

# **A brief introduction to financing**



# Why financing?

## **Privately financed and privately-provided**

Traditional fee-based private preschool

## **Publicly-financed and privately-provided**

Private delivery and management of preschool

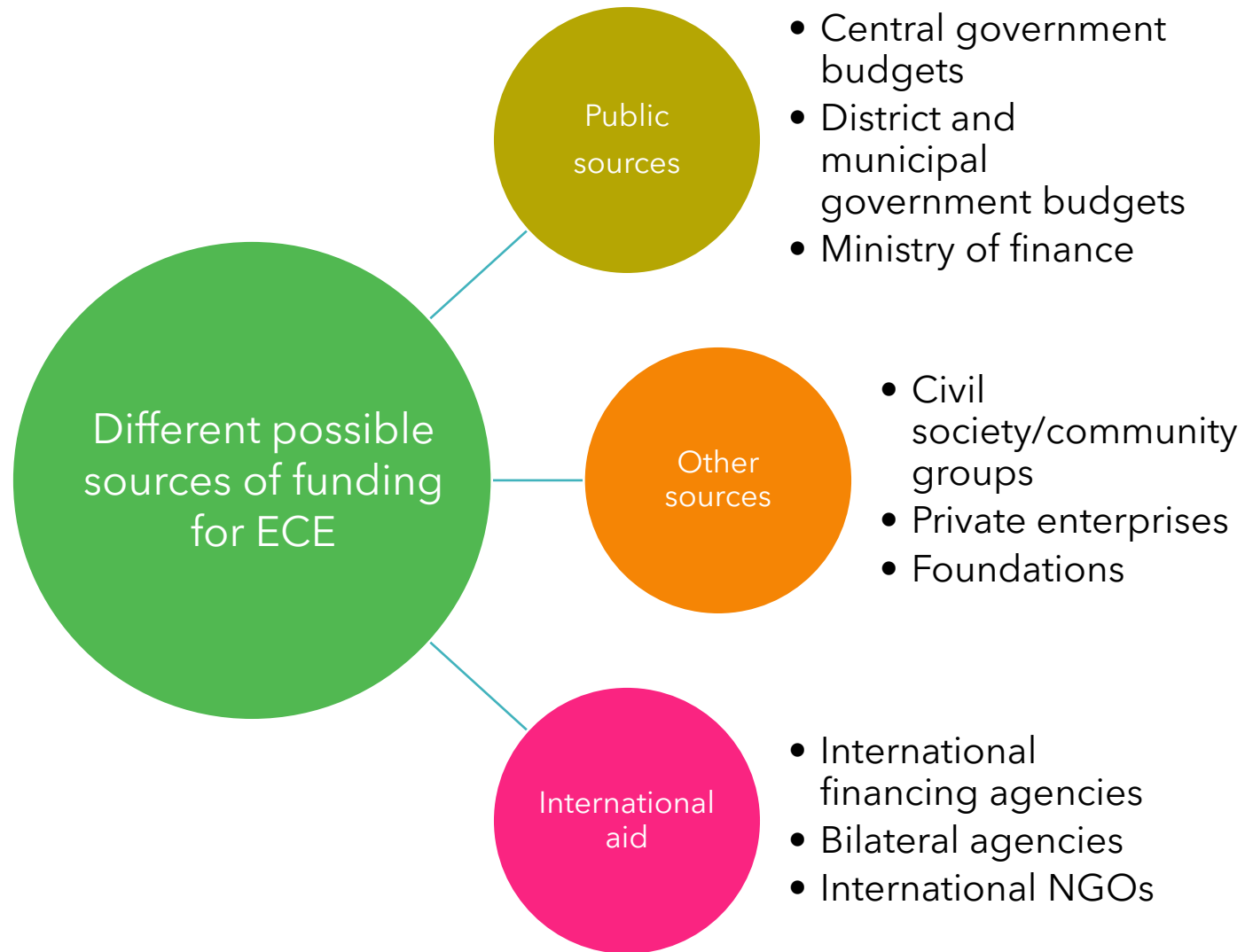
## **Privately financed and publicly-provided**

Tuition, user fees, scholarships, and in-kind donations for public preschool

## **Publicly-financed and publicly-provided**

Traditional public preschool services





# Linkages to costing

- + Securing adequate funding for the subsector begins with a clear idea of the costs for delivering quality services
- + What is the average investment per child in a quality ECE programme?

# Innovative financing in education

- + Broad concept without one set definition
- + Common set of principles:
  - Diverse partners
  - Practical and innovative finance mechanisms
  - Complementing government spending
  - Aim to increase the impact
  - Socially-responsible investing

## Some types of innovative financing mechanisms

Block grants

Conditional cash transfer (CCT)

Corporate social responsibility (CSR)

Earmarked taxes

Results-based financing

Outcome fund

Public-private partnership (PPP)

Vouchers

# Public-private partnerships

- + Government manages and supports private actors to deliver services
- + Not only with “businesses” – also NGOs and community-based preschools
- + **Not** privatization: government retains control and responsibility

# Thank you!

