and gives grants for civil society development, including many focusing on training. The foundation was one of the first to provide relief assistance to Syrian refugees, supporting a variety of projects of international and local organizations in the region. Its relief program is increasingly aligned with its other two programs; for example, it works closely with new civil society organizations set up by young people inside Syria, providing them with training and grants, and it recently commissioned a study of the educational needs of young Syrian refugees in neighboring host countries to help inform donors and practitioners, based on which it will itself make a number of grants for the education of young Syrians.

Source: Information from website, verified by Marieke Bosman, CEO, Asfari Foundation.

Not all foundations of Arabs in the diaspora are focused on meeting immediate education needs. Some are motivated by the political and social changes occurring in the region and are working within communities of like-minded donors and with their regional and international partners to expedite educational reform. Promising new education initiatives are emerging

from these collaborations. They are, however, being impeded by the limited level of funding and the larger capacity needed to scale up initiatives and influence government policy changes. Pooling resources with other donors and engaging with the regional and global education community could yield greater results.

Case Study 12: The Alexandria Trust

The Alexandria Trust, a registered UK charity that was launched in 2012, believes that the right response to the period of instability through which the region is passing is to tackle root causes through the educational opportunities offered to tomorrow's generation. In March 2013, the trust launched Al-Fanar Media, an online publication dedicated to reporting news and opinion on Arab higher education. The trust's other venture tackles the systemic deficit in translation, into and from Arabic, of seminal texts across the curriculum, so as to bring prime sources of learning to Arab students in their mother tongue. The trust has attracted donations from the Ford Foundation, the Carnegie Corporation of New York, and the UN Democracy Fund, building on its core support from a group of Arab business leaders, including Salah Khalil, its founding trustee.

Source: Information from the trust's website, verified by Minka Myles at Macat International Limited (on behalf of Salah Khalil, the trust's founding trustee).

HOW CAN ARAB DONOR ENGAGEMENT IN EDUCATION BE INCREASED?

Identifying Arab donors to education and understanding how they work are only the first steps to better engaging with them in securing more funding for education and achieving improved learning outcomes at the regional and global levels. This paper seeks to encourage a more effective engagement by Arab donors, not only as funders but also as full partners, working with the international community to further the global education agenda. Five areas may serve as fruitful starting points for this effort.

First, at the global level, with the exception of some of the larger donors, the vast majority of Arab donors are not active in the global education dialogue. Similar to donors around the world, many do not have sufficient resources to dedicate to participating in global events and partnerships; or they place a higher priority on engaging directly with their in-country partners. Actively engaging Arab donors from every sector in, for example, global education events and donor networks may contribute to informing them about the emerging global consensus on education priorities and strategies and to better reflecting their views as this consensus continues to take shape, which in turn may subsequently lead to more partnerships with them.

Second, at the regional level, though some efforts are being made to coordinate and share knowledge among Arab donors, the mechanisms are largely informal and small, and none focus exclusively on education. There are also very few ongoing opportunities for the Arab donor community to interact continuously with the education community. Stronger support for better coordination and dialogue with the regional education community—as well as high-quality and focused knowledge sharing among groups of donors, such as those in the private sector—may pres-

ent an opportunity to align efforts to address common challenges and promote new partnerships.

Third, among Arab donors who are active in funding global and regional education—not unlike many international donors—there is an increasing emphasis on leveraging their funds by requiring partners to contribute matching funds or other resources. This may present an opportunity for the Arab and international education communities to improve their ability to attract funding from Arab donors, where they are able to secure funds from other donors.

Fourth, as Arab donors increasingly demand greater results from their education partners, more of these donors are also realizing the benefit of better tracking and reporting the results of their direct and indirect investments. This is an important step toward generating the data and information needed to better quantify the impact of their investments in global and regional education and thus to determine the best return on these investments. It is also an opportunity for the education community to integrate data from Arab donors into research aimed at advocating for more funds for education and better learning outcomes.

Fifth, with the growing global education financing gap, the underfunding of education in crisis and of some subsectors—such as early childhood education and new approaches to education—are likely to persist. The education community may find it particularly compelling to form partnerships with Arab donors in the private sector and in the diaspora in order to explore new financing solutions for underfunded areas of education, because such donors often have more flexibility and can mobilize resources more rapidly when government funding falls short.

APPENDIX

Bilateral and Multilateral Arab Aid Agencies			
Name of Organization	Year Founded	Description	Members
Islamic Development Bank (IsDB/IDB)	1973	Member countries of the Organization of Islamic Cooperation with the mission to promote human development, specifically of alleviating poverty, improving health, promoting education and improving governance	Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, UAE, Yemen, Afghanistan, Albania, Azerbaijan, Bangladesh, Benin, Brunei, Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Gabon, Gambia, Guinea, Guinea-Bissau, Indonesia, Iran, Kazakhstan, Kyrgyzstan, Malaysia, Maldives, Mali, Mozambique, Niger, Nigeria, Pakistan, Senegal, Sierra Leone, Suriname, Tajikistan, Togo, Turkey, Turkmenistan, Uganda, Uzbekistan
Arab Fund for Economic and Social Development (AFESD)	1968	Arab regional multilateral institution focused on economic and social development of Arab countries	Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, UAE, Yemen
Arab Bank for Economic Development in Africa (BADEA)	1973	Members of the League of Arab States with the mandate to strengthen economic cooperation between the Arab world and Africa	Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, UAE
OPEC Fund for International Development (OFID)	1976	Member States of OPEC working to stimulate economic growth and alleviate poverty in developing countries	Algeria, Iraq, Kuwait, Libya, Qatar, Saudi Arabia, UAE, Ecuador, Gabon, Indonesia, Iran, Nigeria, Venezuela
Saudi Fund for Development (SFD)	1974	Saudi national fund financing development projects in various countries	

Name of Organization	Year Founded	Description	Members
Kuwait Fund for Arab Economic Development (KFAED)	1961	Kuwait national fund for economic development of Arab and other developing countries, focused primarily on agriculture and irrigation, transport and communications, energy, industry, water and sewage	
Ministry of International Cooperation and Development (MICAD)	2013	UAE ministry working with local donor organizations and coordinating relief efforts and foreign aid	UAE government, Abu Dhabi Fund for Development, Khalifa Bin Zayed Al Nahyan Foundation, UAE Red Crescent Authority, Zayed bin Sultan Al Nahyan Charitable and Humanitarian Foundation, Mohammed bin Rashid Al Maktoum Humanitarian and Charity Establishment, Al Maktoum Foundation, Dubai Cares, International Humanitarian City, Noor Dubai, Dubai Charity Association, Sharjah Charity Association, UAE International Humanitarian Mobile Hospital, Sharjah Charity House, Mohamed Bin Zayed Species Conservation Fund, Ahmed Bin Zayed Al Nahyan Charitable and Humanitarian Foundation, Emirates Airlines Foundation, Sultan Bin Khalifa Bin Zayed Al Nahyan Humanitarian and Scientific Foundation, Ewa'a Shelters for Women and Children

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