

GEF Background Note 3

Financing for School Meals

Sustainable Financing Initiative for School Health and Nutrition (SFI) – School Meals Coalition.

Summary

Under-nutrition among school age children has devastating consequences for education. It undermines learning, keeps children out of school, and reinforces inequalities linked to wealth, gender, and other markers for disadvantage. Accelerating progress towards "zero hunger" is a condition for accelerated progress towards the 2030 Sustainable Development Goals in education. School feeding programs have the potential to act as a powerful catalyst for change. We estimate that over 100 million children in the primary and lower secondary schools of low-income (LIC) and lower-middle-income (LMIC) countries are going hungry. Providing these children with a decent meal would alleviate hunger and unlock learning. Expanding the reach of school feeding represents an unrivalled investment opportunity. Annual public spending for school meals financing varies dramatically. For illustrative purposes in this note, we estimate that extending provision of school meals to an additional 60 million children in low-income countries could require between \$1.3bn and \$3.2bn depending on assumed per-pupil costs. Led by governments across many of the poorest countries in the School Meals Coalition (SMC), there is a powerful momentum behind school feeding. While national budgets will continue to account for the overwhelming bulk of school meal financing, increased and more effective aid also has a critical role to play in countries seeking to raise their level of ambition in face of shrinking fiscal space. The GEF could play a critical role in supporting and driving a big push on school meals.

The context and potential role of the GEF

Under-nutrition among children, and the household poverty to which it is linked, represents a formidable barrier to education. It is associated with lower levels of learning, reduced school attendance, and inequality. As governments across the world's poorest countries struggle to recover from the learning losses inflicted by COVID-19 related school closures, the under-nutrition barrier is rising. Millions of children have returned to already overstretched and under-performing education systems carrying the burden of increased malnutrition. Left unattended, the deepening crisis in malnutrition among school age children in low- and middle-income countries will derail efforts to raise learning standards and translate the Sustainable Development Goal (SDGs) pledges into practical outcomes. Food price inflation, magnified by the war in Ukraine, a slowdown in poverty reduction,



climate change, conflict, and humanitarian crises are all contributing to global setback – and current scenarios point in worrying direction. Yet the education community continues to treat malnutrition among school children as a peripheral concern, reflecting the siloed public policy perspectives that separate health, education, and social protection.

The Global Education Forum (GEF) has an opportunity to help change this picture. In this note we recommend that GEF members consider working together to expand school feeding programs as a front-line response aimed at weakening the link between malnutrition on the one side, and low levels of learning with high levels of inequality on the other.

Momentum for an ambitious scale-up of school feeding programmes is already building. The School Meals Coalition (SMC) was launched in 2021 at the United Nations Food Systems Summit with the goal that every child has the opportunity to receive a healthy, nutritious daily meal in school by 2030. It has brought together over 80 governments and 90 international partners since its launch – UN agencies, research institutes, and nongovernment organizations - working to expand the reach and improve the quality of school feeding programs. Importantly, this is an initiative led by southern governments committed to national ownership. Many of these governments have already embarked on ambitious strategies.

The recent UN Food Systems Summit +2 Stocktaking Moment showcased some extraordinary stories. The President of Sierra Leone, one of the world's poorest countries, explained how a pilot program introduced in 2018 now reaches over 800,000 children. Bangladesh announced plans for a universal school feeding program. Others have demonstrated that this represents a credible ambition. In the space of five years, Rwanda has expanded the reach of its school feeding program from 650,000 children in programs largely financed to aid to 3.5 million children through programs financed mainly from the national budget. Kenya has set a course for universal provision by 2030. With support from a Global Partnership for Education (GPE), Ethiopia now reaches over 200,000 children. The SMC is an example of a successful cross-sectoral coordination mechanism that is driving real progress.

What these and many other cases demonstrate is the potential for a rapid global scale-up of school feeding. Most countries already have in place a basic infrastructure for delivery, or the capacity to develop one, along with national policies on school feeding. The two critical ingredients for a breakthrough are the type of leadership demonstrated by governments and strengthened international cooperation.

Beyond the immediate education and health priorities, wider forces are addition to the momentum behind school meals. It is increasingly recognised that procurement for large scale school meal programs provides a lever for supporting wider food system reforms aimed at promoting healthy diets, supporting regenerative, low-carbon farming, and building more resilient livelihoods. While it is beyond the scope of this note, the SFI looked



at the role of school feeding as a catalyst for wider food system reform in a Discussion Paper prepared for the Stocktake Moment. It is available here.

School feeding – a safety net that delivers results

School feeding programs have a proven track-record in delivering results. Well-designed, efficiently implemented, and properly financed, they can raise learning levels, improve school attendance, and strengthen equity. Evidence from India, which hosts the world's largest school feeding program, points not just to improved learning outcomes and better nutrition, but cross-generational benefits: the children of mothers attending the program are less likely to be stunted. In Ghana, the national program is associated with above average gains in learning for children in households experiencing poverty – and among girls.

Many countries have sought to target children facing high levels of vulnerability. While Kenya has announced plans to provide universal school meals by 2030, the national program was developed to target areas in the north-east marked by high levels of vulnerability and drought. South Africa has targeted its programs on schools serving communities with high levels of poverty. India's program includes provision for supplying meals to drought-affected communities outside of school terms. During the school closures that accompanied COVID-19, school meal infrastructures provided a lifeline for many communities. In Ethiopia, a GPE-supported government program has reached almost a quarter-of-a million children, demonstrating the potential for rapid scale-up in areas marked by high levels of food insecurity.

While beyond the scope of this note, many national governments and municipalities are now linking education and school meals procurement to wider food systems reform. Perhaps the stand-out example is Brazil, where one third of the procurement budget is earmarked by smallholder farmers and many municipalities are linking school canteens to regenerative farming. Elsewhere in Latin America, school meals have played a central role in anti-obesity campaigns.

The current reach of school feeding programs

School meals programs represent one of the world's most expansive safety nets. They currently reach over 400 million children. Unfortunately, the safety net is weakest where it needs to be strongest – namely, in the poorest countries facing the highest levels of food insecurity. Coverage rates for low-income and lower middle-income countries are respectively 18 percent and 39 percent (the global average is 41 percent, rising to 61 percent for high-income countries). Currently, only around one-quarter of Africa's primary school age children and some 40 per cent of children in South Asia, the majority of them in India, are covered by public school feeding programs.

Under-nutrition among school age children – a hidden crisis



Setbacks in nutrition can be captured in headline data. The prevalence of under-nutrition reported by the FAO in sub-Saharan Africa (22 percent) and South Asia (15 percent) is higher today than it was in 2015, when the SDGs were adopted. Under-nutrition represents the tip of an iceberg. Food insecurity, broadly defined as a state of uncertainty over where the next meal is coming from, affects far more people. For every person living with hunger another three or four households typically report concerns over future nutrition. For over 200 million people living in what the WFP-FAO identify as 22 "hunger-hotspot" some 200 million people are living with acute food insecurity (defined as IPC 3 or above).

Capturing the impact of under-nutrition and food insecurity on school age populations is not straightforward. National and international monitoring focusses overwhelmingly on children under the age of 5, or the "first 1000" days. While this period is critical for health and cognitive development, so too is nutrition during the primary school years, the adolescent growth spurt, and secondary school years. From a broader education and child development perspective, the "first 8000" days is vital.

In the absence of consolidated and comparable cross-country data, the Sustainable Finance Initiative for School Health and Nutrition (an initiative of the School Meals Coalition) has adopted a simple method for estimating levels of undernutrition among school age children. We apply the country prevalence rate reported by the FAO to school age cohorts derived from UN Population data. To summarise the key findings from the data provided in **Annex 1**:

- 179 million children aged 6-17 are living with malnutrition.
- Regionally, over 80 per cent of these children live in sub-Saharan Africa (77 million) and South Asia (71 million).
- Under-nutrition among school age children is concentrated in LMICs (100 million) and low-income countries (66 million).
- Controlling for enrolment patterns, we estimate that around 43 million children in Africa's primary schools are living with under-nutrition, along with 36 million in South Asia.

While we emphasise the tentative nature of these estimates, we would urge the GEF to consider their implications for efforts to develop the foundational learning skills vital for success in education.

The potential (and the limits) of school feeding

School feeding programmes are <u>not</u> a stand-alone panacea either for under-nutrition among school age children or for improved learning. To state the obvious, many of the children now living with under-nutrition are out of school. Many more are in school and may be receiving school meals that are nutritionally inadequate or provided intermittently. Given that the school years typically average around 200 days, they do not provide a safety-net all year round. That said, during the COVID-19 pandemic many governments – in rich countries as



well as poor – were able to utilise school feeding programmes to provide nutritional support during lockdowns.

With all these caveats in mind, school feeding programs do have the potential to make a huge difference in the lives of children vulnerable to malnutrition. That potential is greatest at the primary level. With near universal enrolment in both sub-Saharan Africa and South Asia (Gross Enrolment Rates exceed 100 percent in both regions, in Africa's case reflecting high levels of delayed entry), primary schools provide an unrivalled infrastructure for delivering nutrition and wider health interventions to children in primary schools. In the case of South Asia, that remains true for lower secondary education given the high rates of progression from primary school. However, sub-Saharan Africa high rates of attrition (only around half of children progress to secondary school) reduces the potential impact.

The profile of school participation has implications for equity and impact which have to be considered on a country-by-country basis. High drop-out rates on the part of poorer children before secondary school, will skew benefit incidence towards those (less poor) children who remain in school. At the same time, school meal programs may create incentives for keeping children in school and reducing drop-out rates among poorer children and – especially in the adolescent age group – young girls.

To the extent that any general policy conclusions can be drawn, for LIC and LMIC countries seeking to maximise impact and strengthen equity, primary provision is an obvious focal point.

Setting an ambition – and financing delivery

Global targets are not a substitute for national planning. What such targets can do though is define a level of ambition and provide a framework for international cooperation. The SDG and zero hunger targets already provide governments with benchmarks for delivery. An accelerated drive on school feeding could help translate those benchmarks into outcomes that transform the lives of millions of children.

There are wide reported variations in the cost structures for school meal financing. The Global Survey of School Meal Programs reports average annual spending of \$18 per pupil in LMICs and \$23 in low-income countries (**Annex 2**). Per pupil school meal spending in low-income countries is around one third of per pupil spending but per capita education and health budgets are falling in many countries. These figures provide a benchmark for developing approximate costs for a major global scale-up of school meal financing but other estimates – such as the 2022 GEF Investment Case for School Meals – should be taken into account. These estimates place the costs of providing a nutritious, quality school meal at around \$54 per pupil for low-income countries. With this range of estimates, extending provision to an additional 60 million children in low-income countries would require between \$1.3bn and \$3.1 bn. These estimates are preliminary and further analysis of



current spending per pupil, the costs of quality school meals and financing options is needed.

While the headline numbers are modest, the financing challenges should not be underestimated. The fiscal space available to governments has shrunk since the onset of the COVID-19 pandemic, dramatically so in sub-Saharan Africa. Unsustainable debt, limited access to affordable development finance, inflation, and reduced economic growth have limited public financing options. Moreover, costs have to be assessed against budget realities. For context, the \$23 unit cost for school meals in low-income countries represents over 40 percent of average per pupil spending in low-income countries. The equivalent figure for LMICs is 6 percent.

Governments in the School Meals Coalition rightly emphasise that national financing is critical for sustainable delivery. Aid currently accounts for less than 5 per cent of financing in LMICs. The share in low-income countries is far higher, with around half of reported spending coming from development assistance. However, several low-income countries have combined expanded reach with increased domestic financing. In Sierra Leone, to take a case in point, 80 percent of school meal financing comes from national budgets. Bangladesh has also assumed financing responsibility for its expanding programme. Countries facing acute external debt challenges – such as Benin, Kenya, Ghana, and Ethiopia – have all backed more ambitious school feeding programmes with increased budget resources.

Despite the very real pressures operating on budgets, there is scope for increased domestic resource mobilisation. The low revenue-to-GDP ratios of many countries, allied to inefficient and inequitable spending, suggests one pathway to resource mobilisation. Elsewhere, the SFI has conducted a <u>Financial Landscape Analysis</u> reviewing a range of national and international measures that could help mobilize revenues, ranging from debt-for-school-meal swaps, to more equitable targeting of finance, earmarked taxation, taxation of "public bads", and recourse to windfall taxes. As efforts to reform food systems in the light of the climate crisis gather pace, there may be scope for deploying climate finance to support sustainable food procurement through school meals.

An expanded role for international cooperation

Aid, development finance, and international cooperation can play a vital role in supporting national efforts. Currently, aid donors reportedly finance just over one-half of school meal provision in low-income countries. Given the fiscal realities on the ground, there is little prospect of a major scale-up in financing over the next 2-3 years without increased aid and strengthened international cooperation. While LMICs may on average be less constrained than LICs, they too need support. This is especially true for those facing a reduction in grant aid as they graduate from low-income, and for those facing acute debt problems.

This is an area of dialogue in which the GEF can help to provide a policy steer. One option might by to consider a calibrated approach. Consider for illustrative purposes a scenario in



which, say, donors meet 60 percent of the incremental costs facing low-income countries over the next 2-3 years (slightly above current levels), and 20 percent of the costs for LMICs (given fiscal space constraints). The financing requirement for such an approach would amount to around \$1.1bn. Once again, this figure is purely illustrative. Real aid financing requirements have to be assessed on the basis of detailed national estimates, not top-down conjecture.

That said, the indicative figure does not point to an implausibly high level of aid financing. Mobilised through a mix of grant aid, concessional (IDA-terms) finance, humanitarian aid, debt relief, climate finance, and other measures, donors could play a role in unlocking public investments that not only reduce malnutrition and improve learning, but create multiple spin-off benefits for rural livelihoods, employment, food security, and climate change. The multilateral mechanisms for delivery already exist through MDB facilities, the Global partnership for Education (GPE), and Education Cannot Wait (ECW). The International Finance Facility for Education (IFFEd) may open the door to new financing sources. If school procurement is designed to support wider climate change adaptation and mitigation goals, the Green Climate Fund and other climate finance vehicles could play a role.

Tapping into these opportunities will require a break from current practices. The current architecture for international cooperation on school meals combines inadequate finance with limited strategic leadership.

Our best estimate is that aid for school feeding amounts to around \$220m (and the vast majority of this comes from one donor in the form of food aid). Even allowing for some measure of under-reporting, that would appear to represent a significant under-investment when considered against donor concerns to generate value-for money and impact. The aid effort also suffers from what might be thought of as a lack of strategic intent. Resources weakly linked to need, capacity for delivery, and the potential for driving results. GEF engagement and co-ordination in partnership with the School Meals Coalition could play an important role in changing this picture.

Improved reporting systems could help strengthen international cooperation. Current reporting practices for the OECD-DAC, and in the World Bank and other MDBs are partial and incomplete. For developing countries needing aid support to expand provision, better reporting and more predictable multi-year commitments would create a better enabling environment for driving results. Building on earlier research, the SFI is preparing a new research program which will work with donors to address these issues.

Conclusion and questions for the GEF

The GEF has an opportunity to help shape, support, and drive an agenda with the potential to transform the lives of millions of children. More than providing a valuable platform for dialogue, it could facilitate strengthened cooperation across agencies with a shared concern to break the link between under-nutrition and lost opportunities for learning. For bilateral



donors strengthened coordination backed by increased investment could deliver results that would prove difficult to match in other areas. For multilateral agencies seeking to reshape their operations to respond more effectively to the SDG shortfall and the climate crisis, school feeding programmes represent a practical mechanism for demonstrating that integrated action across agencies can drive results. The Global Partnership for Education and Education Cannot Wait could build on current programmes providing support to governments.

There are good reasons for the GEF to consider deeper engagement on school feeding. For some years now, the major agencies involved in global education have reported a consistently pessimistic story. Elements of that story include the large (and growing) gap between SDG commitments and real financing, limited and misdirected aid, a concern that "education narratives" are not gaining traction, and limited progress towards improved and more equitable learning. Given the critical role of education in expanding opportunity and driving progress across the SDGs, this depressing backdrop needs to change. We would submit that school feeding programs provides a compelling focal point for driving change in an area with the potential to deliver real, lasting, and achievable results for millions of children. Moreover, as campaigns and advocacy initiatives on school feeding in many countries demonstrates, this is an issue with the potential to generate traction with the public and policymakers.

While this is a technical note summarizing some of the evidence on school feeding and setting out possible approaches, we would urge the GEF agencies to reflect on a simple truth that is understood by every parent and teacher around the world – namely that hunger and learning are poor bedfellows. Childhood hunger is ethically indefensible, economically ruinous, and educationally devastating. The SDGs look to a future in which every child has an opportunity to realise their learning potential, irrespective of where they are born, the wealth of their parents, or their gender. That future cannot be built without a concerted response to the hunger crisis using every public policy lever available – and school meals is one of the most powerful levers.

This note has been prepared for discussion purposes, but we would recommend and request that:

- Bilateral donors and the MDBs on the GEF coordinate their efforts to back a concerted global drive geared towards a global expansion of school feeding programmes, including beyond the "first 1000 days." This could include indicative targets for increasing aid.
- 2. GEF members consider working with the School Meals Coalition to set an ambitious but achievable 2030 target for the expansion of school meals coverage in poorer developing countries.
- 3. GEF members work with the SFI team to improve reporting systems on aid for school feeding and explore ways in which donor funding can be increased.



4. MDBs integrate school meal programmes into the wider "evolution" agenda for accelerating SDG progress and responding to climate change.

Annex 1 Under-nutrition estimates for school age population

Global estimates (millions of children)

		All children 6-17	Children 6-11	Children 12-14	Children 15-17
World Regions	Sub-Saharan Africa	77.2	41.1	19.1	17
	South Asia	71.0	35.4	17.9	17.8
	Rest of World	31.2	15.9	7.8	7.5
Income groups	Low-income economies	66.3	35.2	16.4	14.8
	Lower-middle-income economies	101	51.1	25.4	24.6
	Other	12.1	6.2	3.0?	2.9

Source: FAO under-nutrition data applied to UN Population data for regional age cohorts

School-level estimates (millions)

		Primary school	Lower secondary	Upper secondary
World Regions	Sub-Saharan Africa	42.6	3.3	4.1
	South Asia	35.7	12.1	8.0?
	Rest of World	16.1	5.2	3.9
Income groups	Low-income economies	37.0?	3.2	3.3
	Lower-middle-income economies	50.9	15.1	10.8
	Other	6.5	2.2	1.9

Source: FAO under-nutrition data applied to populations in different levels of education, using UNESCO enrolment data.

Annex 2 Reported costs



The GCNF survey (table below) provides data for the 2020/21 school year disaggregated by region and income levels. The reported costs for LMICs and low-income countries respectively average \$18 and \$23 (Data in Annex). Regional costs are highest in sub-Saharan Africa, though the regional figures are skewed by large programmes in South Africa and Botswana. WFP's State of School Feeding report estimates average per pupil costs for both LMICs and LICs at around \$40. Some of these differences may be accounted for by food price inflation, country coverage, and discrepancies in food baskets. The scale of programmes may also be a material factor, with per capita costs falling with rising scale. Cross-country comparisons also point to the potential for significant efficiency gains deriving from procurement, delivery, and administrative systems. The Research Consortium for School Health and Nutrition is currently working to shed light on these issues.

Regions	# Countries with available data	Total Budget	Total # Fed Student	Cost Per Fed Student
Lower-middle- income economies	26/54	2,552,837,065	139,096,575	18.35
Low-income economies	20/26	366,731,753	15,574,399	23.55
South Asia	4/8	1,871,528,270	112,572,572	16.63
Sub-Saharan Africa	35/48	1,453,340,385	43,333,133	33.54
Global		27,769,933,579	274,649,287	101.11

Source: 2021 Global Survey of School Meal Programs