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Right to education

Note by the Secretary-General

The Secretary-General has the honour to transmit to the General Assembly the report of the Special Rapporteur on the right to education, Farida Shaheed, in accordance with Human Rights Council resolutions 8/4 and 62/8.

* A/81/150.

Report of the Special Rapporteur on the right to education, Farida Shaheed

Obstacles to realizing the right to education under the international financial architecture

Summary

In the present report, submitted to the General Assembly pursuant to Human Rights Council resolutions 8/4 and 62/8, the Special Rapporteur on the right to education, Farida Shaheed, addresses key obstacles created under the current international financing architecture to the realization of the right to education worldwide.

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I. Introduction

1. In this report, the Special Rapporteur on the right to education, Farida Shaheed, highlights key ways in which the international financial architecture obstructs the realization of the right to education by impeding States' abilities to mobilize their domestic resources in accordance with their obligations under international law. The legal and political commitments to realize the right to education necessitate enabling policies of the main actors in the international financial architecture, including the International Monetary Fund (IMF) and the World Bank. With the world debt crisis worsening, education systems worldwide suffering from austerity measures and aid cuts, and shrinking domestic resources for education, this issue deserves urgent attention. The right to education cannot be achieved without sustained public financing, which requires transforming the existing international financial architecture.

2. Sixty years ago, under the International Covenant on Economic, Social and Cultural Rights, States undertook to mobilize the maximum available resources to progressively ensure free education at all levels, without discrimination. States' normative obligations have been gradually clarified, in particular the obligations to comply with minimum core obligations, avoid unjustified retrogressive measures, resort to international assistance and cooperation, regulate private actors and cross-border activities that may undermine rights, and avoid macroeconomic and fiscal policies, including through international institutions, that impair States' ability to fulfil the right to education. In practice, these obligations have been routinely ignored, leaving the pledge to ensure the universal right to education largely unfulfilled.

3. The Special Rapporteur warmly thanks all 44 contributors for their inputs[1] and appreciates the more than 100 contributions from members of the Right to Education Youth Network – #REYN, which she established.[2] Youth submissions show a strong understanding of the impact of the international financial architecture on the right to education, highlighting the core issue: countries cannot support education fairly when debt repayment, high-interest loans, weak accountability, corruption, conflict and global power inequalities drain resources away from schools. They expressed concerns regarding teacher wage erosion, spending caps and the growing diversion of public resources away from education, which leads to increased privatization and persistent inequalities in access to education. A recurring concern communicated across youth submissions was the growing gap between free education policies and the hidden costs of education borne by households. This gap inevitably converts education from a right into a family purchasing decision. Youth highlighted the unequal effects of austerity and underfunding on marginalized groups, including rural learners, displaced communities, learners with disabilities, LGBTQI+ youth, and students in conflict-affected and climate-vulnerable contexts.

4. Young people are increasingly visible actors in debates over debt, austerity and education financing. Across the global South, youth-led protests have challenged the prioritization of debt servicing and fiscal adjustment supported by IMF over social investment, particularly where austerity measures have contributed to inflation, reduced social sector public spending and added pressures on education systems. Yet, despite the long-term implications for future generations, young people remain largely excluded from meaningful participation in debt negotiations, fiscal policymaking and education financing decisions.

[1] The submissions received are available at https://www.ohchr.org/en/calls-for-input/2026/call-inputs-international-financial-architecture-debt-and-right-education.

[2] See https://www.ohchr.org/en/special-procedures/sr-education/right-education-youth-network-reyn.

5. The international financial architecture – a system of rules, policies, practices and institutions governing the international financial system – is not merely a technical framework for managing macroeconomic stability. It is a system that directly shapes States' capacity to fulfil economic, cultural and social rights, and that impacts intergenerational justice, democratic legitimacy and the equitable distribution of adjustment costs. It is time to seriously respond to the call of United Nations special rapporteurs and independent experts, human rights treaty bodies, civil society actors and many other stakeholders, which have all increasingly argued that features of this architecture undermine States' ability to guarantee the right to education.[3] The United Nations Conference on Trade and Development (UNCTAD) has also stressed the urgent need to reform[4] what the United Nations Secretary-General has referred to as an "outdated" architecture.[5] An increasing number of voices is also calling for going beyond a development paradigm that is based on mere growth towards one that can enable the realization of economic, social and cultural rights.

II. Worrying trends in global financing for education

6. Under the International Covenant on Economic, Social and Cultural Rights, the Convention on the Rights of the Child and Sustainable Development Goal 4, States committed to providing free universal primary and secondary education. However, in 2023, the United Nations Educational, Scientific and Cultural Organization (UNESCO) estimated that an average annual national financing gap of approximately $97 billion impeded the achievement of education goals by 2030 in 79 lower-income countries.[6] In addition, in humanitarian crises contexts, education remains chronically underresourced; funding fails to keep pace with the growing financial requirements to meet escalating needs.[7]

7. Education is overwhelmingly funded from domestic resources, which account for 97% of global education funding.[8] Even in the low-income countries that are most reliant on external support, donor financing only accounts for 12% of funding.[9]

8. However, many lower-income countries remain off track to meet the financing benchmarks of allocating 4–6% of gross domestic product (GDP) and/or 15–20% of total public expenditure to education, as set out in the Incheon Declaration and Framework for Action for the implementation of Sustainable Development Goal 4 (2015), and subsequently reaffirmed in article 8 of the Paris Declaration: A Global Call for Investing in the Futures of Education (2021); article 11 (a) of the Fortaleza

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[3] See, for example, Office of the United Nations High Commissioner for Human Rights (OHCHR), "UN debt expert calls for UN convention to fight global tax avoidance and evasion", 25 October 2022; https://www.srpoverty.org/2024/10/17/statement-international-financial-system-not-fit-for-purpose-to-address-catastrophic-debt-crisis-un-poverty-expert/; A/HRC/38/33; A/HRC/62/42/Add.1, paras. 18–22 and 24–29; A/HRC/56/61/Add.1, paras. 23–25; https://indonesia.un.org/sites/default/files/2023-07/our-common-agenda-policy-brief-international-finance-architecture-en.pdf, pp. 2–5; https://www.globalpolicy.org/sites/default/files/Introduction_Reforms%20to%20the%20international%20financial%20architecture.pdf, pp. 7–9; and E/1991/23, para. 37.

[4] UNCTAD, "A world of debt: it is time for reform", 2025.

[5] See https://news.un.org/en/story/2024/09/1154321.

[6] United Nations Educational, Scientific and Cultural Organization (UNESCO), "Can countries afford their national SDG 4 benchmarks?", Global Education Monitoring Report, Policy Paper, No. 49, April 2023, p. 1.

[7] See https://eiehub.org/events/eie-financing-in-the-wake-of-covid-19; and https://www.educationcannotwait.org/global-estimates-update-2026.

[8] See https://www.unesco.org/en/articles/breaking-out-global-education-financing-bubble.

[9] See https://www.cgdev.org/blog/less-education-aid-available-should-donors-focus-helping-governments-spend-better.

Declaration: Unlocking the Transformative Power of Education for Peaceful, Equitable and Sustainable Futures (2024); and action 4 of the Pact for the Future (2024). Moreover, the Incheon Framework for Action recognizes that least developed countries need to reach or exceed the upper ends of the financing benchmarks to achieve the targets proposed in the Framework.

9. The financing benchmarks are not being achieved consistently. Average education spending has declined both as a share of total public expenditure, from 14.5% in 2012 to 13.4% in 2022, and as a share of GDP, from approximately 4.4% to 4.2% in the same period.[10] Of the 194 countries reporting relevant information only 39 meet both benchmarks; 83 meet one of the two benchmarks; and 72 remain below both thresholds.[11]

10. Importantly, even countries meeting the spending benchmarks may not be mobilizing adequate financing for education, as financing targets do not measure whether overall public revenues are adequate, or whether financing is equitably distributed or focused on fulfilling minimum core obligations as a matter of priority.

11. Lower-income countries allocating a relatively high share of public budgets to education remain subject to debt servicing pressures, weak revenue mobilization, demographic growth, inflation and/or broader fiscal contraction. Recent years have seen rising debt and debt service ratios, with debt servicing crowding out spending on public services and social protection.[12] For example, education represented approximately 29% of Kenya's 2025 national budget, but after factoring in debt obligations this reportedly translated into only around 5.5% of total revenue that was effectively available for education.[13] In Peru, the share of public expenditure on education remained relatively stable, but rising debt-service costs constrained overall budget expansion, limiting the growth of education spending in real terms.[14]

12. In parallel, official development assistance (ODA) for education continues to decline.[15] The United Nations Children's Fund estimates that, should announced ODA cuts be carried out, 6 million more children may be forced out of school by the end of 2026.[16]

13. Governments in need of external support increasingly borrow from multilateral development banks, especially the World Bank's International Development Association (IDA), which provides long-term concessional loans. In 2024, education accounted for approximately 6.7% of total IDA commitments.[17]

14. Unlike the World Bank, which offers long-term development finance, the primary role of IMF is to provide shorter-term support expressly to promote long-term economic recovery. Accordingly, IMF does not directly finance education.

15. Through their policy advice to Governments and the stamp of approval accompanying loans provided, both the World Bank and IMF exert influence on education to a far greater extent than their financial support would suggest, via, for example, written – and unwritten – attached conditionalities. Moreover, given that

[10] UNESCO Institute for Statistics, "Education / SDG 4 monitoring", UIS Data Browser. Available at https://databrowser.uis.unesco.org/browser/EDUCATION/UIS-SDG4Monitoring. Analysis based on matched-country samples with data available for 2012 and 2022–2023.

[11] Submission from UNESCO, p. 2.

[12] Submission from Office of the United Nations High Commissioner for Refugees (UNHCR).

[13] Submission from Action Aid and others.

[14] Submission from Peru Ombudsman's Office.

[15] UNESCO, "Aid to education: time for tough decisions", Global Education Monitoring Report, Policy Paper, No. 50, June 2025, p. 1.

[16] See https://www.unicef.org/documents/education-aid-cuts.

[17] World Bank, *World Bank Annual Report 2024* (2024), p. 88.

these institutions' governance structures are based on voting systems in which financial contributions determine the extent of member States' voting power, high-income countries exert significant influence over institutional priorities, lending policies and reform agendas, and shape these in ways that align with their own interests and perspectives.

III. International legal obligations and financing the right to education

16. Article 28 of the Universal Declaration of Human Rights states that everyone is entitled to a social and international order in which the rights and freedoms set forth in the Declaration can be fully realized.

17. Under articles 2 (1) and 13 of the International Covenant on Economic, Social and Cultural Rights, States have committed to take steps, individually and through international assistance and cooperation, to deploy the maximum available resources to progressively achieve the full realization of the right to education. Article 14 sets out a more stringent framework, requiring States to rapidly adopt a detailed plan of action for the progressive implementation, within a reasonable time frame, of the right to free compulsory primary education.

18. Human rights treaty bodies have clarified States' obligations regarding progressive realization, availability of resources, minimum core obligations, non-retrogression, extraterritorial obligations, the responsibilities of businesses and international organizations, and tax policies. Hence, the concept of progressive realization imposes an obligation to move as expeditiously and effectively as possible towards realizing rights, including the right to education.[18] Even where available resources are demonstrably inadequate, the obligation to strive to ensure the widest possible enjoyment of rights remains.[19] Steps must be "deliberate, concrete and targeted" towards the full realization of the right to education.[20] Retrogressive measures are not permitted, unless it is demonstrated that they have been introduced after the most careful consideration of all alternatives and are fully justified by reference to the totality of economic, social and cultural rights and the full use of maximum available resources.[21] Therefore, any condition attached to a loan that implies an obligation on the borrowing State to adopt an unjustifiable retrogressive measure constitutes a violation of the International Covenant on Economic, Social and Cultural Rights, by both the borrowing and the lending States.[22]

19. Minimum core obligations deriving from the right to education must be implemented immediately. These include the obligations to guarantee the right of access to public educational institutions and programmes on a non-discriminatory basis; ensure that education conforms to the objectives of education set out in international law; provide primary education for all; adopt and implement a national educational strategy for the provision for secondary, higher and fundamental education; and ensure free choice of education, subject to conformity with minimum educational standards and international law.[23]

[18] E/1991/23, para. 9.
[19] Ibid., para. 11.
[20] E/C.12/1999/10, para. 43.
[21] Ibid., para. 44. See also Committee on the Rights of the Child, general comment No. 19 (2016).
[22] E/C.12/2016/1, paras. 4 and 10.
[23] E/C.12/1999/10, para. 57; CEDAW/C/GC/36, para. 10; and Committee on the Rights of Persons with Disabilities, general comment No. 4 (2016), para. 41.

20. States have an obligation to take steps necessary to prevent human rights violations abroad by corporations domiciled in their territory and/or jurisdiction.[24] They are expected to take collective action, including through international cooperation, to help fulfil economic, social and cultural rights outside of their national territories. They are required to help create an international environment that enables the fulfilment of these rights, through legislation, policies, and diplomatic and foreign relations measures.[25] In their decision-making as members of international financial institutions or other international organizations States must not ignore their human rights obligations when acting in their capacity as members of these organizations.[26]

21. As subjects of international law, international organizations, including international financial institutions, must respect human rights and fulfil all obligations imposed by international law. In particular, international financial institutions, as specialized agencies of the United Nations, are bound by the human rights provisions contained in the Charter of the United Nations.[27]

22. Other important interpretative tools include the Guiding Principles on Business and Human Rights (2011); the guiding principles on extreme poverty and human rights (2012); the guiding principles on human rights impact assessments of economic reforms (2018); and the guiding principles on foreign debt and human rights (2011). The Maastricht Principles on Extraterritorial Obligations of States in the Area of Economic, Social and Cultural Rights and the Abidjan Principles on the human rights obligations of States to provide public education and to regulate private involvement in education also clarify States' obligations on the basis of existing international law. They do not establish new elements of human rights law and are regularly referred to by human rights monitoring bodies.

23. The right to education requires States to deliver free, quality, public education for everyone.[28] As reaffirmed in the Abidjan Principles:

(a) In allocating their maximum available resources for education, States must prioritize the provision of free, public education;[29]

(b) International assistance and cooperation for education must prioritize the implementation of core obligations.

24. The Maastricht Principles stress States' obligations to:

(a) Regulate multinational corporations whose cross-border activities, including aggressive tax avoidance, reduce a Government's maximum available resources;

(b) Regulate private lenders whose practices foreseeably constrain States' ability to mobilize and allocate maximum resources;

(c) Exercise influence within international organizations to shape policies with foreseeable implications for the mobilization of maximum resources.

25. Therefore, higher-income countries' Governments should provide adequate international assistance, including aid and concessional finance, to support the realization of economic, social and cultural rights. They have an obligation to ensure that their influence within institutions such as IMF does not promote loan

[24] Committee on Economic, Social and Cultural Rights, general comment No. 24 (2017), para. 26; Committee on the Rights of the Child, general comment No. 16 (2013).
[25] Committee on Economic, Social and Cultural Rights, general comment No. 24, para. 36.
[26] E/C.12/2016/1, para. 9.
[27] E/C.12/2025/1, para. 13.
[28] A/HRC/53/27, paras. 52 and 53.
[29] See also A/HRC/41/37.

conditionality or macroeconomic reforms that undermine the right to education (and other economic, social and cultural rights), and to exercise caution in issuing policy advice that encourages privatization or public-private partnerships, ensuring that such reforms do not reduce access, affordability, quality or accountability in essential public services, and more generally do not create a foreseeable risk of any systemic negative impact on the development of a free public education system of the highest attainable quality.[30] They have the duty to cooperate on fair international tax rules, increase transparency and prevent illicit financial flows, tax abuse and other practices that deprive lower-income countries of the resources needed to fulfil human rights. In essence, richer States are expected to *both* avoid causing harm abroad *and* use their economic, financial and governance influence to support the realization of human rights internationally, including the right to education.

IV. Debt, fiscal space and the right to education

A. The debt crisis

26. The current debt crisis, a structural feature of the global economy, is one of the most significant barriers to adequate education financing, according to UNESCO and UNCTAD.[31] As submissions emphasized, developing countries often face significantly higher financing costs and more limited fiscal flexibility than advanced economies. Current debt restructuring mechanisms remain flawed, creditor-driven and fragmented, rendering them inadequate to restore fiscal space for social investment in many highly indebted countries. A greater alignment is needed between debt governance, macroeconomic policy and international human rights obligations, including reforms aimed at protecting social investment and expanding fiscal space for education.

27. According to IMF, global public debt (comprising both domestic and foreign debt) is projected to approach 100% of global GDP by the end of the decade, with around one third of countries – representing approximately 80% of global GDP – experiencing both higher and faster-rising debt levels than before the coronavirus disease (COVID-19) pandemic.[32] UNCTAD found that global public debt reached $102 trillion, an increase of $5 trillion from 2023, and that public debt grows twice as fast in developing countries as in developed countries.[33]

28. In 2023, developing countries' external public debt reached $3.3 trillion, an increase of roughly $102 billion compared with the previous year. By limiting access to affordable development finance, the current system intensifies the debt burdens of developing countries, pushing them to rely on more volatile and expensive external sources. Pressures increasingly arise from the interaction of growing external, domestic and commercial debt obligations. Within public financing and sovereign debt structures, loans offered by private commercial creditors and market-based lending – which account for 60% of total external debt in developing countries[34] – typically carry higher interest rates and shorter maturities, increasing refinancing risks and debt servicing burdens.

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[30] Abidjan Principles, principle 65.

[31] Submission from UNESCO, p. 2. See also UNCTAD, "A world of debt".

[32] See https://www.imf.org/en/blogs/articles/2025/05/29/debt-is-higher-and-rising-faster-in-80-percent-of-global-economy.

[33] UNCTAD, "A world of debt", pp. 4 and 5.

[34] Ibid., pp. 9 and 12.

29. One submission included modelling which estimates that debt cancellation would have allowed lower-income countries to deliver more than 60 million additional child school years between 2020 and 2026.[35]

B. The weight of debt servicing on education spending

30. Debt servicing, which in many countries surpasses the ODA amounts received, is increasingly crowding out spending on public services and social protection. It now absorbs approximately 35% of total government expenditure across 149 countries tracked by Debt Service Watch.[36] Regional disparities are pronounced; for example, debt service accounts for 58% of public expenditure in South Asia.[37]

31. UNESCO estimated that by 2025 debt repayments had exceeded public spending on education in 113 countries.[38] In 2025, UNCTAD warned that almost half of humanity lived in countries that spent more on debt servicing than on education or health.[39] Globally, external and domestic debt service is estimated to amount to more than three times the total public education expenditure.[40] In the most affected countries, including Egypt, Pakistan and Sri Lanka, debt servicing exceeds education spending by more than 15 times.[41]

32. Several submissions noted that countries with the greatest education financing needs and youngest populations often face the highest debt servicing burdens and least fiscal flexibility. For example, in the 10 countries where girls face the greatest barriers to education, Governments spend approximately four times more on debt repayments than on education.[42] Too often, this is hidden, as countries tend to report budget allocations to education after removing debt servicing. The 15–20% benchmark should reflect the total budget allocated to education before debt servicing.

33. The interaction between rising debt service and constrained education financing significantly impacts the right to education. Current trends risk entrenching cycles of inequality, as low-income countries, marginalized learners, displaced populations and girls are disproportionately affected. Debt servicing, wage bill restrictions and rigid fiscal frameworks limit the ability of Governments to recruit teachers, expand infrastructure or respond flexibly to sudden displacement-associated increases in enrolment.[43]

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[35] Joint submission from Government Revenue and Development Estimation (GRADE), Team (Universities of St Andrews and Leicester), Centre for Economic and Social Rights (CESR), and Grown too Quick Foundation (GTQF), p. 3.

[36] Development Finance International, Debt Service Watch 2025 Database (accessed with permission). The methodology and overview is available at https://www.development-finance.org/en/news/873-washington-debt-service-watch-2025-briefing-and-database-released.

[37] Ibid.

[38] Submission from UNESCO.

[39] UNCTAD, "A world of debt", p. 21.

[40] Development Finance International, Debt Service Watch 2025 Database.

[41] Submission from Malala Fund, pp. 1 and 2.

[42] Ibid., p. 2.

[43] Submission from UNHCR.

V. Actors and instruments of the international financial architecture and how they impact the right to education

34. Pursuant to article 2 (1) of the International Covenant on Economic, Social and Cultural Rights, States share responsibility for creating an international financial architecture that facilitates, rather than inhibits, the realization of rights.

35. Actors within the international financial architecture that most influence resource availability for education include IMF, the World Bank and other multilateral development banks, the Paris Club of Industrial Country Creditors, the Group of 20 (G20) and the Group of Seven (G7), private creditors, rating agencies and bilateral aid agencies.

36. They exercise influence in various ways. Debt sustainability analyses may prioritize macroeconomic stability and debt repayment over long-term investments in education. Assessments carried out by credit ratings agencies may compound effects. Debt restructuring mechanisms leave many lower-income countries unable to find an effective way to deal with the threat of debt distress. The failure to promote inclusive, equitable and effective international tax cooperation limits States' abilities to boost revenues through taxation of wealthy individuals and multinational corporations. External financing flows encourage or directly facilitate private sector participation in development and prioritize donor agendas.

A. International Monetary Fund: the gap between rhetoric and practice

37. IMF rarely imposes explicit education-sector conditionalities. However, conditionalities frequently relate to cuts in the wage bill, which in many countries is concentrated in the education and health sectors. Influence is exercised through macroeconomic targets and policy frameworks that define the overall fiscal envelope within which Governments finance public services, including education. IMF surveillance activities, lending programmes, programme design and policy advice influence fiscal targets, debt management, expenditure frameworks and the terms by which Governments are expected to restore macroeconomic "stability". IMF surveillance and programme engagement also largely determine the expectations of international financial institutions, investors and private creditors, thereby influencing countries' access to financing and the terms of such financing.

38. IMF increasingly frames education as "macro-critical", emphasizing its role in supporting economic growth, productivity and inequality reduction.[44] One key IMF response to concerns about the social impacts of fiscal adjustment has been to increase the use of social spending floors and targets within its lending programmes. In sub-Saharan Africa, such measures are now widely included in policy prescriptions and, in some cases, they have successfully secured stable or even increased levels of aggregate social spending.[45]

39. IMF's own analysis highlights important limitations in social spending floors, however, and several submissions highlighted a persistent gap between shifts in policy statements and operational practices. Civil society organizations stress that social spending floors are often defined unevenly and weakly and inconsistently

[44] See https://www.imf.org/en/publications/tnm/issues/2025/04/28/imf-engagement-on-education-spending-in-surveillance-and-program-work-560719, p. 2.

[45] Ghislain Afavi and others, "Social spending targets in IMF-supported programmes in sub-Saharan Africa", *International Monetary Fund (IMF) Departmental Papers*, vol. 2025, No. 5 (2025).

applied, and are insufficient to offset the broader effects of fiscal consolidation, with many programmes continuing to prioritize deficit reduction over social investment.[46] Critically, despite the fact that countries often spend up to 90% of the total education budget on teachers, public sector wage expenditures are not consistently included in targets for social sector "floors".[47]

B. Fiscal consolidation: a dominant policy framework affecting education services

40. Fiscal consolidation – known colloquially as austerity measures – remains IMF's central organizing principle, often resulting in prioritization of expenditure restraint to achieve fiscal balance and debt service obligations.

41. Reductions in education spending do not necessarily result from explicit sector-specific policy decisions but emerge as an indirect consequence of broader macro-fiscal constraints. It was estimated that by 2025, approximately 85% of the world's population was living under austerity measures in the 129 countries under adjustment mandates.[48]

42. Debt pressures are often experienced in the education sector due to reduced fiscal space, impacting the availability, quality and accessibility of education. In countries where IMF required large-scale austerity, since 2024 education spending in real terms has been cut by 16%.[49]

43. The burden of adjustment disproportionately affects lower-income populations, both through reductions in public services and broader economic impacts. Girls, especially in low-income and rural contexts, may be particularly affected when families, unable to meet the direct, indirect and opportunity costs of education, prioritize educational spending for boys. Simultaneously, unpaid care burdens increase more drastically for women and girls. Wage bill compression constraining female teacher recruitment and austerity-driven cuts that lead to, or exacerbate, inadequate water, sanitation and hygiene facilities also have implications for girls' retention in rural and conservative areas.

C. Public sector wage bill constraints and education systems

44. In many countries, particularly those engaged in IMF-supported programmes, fiscal consolidation has concentrated on limiting recurrent expenditures, including the public sector wage bill. A 15-country study found that IMF advice to cut government spending wiped out nearly $10 billion from public sector wage budgets, equivalent to eliminating more than 3 million essential jobs. The study stressed that IMF had no criteria for recommending the GDP percentage to be spent on the public

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[46] Oxfam, "IMF social spending floors: a fig leaf for austerity?", April 2023.

[47] Submission from Malala Fund; and UNHCR. See also Action Aid International, Education International and Tax and Education Alliance, *Still Cooking with a Failed Recipe: A Review of IMF Country Advice on Social Spending, Public Services, Debt, Tax and Gender Equality* (Action Aid International, 2026).

[48] Isabel Ortiz and Matthew Cummins, "Global austerity alert: looming budget cuts in 2021-25 and alternative pathways", Working Paper (Initiative for Policy Dialogue and others, 2021). Shahra Razavi and others, *Social Policy Advice to Countries from the International Monetary Fund during the COVID-19 Crisis: Continuity and Change*, ILO Working Paper, No. 42 (2021).

[49] See https://debtjustice.org.uk/press-release/imf-denials-of-debt-relief-triggering-drastic-health-and-education-spending-cuts-in-lower-income-countries.

sector wage bill and consistently recommended cuts below regional and global averages.[50]

45. Reducing the public education sector wage budget leads to hiring freezes, increased pupil-teacher ratios and downward pressure on teacher salaries, resulting in low teacher morale, workforce retention issues and increased reliance on lower-paid contract teachers.[51] As teachers are the largest group in most public sector wage bills, overall cuts mean countries face teacher shortages and cannot increase teacher salaries (even if they are underpaid). This is at odds with both the right to quality education and the right to the enjoyment of just and favourable conditions of work,[52] as well as the Recommendation concerning the Status of Teachers.[53] There is no evidence that IMF reviews UNESCO or Ministry of Education data on teacher shortages before recommending wage bill cuts, and it does nothing to protect education personnel from such cuts. It is reported that in Malawi, recruiting the number of teachers necessary to reach the UNESCO-recommended pupil-teacher ratio would require increasing the education wage bill by 63%, a trajectory directly foreclosed by IMF conditionalities.[54]

D. Inadequacy of debt restructuring mechanisms for mobilizing resources for education

46. Lower-income countries facing debt problems sometimes negotiate with creditors to restructure their debts, allowing them to keep funding essential services, such as education, instead of diverting too much revenue to creditors, as Uruguay did in 2003, for example.[55]

47. However, restructuring mechanisms have proved unsuccessful in addressing present-day complexities arising from the changing nature of the creditor landscape, which requires negotiating a complex patchwork of debts involving Governments and IMF, private markets and legal contracts. Private creditors in particular have been reluctant to negotiate.

48. The Paris Club, the most long-standing forum for bilateral debt restructuring, is an informal group of official creditor countries, largely from the Organisation for Economic Co-operation and Development (OECD), that works to find coordinated and sustainable solutions for countries facing payment difficulties. Negotiations can be slow because many creditors must agree, and assistance is often tied to policy reforms that may be socially painful for borrowing Governments. Today, the diversification of external debt reduces the share of total debt that the Paris Club can resolve alone.

49. The Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative was created in 2020 to coordinate sovereign debt restructuring for eligible low-income countries during the COVID-19 pandemic. It brings together both traditional creditors and newer official lenders, making debt restructuring and forgiveness even more difficult to achieve. Private creditors also participate, but their participation remains difficult to secure. The aim is to increase the chances of debt relief being sufficient to restore sustainability rather than merely postponing the

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[50] See https://teachertaskforce.org/sites/default/files/2023-02/2022_EI-Action-Aid_Education_vs_austerity_EN.pdf.

[51] Submission from UNESCO.

[52] International Covenant on Economic, Social and Cultural Rights, art. 7.

[53] See also A/78/364.

[54] See https://www.ei-ie.org/en/item/26420:imf-policies-undermine-quality-education.

[55] See https://documents.worldbank.org/curated/en/232951468309324842/pdf/wps3780.pdf, p. 26.

crisis. Still, cases under the Common Framework often move slowly because creditors have different interests and lending models. The process can be opaque, which may shake market confidence and deepen economic stress in debtor countries. Countries facing significant challenges in financing education, such as Ethiopia and Zambia, have faced prolonged delays, while their situation deteriorated.[56]

50. Common Framework cases generally depend on IMF involvement for economic analysis and policy undergirding the process. However, IMF has been criticized for being too slow and for basing its analysis on unrealistic growth and fiscal assumptions.[57] Disagreements over IMF projections can stall the process. In some submissions IMF was described as being too influential, with substantial agenda-setting power over debtor countries and creditors alike,[58] requiring tax increases through increasingly regressive tax systems, subsidy reform, spending restraint and public sector wage limits. There is concern, too, that IMF lacks transparency in terms of how key judgments are made, especially around debt sustainability thresholds and restructuring parameters.[59]

51. Alongside creditor forums and restructuring mechanisms, there is a growing number of borrower coordination groups, dialogue platforms and norm-shaping initiatives.[60] These do not usually have formal power to negotiate restructurings, but they influence agendas, bargaining powers and standards.

E. Lessons from previous multilateral debt relief initiatives

52. Present-day approaches to debt restructuring stand in contrast to the historical experience of the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI), which sought to reduce debt-service burdens to levels considered compatible with poverty reduction and development spending. IMF and World Bank reviews found that debt-service payments among HIPC countries declined substantially during the 2000s, contributing to increased expenditure on poverty reduction, particularly in education and health.[61] Uganda, for example, dramatically increased the primary school attendance rate in the early 2000s,[62] but also saw quality of education deteriorating due to public sector wage bill caps.[63]

53. Under the HIPC Initiative, debt-relief savings were frequently integrated into government-owned poverty reduction strategy papers, which were used as the basis for World Bank concessional lending and monitored through mechanisms involving Governments, development partners and civil society organizations. This helped ensure that debt-relief gains translated into expanded social expenditure, including

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[56] Save the Children, “Ethiopia: a closer look – refugee education”, 2023, p. 2; and Save the Children, “From bleak prospects to bright futures: the urgent actions needed to address public under-investment in children across lower income countries”, April 2023, p. 12.

[57] Joint Submission from Malala Fund and others; and submission from Save the Children.

[58] Joint Submission from Action Aid and others.

[59] See https://data.one.org/2025-debt-open-letter.

[60] See https://unctad.org/news/developing-countries-launch-first-ever-borrowers-platform-breakthrough-global-finance.

[61] International Development Association (IDA) and IMF, *Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI): Status of Implementation* (2009).

[62] See https://odi.org/en/publications/universal-primary-education-uganda/; and African Development Bank, *Debt Relief Initiatives, Development Assistance and Service Delivery in Africa* (Oxford, Oxford University Press, 2009).

[63] World Bank, *Global Monitoring Report 2006: Millennium Development Goals – Strengthening Mutual Accountability, Aid, Trade, and Governance* (2006).

investments in education, rather than being absorbed solely into macroeconomic adjustment or continuing debt-service obligations. In the mid-2000s the Plurinational State of Bolivia, for example, improved public education coverage and completion ratios, particularly in rural areas and among girls. Bolivia also demonstrated how debt relief could support broader institutional reforms to strengthen democratic oversight of public spending, including through decentralized municipal structures.[64]

54. The experience of the HIPC Initiative further suggests that debt sustainability should not be assessed solely using debt-stock indicators but should also take into account Governments' capacity to finance human rights and development goals. Previously, on average, eligible countries were spending slightly more on debt service than on health and education combined; by 2015, reductions in debt spending enabled countries to spend about five times more on health and education than on debt service.[65]

55. The contrast between the HIPC Initiative and MDRI and more recent restructuring initiatives (conducted country-by-country rather than collectively) underscores the importance of comprehensive and coordinated debt relief. Recent analysis indicates that debt-service levels of around 10% of government revenue would allow States to restore fiscal space for social spending.[66]

F. Limits of "innovative financing" for education in the context of debt distress

56. In the last decade, development finance institutions and Governments have increasingly promoted "innovative financing" mechanisms for sustainable development, including education.[67] The expanded use of such mechanisms – particularly blended finance, debt swaps, guarantees, local currency financing and other risk-sharing instruments, as well as innovative financing vehicles to mobilize private investment in developing countries – was strongly endorsed at the fourth International Conference on Financing for Development, held in Seville in 2025.[68]

57. Yet, the debates at the Conference also highlighted concerns about the limitations and risks associated with innovative finance approaches, such as the fact that blended finance mobilizes far less private capital than originally anticipated and that there is the need for stronger safeguards around transparency, additionality, fair risk-sharing and alignment with national development priorities. Concern was also expressed about an overreliance on financial engineering in place of a structural reform of the international financial architecture.

58. Some submissions further underlined that the "innovative financing" framing normalizes the substitution of public grant-based financing with market-based mechanisms.[69]

[64] IDA and IMF, *Bolivia: Completion Point Document for the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative* (2001).

[65] See https://www.imf.org/en/about/factsheets/sheets/2023/debt-relief-under-the-heavily-indebted-poor-countries-initiative-hipc.

[66] Matthew Martin, "Funding Agenda 2030 and an SDG stimulus: how much money could debt relief provide? Report to the United Nations Secretary-General", Development Finance International, 5 May 2026.

[67] See https://documents1.worldbank.org/curated/en/099042624181519346/pdf/P5009781490d0b070195ed1cd5436f2922c.pdf, pp. 10–16. See also https://www.un.org/en/transforming-education-summit/financing-education.

[68] See https://financing.desa.un.org/sites/default/files/ffd4-documents/2025/Compromiso%20de%20Sevilla%20for%20action%2016%20June.pdf, pp. 9 and 10.

[69] Submission from Malala Fund and others.

59. UNESCO highlighted that while debt-for-education swaps demonstrated potential to generate additional, multi-year funding for targeted education programmes, their effectiveness depended on strong transparency and accountability mechanisms, clear alignment with national education priorities and systems, coordinated engagement across stakeholders and efficient use of resources.[70] Nevertheless, debt swaps do not resolve underlying debt sustainability challenges and cannot replace broader debt restructuring. Submissions underscored high transaction costs, sovereignty constraints and conditionalities associated with debt swaps; some questioned whether debt swaps could provide predictable long-term support for the recurrent cost of education.[71]

60. Consequently, while "innovative financing" mechanisms may provide limited, context-specific sources of additional funding, they cannot serve as a substitute for sustained public financing, comprehensive debt restructuring or the structural reform of the international financial architecture, which are necessary to secure the long-term realization of the right to education, regardless of the public policy attention they currently enjoy.

VI. Public-private partnerships, cost-sharing and private provision of education

61. The World Bank and IMF have consistently promoted public-private partnerships and other forms of private participation in education to meet rising demand, improve efficiency and quality, offset constraints on public expenditure and reduce the direct role of the State in service provision. The World Bank mobilizes private capital at scale through institutions such as the International Finance Corporation and the Multilateral Investment Guarantee Agency.[72] The World Bank's "billions to trillions" agenda urges a move away from reliance on public and donor funding, towards leveraging much larger volumes of private investment.[73] However, and importantly, in 2024, the World Bank's chief economist dismissed that agenda as reflecting a broken financial system, with multilateral institutions and government creditors bearing nearly all the risk and private creditors reaping nearly all the rewards.[74]

62. Special Rapporteurs on the right to education have repeatedly expressed concern regarding the implications of public-private partnerships for equity, accountability, labour rights and the right to education, emphasizing that such partnerships have largely failed, especially in fragile countries.[75]

63. In contexts of constrained fiscal space, relying on public-private partnerships may defer rather than reduce public financial pressures. Public-private partnerships often create long-term fiscal commitments, which may not be immediately visible in public accounts, but translate into future government payment obligations, creating a "fiscal illusion" that obscures the true scale of public liabilities. Private financing is typically more expensive than public borrowing, and Governments ultimately bear the financial risks associated with any project failure. Public-private partnerships

[70] Submission from UNESCO, p. 4. See also https://www.unesco.org/sdg4education2030/en/education-financing-unesco/education-investment?hub=129041.

[71] Submissions from Action Aid and others; and Malala Fund and others.

[72] See https://www.devcommittee.org/content/dam/sites/devcommittee/doc/documents/mgr/DC2017-0009_Maximizing_8-19.pdf.

[73] See https://thedocs.worldbank.org/en/doc/622841485963735448-0270022017/original/DC20150002EFinancingforDevelopment.pdf, pp. 1 and 2.

[74] See https://doi.org/10.1596/978-1-4648-2148-6, foreword.

[75] A/HRC/41/37, paras. 22–25, 54–65 and 91; A/70/342; and A/HRC/44/39, para. 72.

provide short-term responses to fiscal constraints, but risk intensifying inequality in access to basic services, weakening public systems and shifting long-term financial and social costs onto households, workers and States.[76]

64. International and regional human rights bodies and United Nations agencies and special rapporteurs have repeatedly emphasised that education must remain a public and common good, with States remaining the primary duty-bearers for ensuring free, equitable, and quality education for all.[77] Private involvement in education must not undermine equality, non-discrimination or universal access, and international organizations should avoid contributing to the unregulated expansion of private provision.[78]

VII. Maximizing available resources for education through international tax policy cooperation

65. States have the right to determine their tax policies in accordance with their national priorities, but they must do so in a manner consistent with their obligations under international human rights law, including the International Covenant on Economic, Social and Cultural Rights. This includes the obligation to ensure that national tax policies do not undermine the capacity of other countries to raise public revenues for realizing rights; States also have a duty to combat tax evasion and tax avoidance, within and beyond their territory, and to combat illicit financial flows.[79]

A. Tax revenue for sustainable education funding: the role of the international financial architecture

66. The benchmarks of spending 4–6% of GDP and 15–20% of total expenditure on education have been set as a means to realize the right to education, even for low-income countries receiving a relatively high share of income from ODA. Countries that raise more revenue can spend more on education, the main revenue source being taxation.

67. The manner of raising tax revenue is crucial, however. Tax policymaking should be inclusive, transparent, participatory and evidence-based, fostering informed public debate, with comprehensive impact assessments on the realization of, inter alia, the right to education.[80]

68. A well-designed tax system should effectively raise revenue to secure economic, social and cultural rights and reduce high levels of economic and social inequality.[81] Therefore, revenues should be raised from progressive direct income taxation systems

[76] See in particular Eurodad, *History RePPPeated II: Why Public-Private Partnerships Are Not the Solution* (Brussels, 2022).

[77] A/HRC/53/27, paras. 15, 16, 52 and 53. See also submission from UNESCO; UNESCO, *Global Education Monitoring Report 2021/2: Non-State Actors in Education – Who Chooses? Who Loses?* (2021); UNESCO, *Reimagining our Futures Together: A New Social Contract for Education* (2021); and African Commission on Human and People's Rights, general comment 7 on State obligations under the African Charter on Human and Peoples' Rights in the context of private provision of social services (2022).

[78] See https://www.abidjanprinciples.org/.

[79] E/C.12/2025/1, paras. 1, 10 and 11.

[80] Ibid., para. 5. See also A/HRC/40/57 (Guiding principles on human rights impact assessments of economic reforms).

[81] E/C.12/2025/1, para. 6.

that avoid placing a disproportionate burden on lower-income households, which can increase pressure for school dropouts, especially of girls.

69. Currently, key actors in the international financial architecture, which have an influential role in shaping tax policies in low- and middle-income countries, often promote revenue systems centred on broad-based consumption taxes such as value added tax, excise duties and subsidy removals – measures deemed to be efficient, easier to administer and reliable sources of State revenue.[82]

70. Unless offset by transfers or progressive income and wealth taxes, these measures disproportionately burden poorer households.[83] Measures that increase State revenue, without providing for redistribution through free schooling, cash transfers, scholarships and progressive taxation, often deepen inequalities in access to education, school attendance and learning outcomes. Higher value added tax rates and excise taxes raise the cost of everyday goods, transport, electricity and digital access, leaving families with less disposable income for uniforms, books, devices, meals or school transport,[84] which a free public education system should, in fact, cover. Removing fuel subsidies can sharply increase commuting costs for students and teachers and raise school operating costs, especially in rural areas. The resultant food price inflation can raise the cost of school feeding programmes. Where broader austerity packages accompany these reforms, Governments may freeze, or cut, education spending, teacher recruitment, school maintenance or support programmes, reducing both availability and quality of education.[85] If poorly designed, policies intended to stabilize budgets can inhibit equal enjoyment of the right to education, particularly for girls, learners with disabilities, refugees and poorer children.

71. Acknowledging these distributional risks, IMF and the World Bank increasingly express support for combining consumption taxes with stronger social protection and more progressive taxation. In practice, however, country-level policy advice tends to promote regressive tax systems and continues to favour the interests of the wealthiest over those of the poor and more marginalized, especially girls and women,[86] and does not resolve the basic problem.[87]

B. Tax cooperation for the right to education

72. The absence of an agreed-upon international framework for tax cooperation creates a situation in which States compete for investment by offering tax breaks of various kinds, to the detriment of their revenue bases upon which education funding relies. This situation results in multinational companies moving their reported profits from the country where the real economic activity occurs to a low-tax jurisdiction. Incentives for such tax optimization strategies are frequently nested within bilateral or multilateral tax treaties.

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[82] See https://www.brettonwoodsproject.org/wp-content/uploads/2017/04/IMF-and-Gender-Equality-VAT-1.pdf, chap. 2; and https://policy-practice.oxfam.org/resources/time-to-walk-the-talk-the-imfs-tax-advice-2022-2024-621788/, chap. 1.

[83] See https://onlinelibrary.wiley.com/doi/full/10.1111/1758-5899.70052, conclusion.

[84] See https://www.unicef.org/media/104506/file/Fiscal%20Equity%20and%20Social%20Outcomes%20for%20Children.pdf, chaps. 2 and 3.

[85] Rick Rowden, *Impacts of IMF Policies on National Education Budgets and Teachers* (Education International Research Institute, 2011), p. 11; and Action Aid International, "New report exposes the extent of IMF's 'pink washing'", 10 October 2022.

[86] See https://www.oxfam.org/en/press-releases/wealth-largely-absent-imf-tax-guidance-benefiting-rich.

[87] Action Aid International, Education International and Tax and Education Alliance, *Still Cooking with a Failed Recipe*, sect. 2.4.

73. Estimates of global revenue losses due to tax abuse by multinational corporations vary from as high as $495 billion annually to lower albeit still substantial amounts.[88] All States lose in this race to the bottom. Lower-income countries' share of this total is small in absolute terms (estimated at $47 billion a year), but they experience the impacts more intensely because of their relatively smaller economies and narrower tax bases.[89]

74. In 2013, the G20 created the base erosion and profit shifting (BEPS) initiative under OECD to ensure that multinational corporations pay their taxes where economic activities take place and value is created.[90] Participation in the initiative was broadened beyond OECD members, and in 2015, it had 145 members committed to four minimum standards: countering harmful tax practices; preventing treaty abuse; country-by-country reporting; and a mutual agreement procedure.[91]

75. To combat tax avoidance resulting from differing tax regimes between jurisdictions, a global minimum corporate tax rate of 15% has been agreed internationally under OECD. New BEPS standards, if implemented, will also make it harder for firms to shift profits into low-tax jurisdictions without having real economic activity there. By surfacing flaws in the system and enabling increasing scrutiny of profit-shifting BEPS makes the international tax system more robust to tax spillovers and better equipped to address digitalization, and modestly raises global tax revenues.

76. The BEPS project leaves many problems unresolved, however, such as skewed governance and power asymmetries, outstanding technical barriers for lower-income countries, insufficient attention to tax competition and failure to treat multinational holdings as single entities for the purposes of taxation.[92] The capacity of BEPS reforms to expand States' capacity to mobilize maximum available resources for education and other economic and social rights is insufficient, as underfunding of public services may persist if reforms recover only a fraction of lost revenues, are inaccessible for many countries or preserve structural inequalities in taxing rights.

77. Calls for a fairer, more representative and transparent approach to the reforms of international tax rules at OECD have gained momentum, leading to intergovernmental negotiations towards a new United Nations framework convention on international tax cooperation, which could bring international tax governance under the United Nations.[93]

78. However, the negotiations surfaced substantial dissent between the global South and richer OECD countries, including regarding the degree to which tax transparency is made binding; the relative taxing rights of source countries and those exporting capital; the degree of legal force of the new treaty; the extent to which lower-income countries should be given differential treatment; and whether the new framework should merely complement existing OECD arrangements or become the main global tax standard-setting instrument.

79. The new United Nations convention should also address the issue of illicit financial flows, which encompass tax evasion, offshoring corruption proceeds,

[88] Tax Justice Network, *State of Tax Justice 2023* (2023), chaps. 4 and 5.
[89] Ibid., chap. 1.
[90] See https://www.gov.uk/government/news/pm-praises-oecd-action-plan-to-tackle-tax-evasion-and-avoidance.
[91] Sabine Laudage Teles, *The BEPS Project: Achievements and Remaining challenges*, IDOS Policy Brief (German Institute of Development and Sustainability, 2023), pp. 2–4.
[92] See https://www.icrict.com/wp-content/uploads/2019/12/ICRICT-thefightagainsttaxavoidance_finalversion.pdf; and https://www.somo.nl/wp-content/uploads/2021/11/Final-Report-IRSP-SOMO-August-2021.pdf, pp. 25–30.
[93] General Assembly resolutions 78/230 and 79/235.

money-laundering, trade mis-invoicing, hidden beneficial ownership and criminal market revenues. Some institutions also include tax avoidance and profit-shifting under this banner; others exclude these as legal – if immoral – financial practices.[94]

80. The revenue lost to illicit financial flows (excluding legal tax avoidance) is difficult to assess due to the lack of reliable statistics and an agreed definition, but it is estimated to be substantial.[95] For example, Global Financial Integrity finds that developing and emerging economies lost $7.8 trillion in illicit financial flows between 2004 and 2013, although this figure includes "grey area" practices such as trade mispricing. The costs in education terms are high: one study in Malawi found that the revenue lost is three times the Government's education budget.[96]

81. The lack of agreed definitions of illicit financial flows and reliable statistical data exacerbates the challenges inherent in an international financial architecture that consists of a patchwork of disparate institutions and processes.[97] Current approaches suffer from the persistent gap between rulemaking and enforcement,[98] weaknesses in asset recovery, and the challenge of tackling structural incentives for secrecy and profit-shifting.[99] In an already constrained fiscal environment, this leaves lower-income countries struggling to find the resources to realize rights.

82. The Special Rapporteur stresses that it is essential that all countries have a say in creating a fairer system, and hopes that negotiations on a United Nations convention, which are due to conclude in 2027, will lead to a strong framework on international tax cooperation, help build a human rights economy and enable all States to deliver on their legal commitments to realize the right to education and other human rights.

VIII. Ensuring the right to education beyond growth

83. Two assumptions underpin the approaches of the World Bank and IMF: that sustained economic growth provides the foundation for poverty reduction and expanded investment in education, and that the main purpose of education is to foster economic growth. Consequently, IMF emphasizes macroeconomic stability, fiscal sustainability and growth, which, according to orthodox economic theory, create the fiscal space necessary for Governments to increase spending on education and other social sectors. The World Bank, meanwhile, frames education as an investment in human capital that enhances productivity, raises incomes and contributes to long-term economic development.

84. Critics argue that this growth-centred paradigm is not only insufficient to address persistent inequalities, reduce debt burdens and ensure that planetary boundaries are not breached, but also incapable of addressing issues it has itself helped to create and maintain.[100] Hence, reforming the international financial architecture should aim at reducing countries' dependence on mere growth, for the purpose of economic life is human flourishing within ecological limits, not the

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[94] See https://www.worldbank.org/en/topic/financialsector/brief/illicit-financial-flows-iffs; and https://unctad.org/statistics/illicit-financial-flows?utm_source=chatgpt.com.

[95] Ibid.

[96] See https://gfintegrity.org/dont-take-a-page-out-of-their-book-how-illicit-financial-flows-reduce-funds-for-youth-education-in-malawi/.

[97] See https://curbing-iffs.org/wp-content/uploads/2020/03/r4d_iff_wp02_2020.pdf, chaps. 2 and 3.

[98] See static.cfr.org/sites/default/files/pdf/Discussion_Paper_Collection_Kahler_et_al_IFFs_OR_Kahler.pdf, p. 2.

[99] Organisation for Economic Co-operation and Development (OECD), *Illicit Financial Flows from Developing Countries: Measuring OECD Responses* (2014), pp. 15–17.

[100] See in particular A/HRC/56/61.

accumulation of growth as an end in itself.[101] Education as a human right is not an instrument for economic growth but a means for the full development of the human personality and sense of dignity, full participation in a free society, respect for human rights and peaceful coexistence.

85. As proposed by the Special Rapporteur on extreme poverty and human rights in the Roadmap for Eradicating Poverty Beyond Growth (developed with a wide range of actors),[102] and in line with the vision of a human rights economy of the United Nations High Commissioner for Human Rights,[103] fiscal, monetary, industrial and ownership structures must be reoriented towards rights fulfilment, thus transforming the international financial architecture so that it enables – rather than constrains – the policy space every country needs to realize rights and a human rights economy. A human rights economy seeks to redress root causes and structural barriers to equality, justice and sustainability by prioritizing investment in economic, social and cultural rights; ensures that macroeconomic policies are guided by human rights standards; and anchors fiscal, monetary, business and investment choices in the obligations that Governments have already agreed to under international law.[104]

86. Therefore, the universal exercise of the human right to education, which generates enforceable duties, requires expanding fiscal spaces through measures such as debt relief, more concessional and grant-based finance, fairer international taxation and stronger mechanisms of global solidarity. The obligation to mobilize maximum available resources should be distinguished from the objective of promoting mere growth. The next development goals should ensure that where growth is still needed, in low-income countries in particular, it is promoted in a sustainable manner respectful of human rights.[105] Growth should be based on the equitable and sustainable mobilization, allocation and international redistribution of existing resources.

IX. Conclusion and recommendations

87. **The current international financial architecture actively constrains many States' ability to ensure equitable, inclusive and quality public education systems. Rising debt-service burdens, prolonged and inadequate restructuring processes, austerity-oriented macroeconomic frameworks, reduced ODA, unequal and weak tax governance arrangements, and growing reliance on market-based financing mechanisms combine to narrow domestic fiscal spaces.**

88. **Recent reforms and initiatives that acknowledge the importance of social spending and education financing have not resolved the structural tensions between creditor priorities, fiscal consolidation and States' obligations to ensure the right to education. Piecemeal reforms are insufficient. Debt governance, macroeconomic policy, and tax cooperation must be aligned and compliant with international human rights obligations, particularly those relating to the right to education. The right to education generates enforceable duties under international law as well as under many States' constitutions and national laws; it cannot be reduced to an aspirational target.**

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[101] A/HRC/62/42/Add.2, chap. VI.D.

[102] See https://www.ohchr.org/en/special-procedures/sr-poverty/roadmap-eradicating-poverty-beyond-growth.

[103] OHCHR, "Human rights economy: seeding change for an economy that enhances human rights", 2023.

[104] A/HRC/62/42/Add.2, chap. VI.D.

[105] Ibid., para. 124.

89. **Despite the systemic nature of the debt crisis, there is no collective process for debt restructuring. Each country is treated as if it has a unique problem due to bad governance, with solutions formulated at national levels, mostly through cuts in spending, rather than by addressing the global forces driving systemic crises.**

90. **States have a shared responsibility for creating an international financial architecture that facilitates, rather than inhibits, the realization of human rights, including the right to education. In this collective endeavour, States enjoying a higher degree of power within this architecture bear a higher degree of responsibility, given their extraterritorial obligations to respect, protect and promote the right to education. Nevertheless, all States bear the responsibility to mobilize their own maximum available resources for education and to ensure that these resources are devoted to ensuring inclusive and quality public education systems.**

91. **Education is an investment for long-term prosperity, well-being and peace, but it is too often treated as a cost that burdens public budgets. However, in the long term, not investing in education, understood as a lifelong endeavour, is far more costly.**

92. **The Special Rapporteur recommends that:**

(a) **States urgently expand public financing for education in line with their obligation to mobilize the maximum available resources for the realization of the right to education, with lower-income countries using the Sustainable Development Goals benchmark indicators of allocating 6% of GDP and 20% of total public expenditure to education. States should also consider adopting legal or constitutional protections for education expenditure during periods of fiscal stress;**

(b) **States and main institutional actors of the international financial architecture, particularly countries with the greatest political and economic influence, IMF, the World Bank and other multilateral development banks, as well as institutional creditors, where relevant, should:**

(i) **Reaffirm education as a public and a common good and education financing as a core public and legal obligation grounded in international human rights law;**

(ii) **Adopt structural reforms within the international financial architecture designed to robustly protect States' capacity to maintain and expand their fiscal space and ensure sustained public financing of education, including through the conclusion of a strong United Nations framework convention on international tax cooperation, to be adopted in 2027;**

(iii) **Ensure that the United Nations framework convention on international tax cooperation strengthens inclusive, equitable and effective international tax cooperation to combat tax evasion and avoidance, and updates international tax rules for multinational corporations, the digital economy and ultra-high net worth individuals, in order to promote more progressive taxation to sustainably finance public services, including education. The convention should explicitly address illicit financial flows, tax competition and profit shifting, and include safeguards against regressive tax reforms that disproportionately affect lower-income households. International tax policymaking should shift to the United Nations under an international tax cooperation framework aligned with**

States' human rights obligations. The reform of international taxation should be assessed not only in terms of technical coherence, but also in terms of equity, participation and developmental outcomes;

(iv) **Reform sovereign debt governance to ensure that debt restructuring processes are comprehensive, coordinated, timely, transparent, participatory and consistent with States' obligations to realize the right to education. Debt restructuring frameworks should prioritize the preservation of fiscal space for public services, including public education, and strengthen the accountability of private creditors and other actors shaping sovereign debt outcomes. Frameworks should be situated within a broader strategy of sustained public investment in equitable and high-quality education systems. Debt should not be considered sustainable where repayment obligations systematically undermine public education systems and future generations' rights;**

(v) **Start negotiations on a United Nations framework convention on sovereign debt to reform the international debt architecture and establish a fair, transparent, timely and effective sovereign debt workout mechanism grounded in international human rights principles. Combined with the United Nations framework convention on international tax cooperation, such an instrument could significantly transform the financing landscape for delivering on the right to education;**

(vi) **Reform IMF and World Bank debt sustainability analysis and wider macroeconomic frameworks so that they are consistent with international human rights law and better reflect States' human rights obligations, including financing needs for education and other essential public services, as well as obligations relating to equality, non-discrimination and inclusivity, and the progressive realization and non-retrogression for the right to education. This includes systematically and consistently treating education financing as "macro-critical" in operational practice throughout IMF's surveillance, debt sustainability analysis and programme design, and increasing the transparency and independent scrutiny of debt sustainability assessments;**

(vii) **Subject fiscal reforms to human rights impact assessments, particularly of the consequences of such reforms on education systems, gender equality and marginalized populations including migrants and refugees, displaced persons, persons with disabilities, rural populations and climate-vulnerable communities;**

(viii) **Refrain from considering "innovative financing mechanisms" as a substitute for structural reforms, and ensure that, where used, such mechanisms secure the long-term realization of the right to education. Debt swaps should be transparent, participatory, aligned with sustainable development objectives and include human rights and gender-responsive impact assessments, clear social and environmental performance criteria, and independent monitoring;**

(ix) **End austerity measures that weaken public education systems. IMF-supported adjustment programmes and macroeconomic reform frameworks should not rely on prolonged expenditure ceilings, public sector wage bill compression, or reductions in social spending that undermine States' obligations to guarantee free, equitable, and quality public education. Social spending floors should be enforceable, transparent, and sufficient to safeguard core education functions and teacher-related**

expenditures, including teacher recruitment and retention, salaries, working conditions, or professional development;

(x) **Refrain from encouraging the privatization of education systems and public-private partnerships as a way to address fiscal constraints, and instead respect, protect and promote the ability of States to develop free public education systems of the highest attainable quality at all levels;**

(xi) **Ensure transparency, democratic control and participatory rights of affected populations, together with independent scrutiny of key assumptions, regarding sovereign borrowing, lending, debt negotiations, management and restructuring processes, fiscal reforms and macroeconomic adjustment programmes that impact the right to education. Ensure civil society organizations, teachers, trade unions, youth, affected communities, and national human rights institutions have meaningful opportunities to participate in education financing decisions;**

(xii) **Provide adequate international assistance to support recipient States, particularly low-income, crisis-affected, climate-vulnerable, and refugee-hosting countries, to meet their core obligations under the right to education through, in particular, increased predictable, concessional, and long-term financing for public education systems.**

93. **The Special Rapporteur recommends that States, international financial institutions, international organizations such as UNESCO, and development partners move beyond aggregate expenditure benchmarks towards methodologies capable of assessing the actual financing required to realize the right to education.**

94. **Credit rating agencies, financial regulators, international financial institutions and creditor Governments should review methodologies and financing practices that systematically increase borrowing costs or constrain fiscal space for social investment in highly indebted countries.**

95. **Donors should urgently sustain or increase funding for education in emergencies, including in multilateral education financing mechanisms, recognizing education as a life-saving and life-sustaining intervention. They should support the replenishments of the two major global education funds, Education Cannot Wait and the Global Partnership for Education, whose complementary mandates are critical to resourcing education efforts in crisis situations and in the longer term.**