Civil Society Organisations Applaud International Finance Corporation Decision to Move Away from For-Profit Education Investments

The World Bank Group’s International Finance Corporation (IFC) has set a new precedent in upholding the right to education in an official commitment to freeze investments in private for-profit pre-primary, primary, and secondary (also called “K-12”) schools. The signatory organisations applaud this landmark decision by the IFC, which responds to the concerns voiced by civil society about the effects on segregation and exclusion, inadequate education quality, avoidance of standards and regulations, poor labour conditions, and profit-seeking behaviour of commercial schools.

This move builds on similar policy shifts including the Global Partnership for Education’s decision in its 2019 Private Sector Strategy to prohibit funding to for-profit provision of core education services, and a 2018 resolution by the European Parliament that declared the European Union and its Member States must not use development aid money to fund commercial private schools.

These developments reflect the growing recognition of the harm caused by profit-oriented education, and the importance of the right to public education as a central component of global education policy.

‘This landmark decision by the IFC illustrates the emerging understanding that for-profit commercial schools may do more harm than good. We have seen years of damaging impacts of commercialisation on the right to education. It’s time to move away from market approaches and to boost investment in accessible, quality, transparent, and participatory public services’, emphasised Magdalena Sepúlveda, the Executive Director at the Global Initiative for Economic, Social and Cultural Rights.

Civil society has previously called on the World Bank Group and other investors to cease investments in commercial schools, and ensure that development aid for education is used to support the public provision of free, quality education that benefits all without discrimination of any kind. Statements and letters signed by over 100 organisations were shared in May 2015, August 2017, and October 2019. The UN Human Rights Council, the UN Special Rapporteur on the right to education, UN human rights treaty bodies, as well as the African Commission on Human and Peoples’ Rights have also repeatedly raised concerns about the negative impacts of the commercialisation of education in the last several years.

‘We have supported Kenyan citizens to bring complaints to the IFC’s Compliance Advisor Ombudsman (CAO) regarding the IFC’s investment in Bridge International Academies, a for-profit school chain targeting vulnerable populations. The process is ongoing, but the CAO has already raised ‘substantial concerns’. This case illustrates the inherent problems in commercial and market approaches to education. It’s now time for IFC and other donors and investors to reimagine the way forward, and
ensure all their investments are helping strengthen public education and the rule of law in our countries.’ commented Dr Judith Oloo the Chief Executive Officer at the East African Centre for Human Rights.

Civil society organisations welcome the IFC’s leadership in recognising that its education investments must not undermine the right to education, including public education, and that there have been concerns with past investments in this regard.

Civil society organisations call on the World Bank Group to ensure all its investments support free, quality public education for all. We look forward to an inclusive and robust consultation that will consider if there are any exceptional circumstances in which future investments may go forward, while ensuring that they do not impact negatively on poverty, inequality, the right to education, or the provision of public education. The recently adopted Abidjan Principles on the right to education lay out the existing human rights obligations in this regard and provide guidance on how IFC can ensure its investments support the right to public education.

Endorsed by:

- ActionAid
- Brazilian Campaign for Education
- Civil Association for Equality and Justice (ACIJ, Argentina)
- Coalition Education (France)
- Coalition for Transparency and Accountability in Education (Liberia)
- East African Centre for Human Rights
- Ghana National Education Campaign Coalition
- Global Campaign for Education-US
- Global Initiative for Economic, Social and Cultural Rights
- Global Justice Now
- Initiative for Social and Economic Rights (Uganda)
- Latin American Campaign for the Right to Education (CLADE)
- Oxfam
- Platform for the Defence of the Basque Public School (Spain)
- National Education Union (UK)
- Results
- Right to Education Forum (India)
- Right to Education Initiative
- Solidarité Laïque (France)

Documents

- Complaint to the IFC accountability mechanism (CAO) on IFC investment in Bridge International Academies: https://bit.ly/2JQNTBI

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