

# Characteristics of ODA Allocation to Higher Education Focusing on France and Germany

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## I. Introduction

Over the last two decades, much of the global debate on Official Development Assistance(ODA) in education has focused on advocacy for increasing the volume of aid, especially to attain the Education for All(EFA) and Millennium Development Goals(MDGs). Since the Jomtien World Conference on Education for All(EFA) in 1990, the OECD countries elaborated the International Development Targets(IDTs) in 1996. The Millennium Summit in 2000 reached the agreement on the MDGs. The Dakar World Forum on Education in 2000 reinforced the international education priorities on basic education again. While the international community has pooled its resources to promote basic education

for all, its emphasis on basic education in development policy led relatively little attention to higher education. However, unlike the mainstream of international education development agenda, two largest donors in education sector, France and Germany, have showed different education development strategies. Despite their priority on education sector, they have largely allocated ODA to higher education even since the MDGs agreement.

This research aims to understand the architecture of education ODA by analyzing France and Germany which are main education ODA providers. How different are their approaches to post-secondary education support in terms of their aid allocation, while they have similar strong supports for higher education? To compare the characteristics of education ODA allocation by France and Germany, this paper investigates 1) the aid distribution by sub-sector 2) aid modalities, 3) the regional share of aid, and 4) top recipient countries. This paper is organized as follows. The following section explains research framework and methods. The third section presents overview of education ODA allocation by OECD/DAC countries at aggregate level. The fourth section analyzes the characteristics of ODA allocation to higher education by France and Germany respectively. The last section concludes remarks and includes suggestions for a future study.

## II. Research Methods

OECD donor countries and international development agencies started to make tertiary education into an arena for poverty reduction and a source of innovation and economic growth. It is based on the rationale that viable higher education<sup>1)</sup> would contribute to the process of capacity development and thus reducing poverty in a given society or country by building up the necessary skilled manpower in all fields relevant to its development in a long term(OECD and IBRD/The World Bank, 2007; Norad, 2005; Hotland and Boren, 2005; Austrian Development Agency, 2009).

Based on the rationale of capacity development through higher education, donors have assisted various types of development activities. The form of development aid has been mainly scholarships/fellowships, institutional cooperation/ research networks, and budget support.<sup>2)</sup> According to Hyden(2010), donor supports can be broadly divided into four groups: (1) scholarships, (2) partnerships/networks, (3) information technology, and (4) governance and

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- 1) "The term, higher education, refers to the tertiary education sector and mainly to courses of study that prepare students for scientific and research-oriented careers, as well as careers that call for a high level of professional qualifications. Some study courses are oriented toward specific and more practical, technical skill sets." (Austria Development Agency, 2009, p. 4).  
From a pragmatic point of view, the World Conference on Higher Education held in 1998 defines higher education as "all types of education(academic, professional, technical, artistic, pedagogical, long distance learning, etc..) provided by universities, technological institutes, teacher training colleges, etc... , which are normally intended for students having completed a secondary education, and whose educational objective is the acquisition of a title, a grade, certificate, or diploma of higher education." (The World Conference on Higher Education, 1998)
  - 2) Scholarship/fellowship programs target qualified candidates from developing countries to obtain a diploma or degree abroad. Institutional cooperation and network building is a program at institutional level which fund collaborative projects between organization in developing countries and higher education/ research organization in the North. Those types of support may strengthen the specific capacities of individuals or institutes; however, capacity building at a system level is hardly done(Boeren, 2012).

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management reforms. Hotland and Boen(2005) categorize support modalities used in higher education cooperation for decades: (1) budget support, (2) institutional cooperation programs, (3) fellowship programs, (4) technical assistance, and (5) agreements.

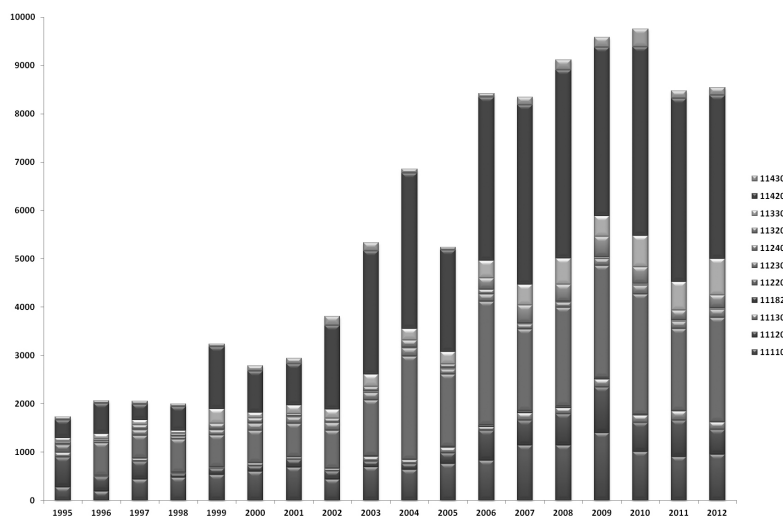
Regardless of the fine categorizations of donor supports for higher education, to systemically compare the two donors with data, this paper follows the OECD/DAC categorization. All data used in this paper was withdrawn from OECD dataset, the Creditor Reporting System(CRS). It covers ODA data for the period of 1995 to 2012. This paper uses education ODA commitments for analysis because they much better reflect the characteristics of education ODA allocation policy and the decisions made by the donors which have total control of the commitments. It is also because disbursements are dependent on the recipients' willingness and influenced by the administrative capacity of the recipients to meet the donors' conditionality(Dollar et al, 2000; McGillivray and White, 1993). Such aid flows are converted into US million dollars at current prices. In addition to data analysis, policy papers from each donor are also reviewed.

### III. Overview of Education ODA Allocation

This section aims to understand the overall architecture of education aid. The following information is the overall picture of education aid allocated by OECD/DAC(Development Assistance Committee) countries for the period of 1995-2012. <Figure 1> illustrates the annual change of education ODA allocation in OECD/DAC countries by level. During the 2000s, the total education aid has gradually increased except the year of 2005 and recently decreased. The largest aid volume was \$ 9758 million in 2010. By its sub-sector, the amount of ODA for post-secondary education(11420, 11430) also has dramatically increased, followed by that of ODA for basic education(11220, 11230). <Figure 2> illustrates the share of education ODA allocation by sub-sector committed by OECD/DAC between

1995 and 2012. According to <Figure 2>, level-unspecified education ODA showed a significant share in the middle 1990s.<sup>3)</sup> On the other hand, the share of post-secondary education ODA has been the largest since 1999 and reached a peak to 51.1% in 2003. It also clearly shows that the second largest education aid has been committed to basic education ODA.<sup>4)</sup>

<Figure 1> Education ODA Allocation by sub-Sector, OECD/DAC by year (1995-2012)



Source: OECD CRS Data (2013), organized by the author

3) Level-unspecified education ODA includes the followings: Education policy and administrative management; Education facilities and training; Teacher training; and Educational research. See <Appendix 1> for further description of CRS code.

4) Among DAC countries, eight countries have granted aid with a concentration on basic education. They are Canada, Denmark, Ireland, Netherland, Norway, Sweden, United Kingdom, and United States. UK and the US are major donors in terms of aid volume. The Norway and Sweden have distinct preferences for basic education in terms of its proportion even though the size of aid volume is small. Another eight countries out of DAC countries have allocated aid with distinct preferences for post-secondary education. Those are Austria, Belgium, France, Germany, Greece, Japan, New Zealand, and Portugal. France and Germany are the top donors in higher education arena. Greece is an emerging donor for post-secondary despite its small aid volume. (Source: CRS data, by the author)

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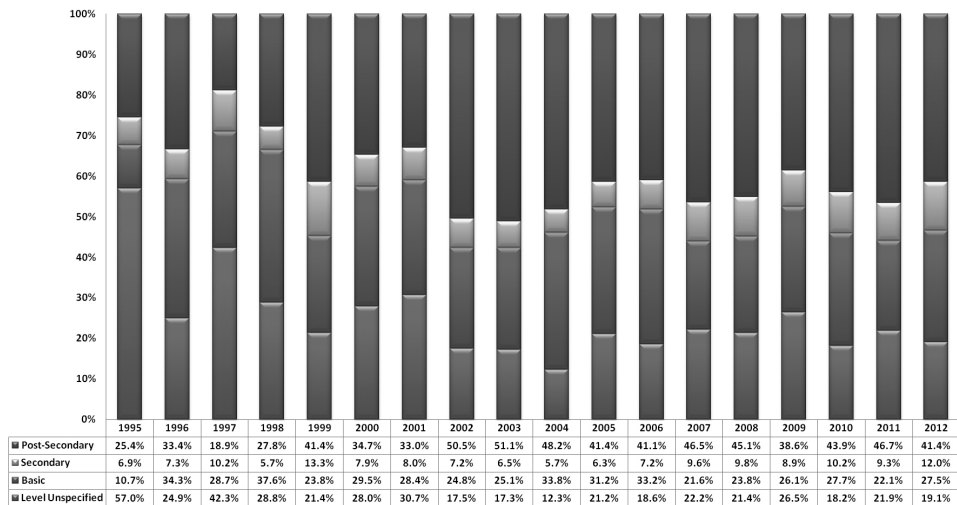
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<Figure 2> Share of Education ODA Allocation by sub-Sector, OECD/DAC by year (1995-2012)

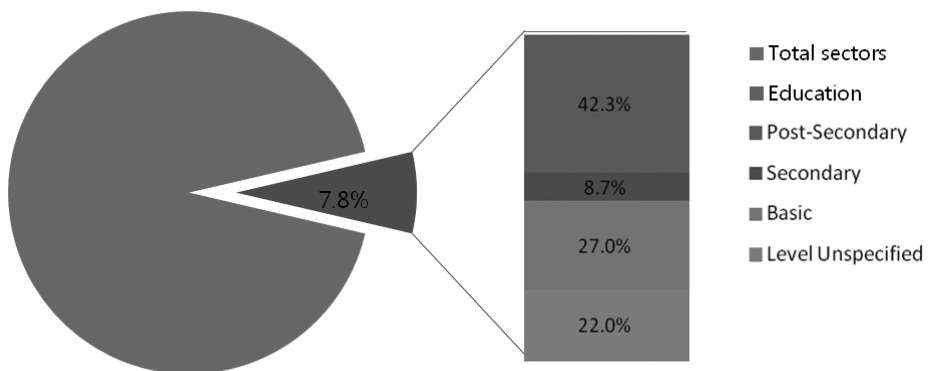


Source: OECD CRS Data(2013), organized by the author

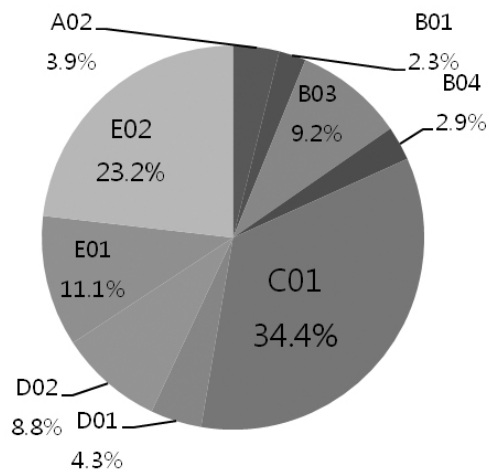
<Chart 1> presents that the share of cumulative aid given to education out of total ODA during the period. 7.8% of total ODA has been committed to education aid. The share of post-secondary education aid occupies 42.3% of total education ODA, followed by that of basic education (27%). The lowest amount of ODA has been committed to secondary education (8.7%). <Chart 2> shows the classification of types of cumulative education aid allocated by OECD/DAC countries between 2010 and 2012 when data is available. Type of project type (C01) shares the most, followed by imputed student costs (E02).<sup>5)</sup> <Chart 3> describes DAC countries' regional share of collective education ODA for all levels between 1995 and 2012. Its highest share is done by Africa, followed by Asia.

5) See <Appendix 2> for further description of aid types.

&lt;Chart 1&gt; ODA Share of Education by sub-Sector, OECD/DAC(1995-2012)



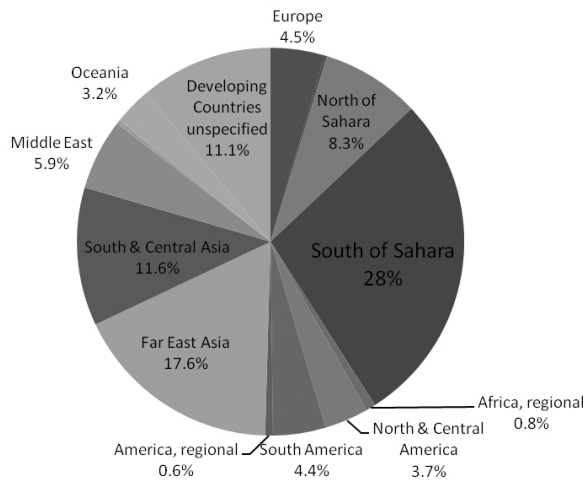
Source: OECD CRS Data(2013), organized by the author

<Chart 2> Education ODA by its Type, OECD/DAC(2010-2012)<sup>6)</sup>

Source: OECD CRS Data(2013), organized by the author

6) Between 2006 and 2009, large proportions of education aid have no specific modality.

&lt;Chart 3&gt; Regional Share of Education ODA, OECD/DAC(1995-2012)



Source: OECD CRS Data(2013), organized by the author

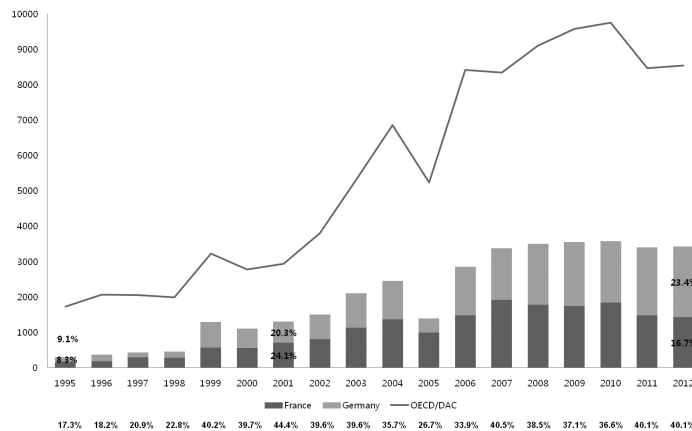
#### IV. Characteristics of ODA Allocation to Higher Education

France and Germany are the champions in education ODA commitments for the period, shown in <Figure 3>. The figure presents total education ODA share of France and Germany out of all DAC countries in terms of commitments. In 1995, the two donors were devoted to 17.3% of total education ODA commitments given to all levels by OECD/DAC countries, but the share has gradually increased except the year of 2005. In 2001, they together constituted of 44.4% which is the highest peak. Even though the proportion dropped to 26.7% in 2005, they are still currently dominant players in education ODA by having 40.1% of share.<sup>7)</sup> France has been the largest education ODA provider in the 2000s, but in recent years Germany occupied the champion as the largest donor, having 23.4% share of total commitments by all DAC countries.<sup>8)</sup>

7) In 1995, the share of France education ODA is 8.28% (\$ 143.7 million) and that of Germany is 9.06% (\$ 157.4 million), total 17.3%.

8) Germany committed \$ 1998.7 million in 2012, compared to the commitments of \$ 8546.3 million committed by all DAC countries.

&lt;Figure 3&gt; Total Education ODA Share, France and Germany by year(1995-2012)



Source: OECD CRS Data(2013), organized by the author

*Development Cooperation: a French Vision* provides France's cooperation action strategies which operate sectorally and thematically. The core sector is education and training(Ministry of Foreign and European Affairs, 2011). Germany also set its eleven priority focal areas. One of the priority sectors is education (OECD, 2010). Pursuing development cooperation in education as a top priority may seem to contribute to the MDGs 2. However, in terms of their sub-sector priority, they heavily focus on post-secondary education. <Figure 4> illustrates the share of post-secondary education ODA committed by France and Germany between 1995 and 2012. In 2006, France and Germany together accounted for 64.9% of the total bilateral aid to post-secondary education committed by OECD/DAC countries. It reaches the highest in the year. The two countries have consistently contributed to higher education ODA by more than 50% of total higher education aid each year since 2000. Looking at the figure closely, Germany was a prevailing donor in the late 1990s and the early 2000s, contributing to more than 40% share(36.2% in 1999, 43% in 2000 and 45.9% in 2001). On the other hand, France started to actively provide ODA for higher education in 2002 and reached the largest by 44.9% out of total volume in 2005.

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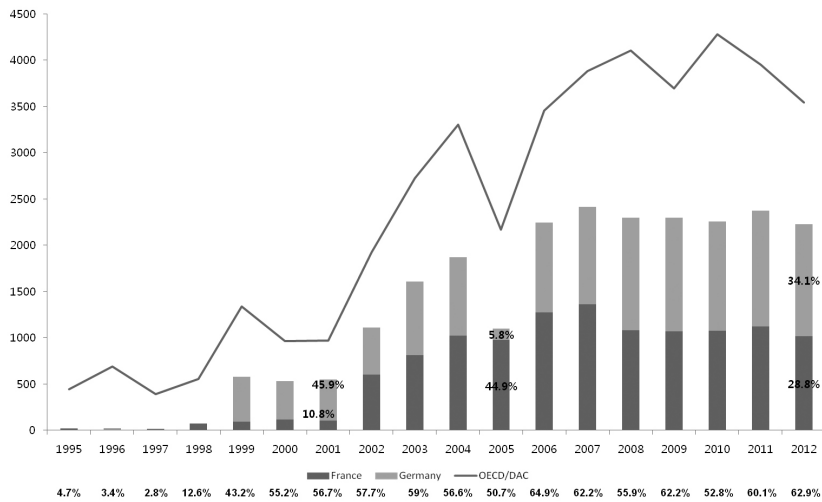
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<Figure 4> Share of Post-secondary Education ODA, France and Germany  
by year(1995-2012)

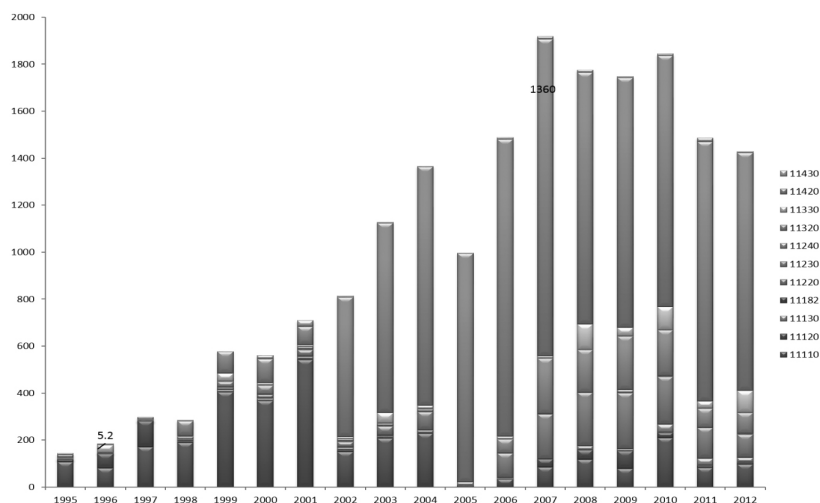


Source: OECD CRS Data (2013), organized by the author

## 1. France

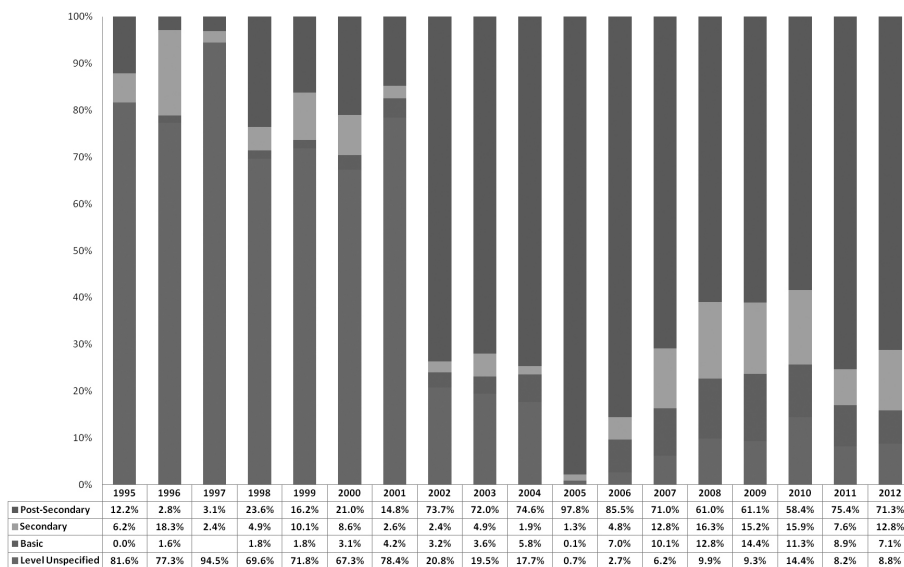
In 1996, France granted the least amount of aid to post-secondary education by \$ 5.2 million(at current price), but the country has dramatically increased its largest volume in 2007. In the year, France was the single largest bilateral donor to post-secondary education with a contribution of \$ 1,360 million. <Figure 5> and <Figure 6> illustrate how much France focuses on higher education in development assistance of education since 2002. During the late 1990s, France significantly provided ODA resources to level-unspecified education. This aid was allocated for education policy and administrative management(11110), education facilities and training(11120), teacher training(11130), and educational research(11182). However, since 2002, the share of aid for post-secondary education(11420, 11430) has become dominant. Even in 2005, almost all education aid(97.8%) was granted to higher education.

&lt;Figure 5&gt; Education ODA Allocation by sub-Sector, France by year(1995-2012)



Source: OECD CRS Data(2013), organized by the author

&lt;Figure 6&gt; Share of Education ODA Allocation by sub-Sector, France by year(1995-2012)



Source: OECD CRS Data (2013), organized by the author

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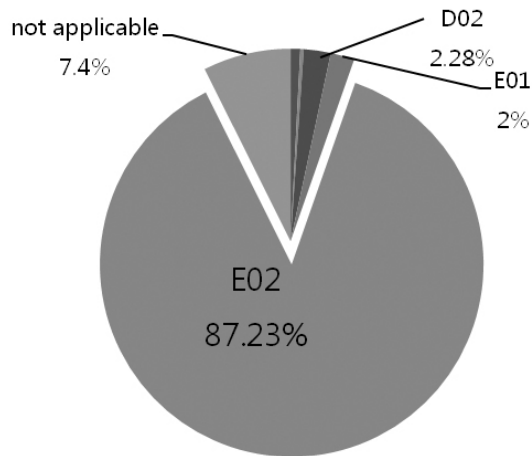
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&lt;Chart 4&gt; Types of Aid for Post-secondary Education, France by year(2006-2012)

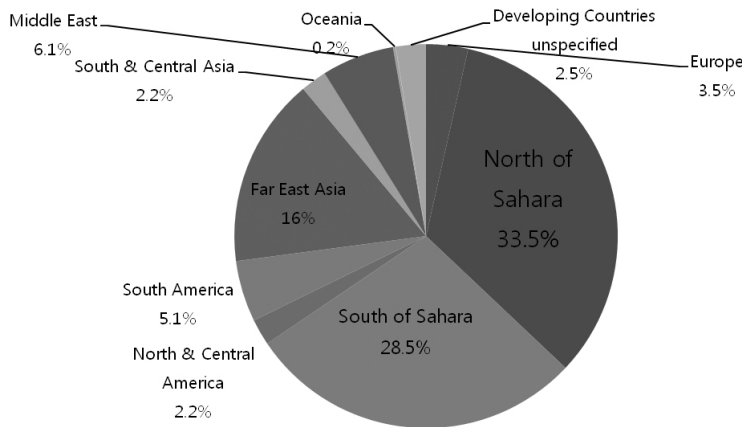


Source: OECD CRS Data(2013), organized by the author

<Chart 4> describes the composition of aid modalities to deliver post-secondary education ODA between 2006 and 2012, years having available data. Imputed student costs(E02) are a dominant aid-delivery modality. It composes up to around 87.2% in France. According to annual analysis, E02 is an absolutely dominant modality until 2009 and other modalities share around 10-15% since then.<sup>9)</sup> French development strategy document(2011) informs that France will pursue its policy of hosting foreign students in the country: each year 260,000 foreign students receive virtually free higher education. Since France charges both international and domestic students with a small amount of tuition fee, the study grant as imputed student costs is the major aid modality.

9) See <appendix 3>.

&lt;Chart 5&gt; Regional Share of ODA for Post-secondary Education, France(1995-2012)



Source: OECD CRS Data(2013), organized by the author

<Chart 5> illustrates the France's regional share of cumulative ODA for post-secondary education between 1995 and 2012. France has allocated more than 60% of such aid to Africa, followed by Asia, and Americas. Ministry of Foreign and European Affairs(2011) reaffirms that France has a priority in Africa and Mediterranean regions.

The following table is about the top recipient countries receiving post-secondary education ODA from France. The most frequent top recipients are Morocco, Algeria, Tunisia, Lebanon, Cameroon and Madagascar which are former French colonies in Africa. On the other hand, China and Vietnam as Asian countries are included among top ten recipients. French resources were given to relatively few students from Asian nations. Language and historical ties partially explains why France grants to high numbers of African students, and comparatively less Asian students. Top African recipients such as Morocco and Tunisia, French-speaking countries, are strong sources of international students for France. This also explains why France is popular amongst students from Vietnam, a former French colony which is one of Asia's French-speaking nations.

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In sum, there are two distinct characteristics of French ODA allocation for higher education. Firstly, even though France has received critical criticisms on aid giving behavior focusing on its former colonial countries, colonial link is still important motive for aid allocation to higher education. It continues supporting institutions and individual students in their former colonies by spending its aid on scholarships and imputed student costs, mostly for graduate study in domestic but some spent for study in developing countries. It is also naturally linked to language proximity, so France gives education ODA to French-speaking countries. Secondly, recipient countries have close commercial relationships with France. In particular, France and China have increased bilateral trade volume, as China has been showing rapid economic growth.

<Table 1> Top Ten Recipient Countries, France by year(2001-2012)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1	South Africa	Morocco	Morocco	Morocco	Morocco	Morocco	Morocco	China	China	China	Algeria	China
2	Algeria	Algeria	Algeria	Algeria	Algeria	Algeria	Algeria	Morocco	Morocco	Algeria	Morocco	Morocco
3	Tunisia	Tunisia	China	China	China	China	China	Algeria	Algeria	Morocco	Tunisia	Algeria
4	Morocco	Senegal	Tunisia	Tunisia	Tunisia	Tunisia	Tunisia	Tunisia	Tunisia	Tunisia	Senegal	Tunisia
5	Coted'Ivoire	China	Senegal	Senegal	Senegal	Senegal	Senegal	Senegal	Senegal	Senegal	Cameroon	Senegal
6	Turkey	Cameroon	Cameroon	Cameroon	Cameroon	Vietnam	Cameroon	-	-	-	Guinea	Cameroon
7	Mauritius	Coted'Ivoire	Lebanon	Lebanon	Lebanon	Cameroon	Vietnam	Vietnam	Vietnam	Vietnam	Gabon	Vietnam
8	Serbia	Lebanon	Coted'Ivoire	Coted'Ivoire	Vietnam	Lebanon	Lebanon	Lebanon	Lebanon	Cameroon	Madagascar	Brazil
9	Gabon	Madagascar	Madagascar	Madagascar	Coted'Ivoire	Madagascar	Madagascar	Cameroon	Cameroon	Guinea	Coted'Ivoire	-
10	Senegal	Gabon	Vietnam	Vietnam	Madagascar	Coted'Ivoire	Coted'Ivoire	Madagascar	Guinea	Lebanon	Mali	Guinea

Note: As higher education ODA increased since 2002, <Table 1> covers only the ODA trend in the 2000s. Source: OECD CRS Data(2013), organized by the author

France has been criticized that such French education ODA allocations dominate the political and cultural objectives. French scholarships aim to create a Francophone and Francophile network for the partnerships of tomorrow by forging diverse ties during students' stay in France(Boeren, 2012). There are deep

debates about whether imputed student costs and scholarships should be counted as aid since such aid never leaves the country by being spent mostly for postgraduate students' living cost and tuition fees in France. Their effective use is also being questioned. Peer Review of France(2004) also recommends that the data concerning imputed student costs of students should be adjusted when they do not go back to their countries of origin. Despite many criticisms, France still gives a priority to support for higher education and reports imputed student costs as technical cooperation(OECD, 2009).<sup>10)</sup> The rationale for the technical cooperation is revealed in official document.

French cooperation will support development research in France and encourage the setting up of international partnerships with both emerging countries and countries with still nascent scientific communities, where it will support scientific development...(Ministry of Foreign and European Affairs, 2011, p. 36)

According to the strategy document in 2011, France seems to pursue research and higher education as the innovation key to promoting sustainable development, thus increasing its aid volume for post-secondary education.

## 2. Germany

According to the Federal Ministry for Economic Cooperation and Development(BMZ), promoting education is a priority area in German development policy and its policy focus is stated as follows:

10) In the context of technical cooperation, the country also uses aid to encourage university reforms, specifically helping universities in Francophone Africa restructure their qualifications to meet international standards (Lewis, 2009).

The promotion of education is an important step in the fight against the structural causes of poverty and social exclusion...The German government has explicitly committed itself to achieving the MDGs and the objectives adopted at the 2000 World Education Forum in Dakar(BMZ, 2008).

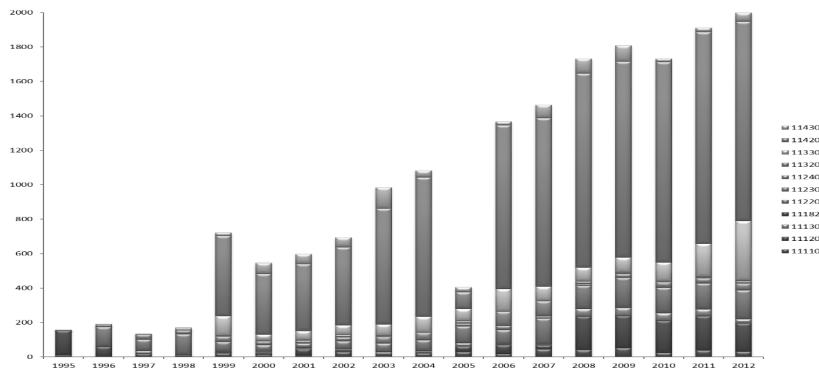
The German strategy of development cooperation in education sector involves a further priority area of action, which boosts the economy and enhances the active participation of the poor. Based on the development policy, Germany has emphasized primary, secondary, vocational and higher education, along with gender equality in the human right context. Therefore, the country has allocated the second largest budget of bilateral education aid. It has led the country to become even the largest education ODA donor ever in 2009, 2011 and 2012.<sup>11)</sup>

<Figure 7> shows the annual trend of education ODA Allocation by sub-sector committed by Germany. While its commitment was \$169.8 million in 1998, approximately similar volume with the previous three years, its commitment suddenly increased up to \$721.6 million for total education sectors in 1999. Since then, German education ODA has dramatically increased except the year of 2005. The amount dropped to \$ 404.8 million in the year but, the country more invested in following years. The largest amount was committed by \$ 1998.7 million in 2012. Such increase in total education aid volume has accompanied with increase in post-secondary education aid volume.

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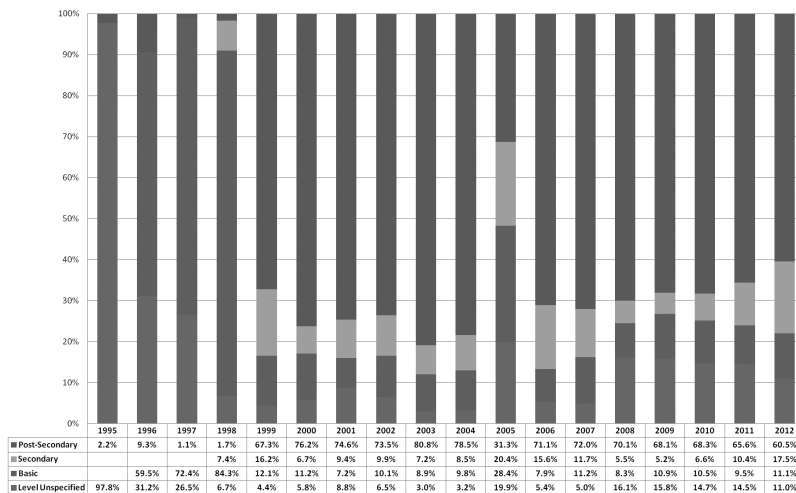
11) See <Figure 3>.

&lt;Figure 7&gt; Education ODA Allocation by sub-Sector, Germany by year(1995-2012)



Source: OECD CRS Data(2013), organized by the author

&lt;Figure 8&gt; Share of Education ODA Allocation by sub-Sector, Germany by year(1995-2012)



Source: OECD CRS Data(2013), organized by the author

<Figure 8> gives a clearer picture concerning how largely aid has been allocated to higher education, compared to other sub-sectors in the 2000s. While the country allocated most of its aid to level-unspecified education in 1995 and dominantly to basic education in following three years(59.5% in 1996, 72.4% in 1997 and 84.3% in 2008), the trend suddenly changed since 1999. In the year, \$

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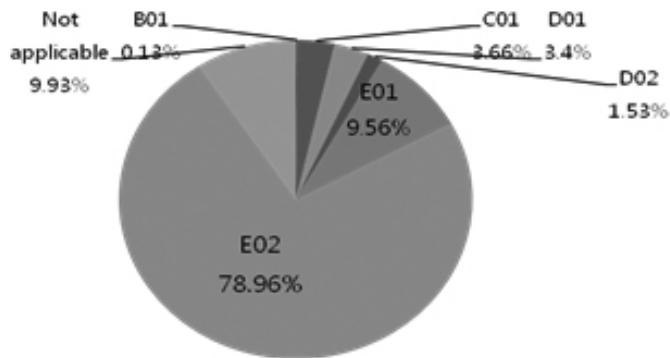
485.4 million(67.3%) was allocated to higher education out of total \$ 721.6 million. Since then Germany has gradually increased its aid volume for higher education except the year of 2005. In the figure, the share of higher education ODA was the highest in 2003 by 80.8%, while the lowest in 2005 by 31.3%. In 2005, Unlike France, Germany proportionally allocated its ODA to sub-sector education, even though it has clear preference to higher education. While France decreased total education ODA, but more concentrated on higher education ODA, Germany split decreased total education ODA to sub-sectors with fairly equal portions. However, Germany's strong commitment for higher education was back again in 2006. The amount of higher education aid eventually reached the peak up to 65.6%(\$ 1,254 million) in 2011, as a single largest donor in sub-sector.

<Chart 6> illustrates what types of aid modalities are used for post-secondary education in Germany. A similarity with France is the aid-delivery modality. In Germany, imputed student costs(Eo2) are also the most dominant type of aid for post-secondary education. When summed up among the given years, Eo2 is shared by around 79%. In 2006 alone, Eo2 composed up to 92.6% out of total higher education aid in Germany.<sup>12)</sup> The German Federal Ministry of External Cooperation(BMZ) delivered the fact that most of the German aid support for higher education covers study places for foreign students from developing countries in Germany. <Chart 7> describes the Germany's regional share of ODA for post-secondary education between 1995 and 2012. A difference from the French pattern is that Asia is the most favorable recipient region, followed by Africa.

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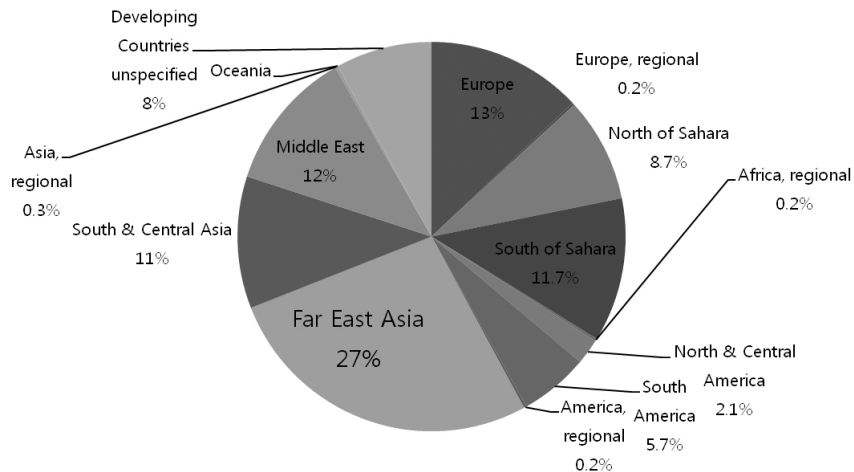
12) See <appendix 4>.

&lt;Chart 6&gt; Types of Aid for Post-secondary Education, France by year(2006-2012)



Source: OECD CRS Data(2013), organized by the author

&lt;Chart 7&gt; Regional Share of ODA for Post-secondary Education, Germany(1995-2012)



Source: OECD CRS Data(2013), organized by the author

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&lt;Table 2&gt; Top Ten Recipient Countries, Germany by year(2001-2012)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1	China	China	China	China	-	China	China	China	China	China	China	China
2	Cameroon	-	Cameroon	Cameroon	Indonesia	Turkey	-	-	-	-	India	-
3	Iran	Cameroon	Morocco	-	Ukraine	Cameroon	Turkey	Turkey	Turkey	Turkey	Turkey	India
4	Morocco	Morocco	Turkey	Turkey	Mexico	Morocco	Cameroon	Cameroon	Cameroon	Cameroon	Cameroon	Turkey
5	Turkey	Turkey	-	Morocco	China	-	Morocco	India	Ukraine	India	Ukraine	Cameroon
6	Indonesia	Iran	India	India	Congo, Dem. Rep.	Ukraine	Ukraine	Ukraine	India	Ukraine	Iran	Iran
7	Jordan	Indonesia	Iran	Iran	BurkinaFaso	India	India	Morocco	Morocco	Syria	Syria	Ukraine
8	Syria	India	Indonesia	Indonesia	Brazil	Iran	Iran	Syria	Syria	Iran	Morocco	Syria
9	India	Egypt	Syria	Syria	Chile	Syria	Syria	Iran	Iran	Morocco	Indonesia	Morocco
10	Egypt	Jordan	Georgia	Georgia	South Africa	Indonesia	Indonesia	Indonesia	Indonesia	Indonesia	Vietnam	Indonesia

Note: As higher education ODA increased since 2002, <Table 2> covers only the ODA trend in the 2000s. Source: OECD CRS Data(2013), organized by the author

<Table 2> is about the top recipient countries receiving higher education ODA. It clearly shows that China is the first priority recipient of higher education ODA, except the year of 2005. Turkey, Cameroon, Syria and Iran are among the most frequent top ten recipient beneficiaries. Bashir(2007) examined the correlation between foreign students and ODA for post-secondary education in selected recipients. In fact, the number of Chinese students enrolling German universities has increased most during the period.<sup>13)</sup>

Based on the analysis, two characteristics of German education ODA allocation are detected. First, commercial relationship plays a dominant role in affecting investment for post-secondary education. According to the recent strategy paper published by BMZ(2012), Ten Objectives for More Education: Education Strategy 2010-2013, one of its strategic objectives is to “Promote higher education and research for future elites.”<sup>14)</sup> Formation of responsible elites for better

13) See CRS data: foreign/international students enrolled.

partnership is based on the rationale that future elites receiving German academic opportunities through scholarships may contribute to encouraging more intensive foreign trade and intercultural relations between Germany and their countries. When it comes to the top recipient countries receiving German post-secondary education ODA, China is the first priority recipient country. China has grown to become one of Germany's key trading partners and the pragmatic cooperation between the two countries is playing a leading role even in China-EU relationship.<sup>14)</sup> Second, unlike France, Germany does not have colonial legacy and preference over German-speaking recipients.

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- 14) In the section, more specific objectives are stated: formation of responsible elites for better partnership, promoting governance, fair educational opportunities, and knowledge share of its advantageous academic areas. The country has the rationale that

...We need well-trained managers and professionals who can self-reliantly and responsibly assume ownership of processes of development and innovation in their own countries, and manage and implement these. Responsible elite of this kind is important to our partner countries, because it will enable them in the long term to free themselves from financial and technical dependency.....

Students and university graduates are often powerful advocates of human rights, democracy and innovation, as well as watchful critics of corruption and poor governance.

Many talented individuals in emerging and developing countries still do not get fair access to good university training that matches their aptitudes..... We are committed to achieving non-discriminatory access to all tertiary educational opportunities...

In German development cooperation in the higher education sector, we attach special importance to the German model of universities of applied sciences and vocational academies... We will also increase the mobility of students from developing countries and broaden the range of training opportunities available to them by providing scholarships(BMZ, 2013, p. 12).

- 15) China is the second largest market for German exports after France. Germany has a strong share in the overall trade volume between Europe and China: up to nearly half of all EU exports to China and nearly a quarter of EU imports from China(Kundnani and Parelo-Plesn, 2012).

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## V. Concluding Remarks

This paper was to provide a systemic analysis of the characteristics of ODA allocation to higher education with a focus on France and Germany. This study has found the following traits of the two donors' education ODA allocation behavior. First, they both prioritize education as a core sector in development assistance. Due to their priority on education, they have dramatically increased aid for the sector. Total education ODA share of two donors amongst DAC countries is prevailing since 1999, by composing of around 40% annually. Second, beyond the contribution to the MDGs 2, they heavily focus on post-secondary education. By sub-sector, in the late 1990s and early 2000s, French focus was level-unspecified education such as education policy, education facilities and training, teacher training, and educational research, while in the rest of 2000s, its emphasis was greatly on higher education. On the other hand, in the middle of 1990s, Germany dominantly allocated its ODA to level-unspecified education and basic education in the late 1990s. However, since 1999, Germany shifted its focus from basic education to higher education. Third, both donors shrank their total education ODA volume in 2005, but their allocation behavior was different. While France showed its absolute assistance for post-secondary education, Germany proportionally distributed its aid to all sub-sectors. Fourth, the two commonly share the aid modalities as imputed student costs(E02) rather than scholarships(E01). It may be because the countries charge domestic and even international students with small amounts of tuition fees. Imputed student costs are known for the living expense for students from developing countries. They are criticized by the fact that the money for assisting beneficiaries never leaves the country but is counted as a big chunk of education ODA. Fifth, the two donors have different regional focus. France prioritizes Africa, especially French-speaking former colonial countries, and recently China with an emerging economy. Germany without colonial legacy allocates more aid to Asia having key trading partners that its objective is to promote higher education for future elites and further pragmatic cooperation.

Those findings in this study provides knowledge about the purposes and mechanisms of education aid in two donor countries by focusing on how higher education aid is given, where it is allocated, but also why it is granted. For future study, it would be interesting to investigate more on how higher education aid is spent and how scholarship-granted alumni community is managed at institution level and on higher education aid impact on capacity development.

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# Appendix

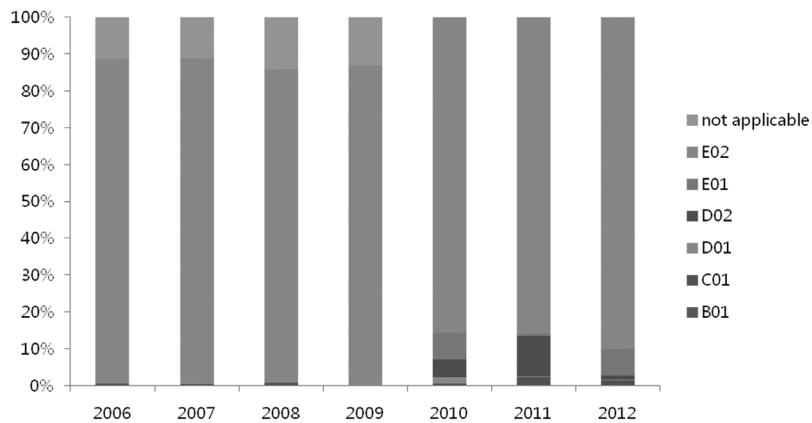
## <Appendix 1> CRS Codes for Education

110	<b>EDUCATION</b>	
111	<b>Education, level unspecified</b>	The codes in this category are to be used only when level of education is unspecified
11110	Education policy and administrative management	Education sector policy, planning and programmes; aid to education ministries,
11120	Education facilities and training	Educational buildings, equipment, materials; subsidiary services to education
11130	Teacher training	Teacher education (where the level of education is unspecified); in-service and pre-
11182	Educational research	Research and studies on education effectiveness, relevance and quality; systematic
112	<b>Basic education</b>	
11220	Primary education	Formal and non-formal primary education for children; all elementary and first cycle
11230	Basic life skills for youth and adults	Formal and non-formal education for basic life skills for young people and adults
11240	Early childhood education	Formal and non-formal pre-school education.
113	<b>Secondary education</b>	
11320	Secondary education	Second cycle systematic instruction at both junior and senior levels.
11330	Vocational training	Elementary vocational training and secondary level technical education; on-the job
114	<b>Post-secondary education</b>	
11420	Higher education	Degree and diploma programmes at universities, colleges and polytechnics;
11430	Advanced technical and managerial training	Professional-level vocational training programmes and in-service training.

## <Appendix 2> List of Types of Aid

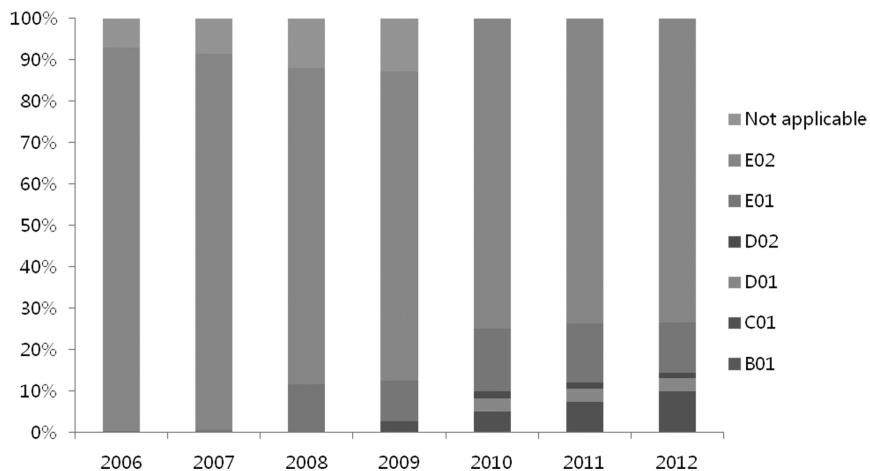
List of Types of Aid		
Type	Sub-type	Description
A		<b>Budget support</b>
	A01	General budget support
	A02	Sector budget support
B		<b>Core contributions and pooled programmes and funds</b>
	B01	Core support to NGOs, other private bodies, PPPs and research institutes
	B03	Contributions to specific-purpose programmes and funds managed by international organisations (multilateral, INGO)
	B04	Basket funds/pooled funding
C		<b>Project-type interventions</b>
	C01	Project-type interventions
D		<b>Experts and other technical assistance</b>
	D01	Donor country personnel
	D02	Other technical assistance
E		<b>Scholarships and student costs in donor countries</b>
	E01	Scholarships/training in donor country
	E02	Imputed student costs
F		<b>Debt relief</b>
	F01	Debt relief
G		<b>Administrative costs not included elsewhere</b>
	G01	Administrative costs not included elsewhere
H		<b>Other in-donor expenditures</b>
	H01	Development awareness
	H02	Refugees in donor countries

&lt;Appendix 3&gt; Types of Aid for Post-secondary Education, France by year (2006-2012)



Source: OECD CRS Data (2013), organized by the author

&lt;Appendix 4&gt; Types of Aid for Post-secondary Education, Germany by year (2006-2012)



Source: OECD CRS Data (2013), organized by the author

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