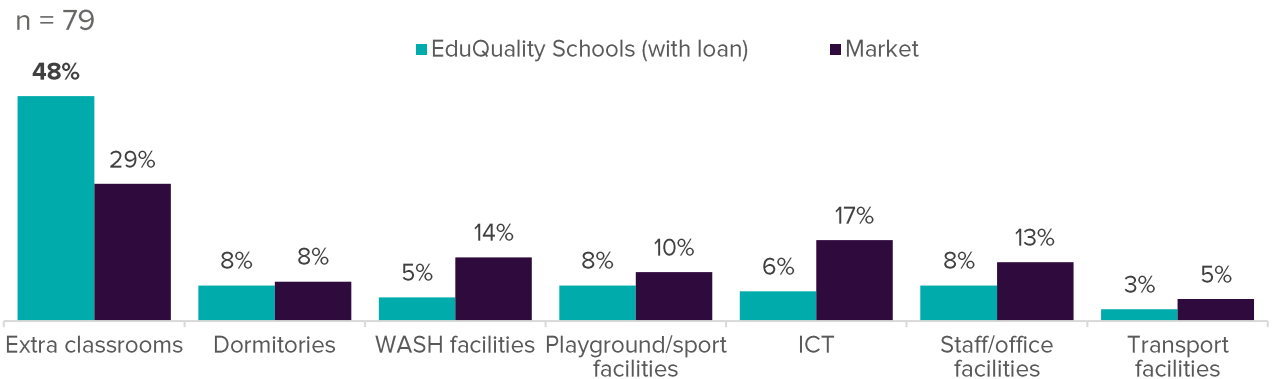


Key Insight: Rwanda schools prioritize investment in income generating projects using education finance

Data from Rwanda schools in the Education Quality program shows school owners with loans have **overwhelmingly invested in productive assets**, increasing cashflow, sustainability and the capacity to improve the quality of education.*

Main Purpose of School Improvement Loan



Key finding #1 – Main Purpose of School Improvement Loan

Adding an extra classroom is the most common use of a school improvement loan, while Rwanda EduQuality schools with a loan invest in new classrooms more frequently (**48%**) than Rwanda schools not in the program (**29%**), as surveyed through market research.

School Economics 101

Schools generate over 80% of their revenues from school fees, making extra classrooms for increased enrolment and improvements capacity an excellent return on investment. Meals, uniforms and transportation can also be meaningful ancillary revenue sources.

School Revenues		School Costs	
School Fees	81%	Salaries	38%
School Meals	7%	Loan Repayment	16%
Uniforms & Transportation	5%	Utilities & Food	19%
Other	7%	Other	27%

Source: EduFinance School Profile

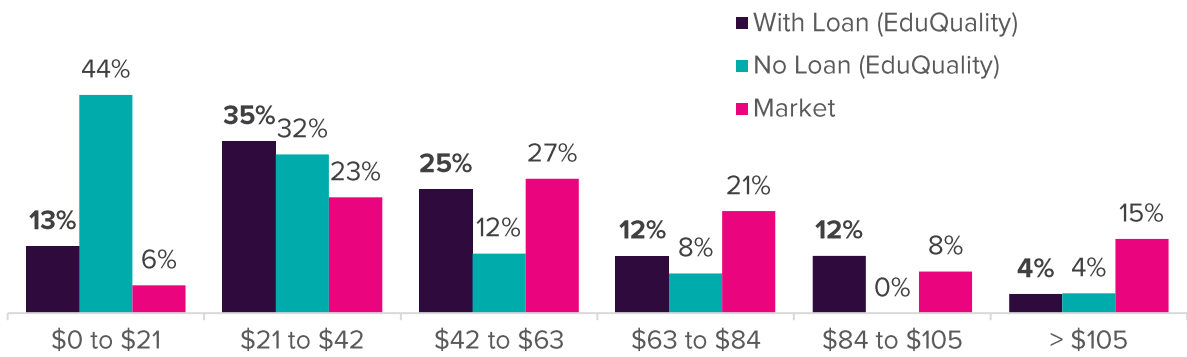
* Data collected prior to the COVID-19 pandemic that led to temporary school closures in 2020. Without school fee revenue during closures, many schools required forbearance from their financial institutions.

School Economics 101: School Fees

Key finding #2 – Loans & School Fees

Data shows having a loan does not always mean higher school fees. **48%** of Rwanda EduQuality schools with a loan have average termly fees that are less than \$42, compared to **29%** of schools that were surveyed for Rwanda market research.

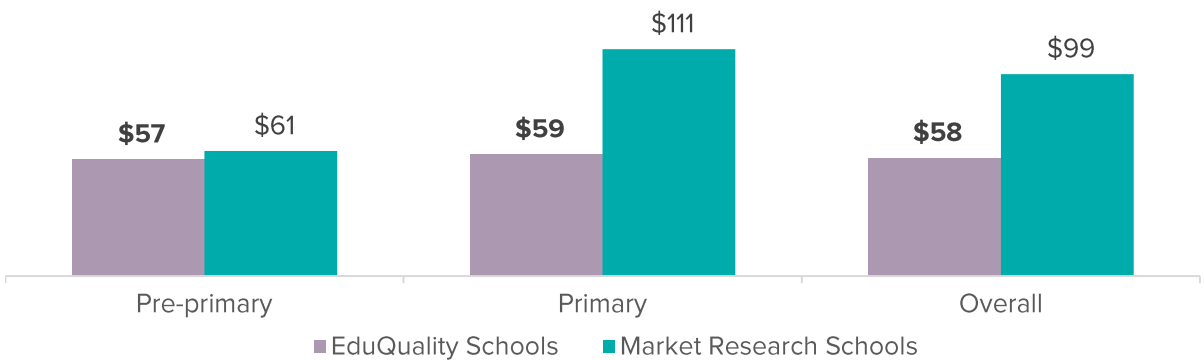
Distribution of School Fees per Term



Key finding #3 – School Fees by Level

Schools in the EduQuality program appear to have below average fees. While pre-primary EduQuality & non-EduQuality schools in the Rwanda have similar average fees, EduQuality primary schools reported significantly lower average fees when compared to data compiled in a previous Rwanda market research study.

Average School Fees by School Type (per Term)

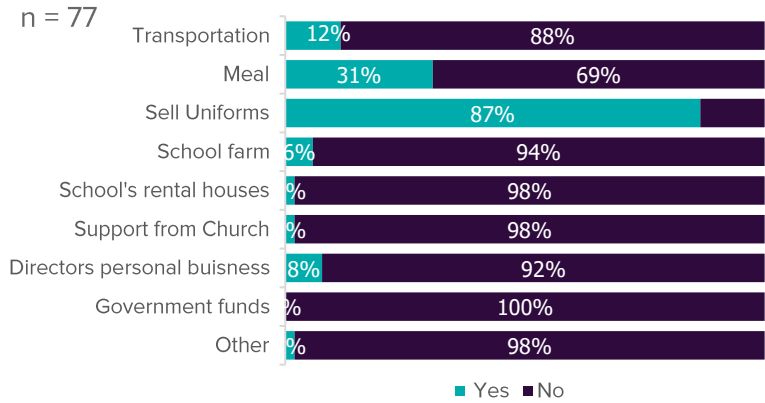


School Economics 101: School Services

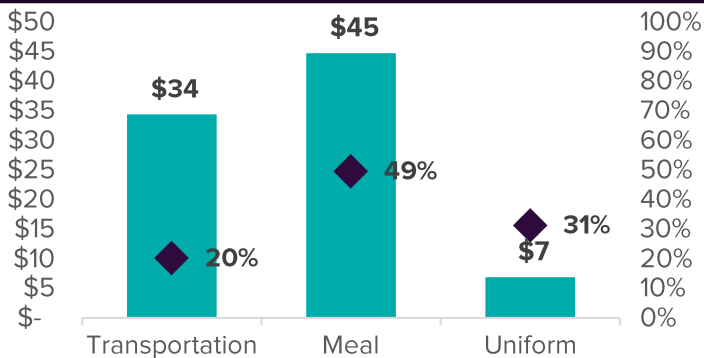
Key finding #4 – Sources of Revenue

Selling Uniforms is the most used service from schools. **87%** of surveyed Rwanda schools with access to loan offer uniforms, and **31%** of schools offer meals at a cost.

School Sources of Revenue



Average termly cost and % of students using the service for schools with loan

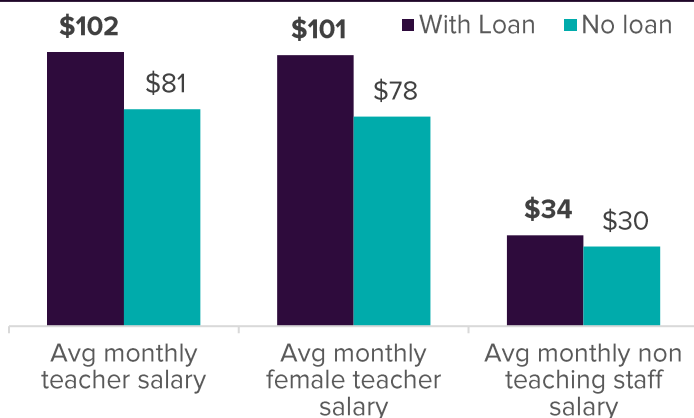


Key finding #5 – Use of Services

Almost **half** of students in Rwanda EduQuality schools use the **Meal program**, at \$45 per term. Uniforms are purchased by **31%** of students, and **20%** access transportation services.

School Economics 101: Teacher Salaries

Distribution of Average Teacher Salaries



Key finding #6 – Teacher Salaries

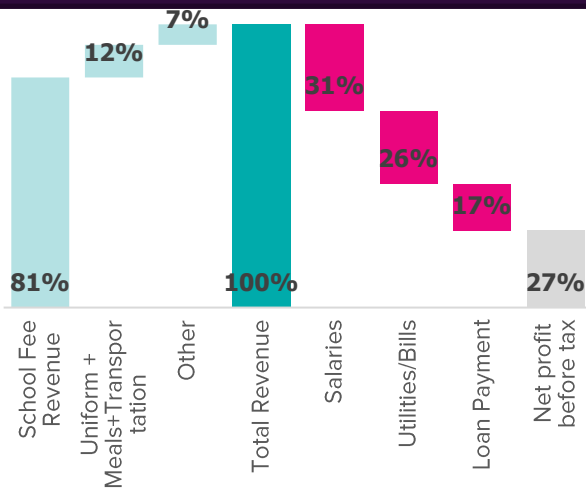
Rwanda EduQuality schools with a loan pay **higher salaries for teaching and non-teaching staff**. While the gender pay gap does not appear significant, female teachers in schools with loans have a closer average salary to overall teacher salaries (\$101 vs. \$102) compared to schools with no loan (\$78 to \$81).

School Economics 101: School Sustainability

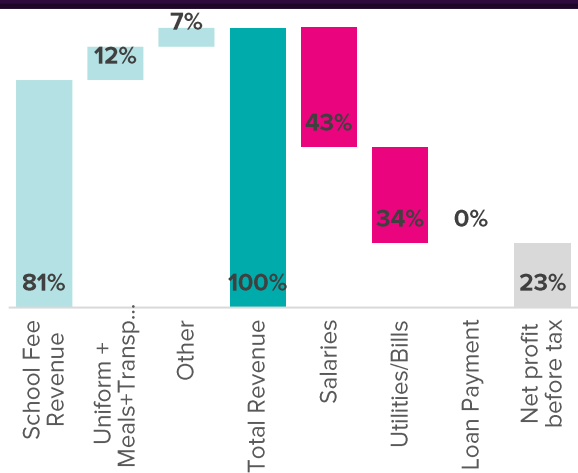
Key finding #7 – School Sustainability

EduQuality schools in Rwanda with a loan have shown **better cashflow and sustainability** than schools without a loan. Schools with no loan use **43%** of their revenue to pay **salaries**, versus **31%** for the schools with a loan. Similarly, schools with no loan use **34%** of revenue to cover **utilities & other bills**, versus **26%** for schools with a loan.

Revenue & Expense Breakdown of Schools with a loan



Revenue & Expense Breakdown of Schools without a loan



Key Question: Are Children Learning?

Key finding #8 – Exam Results

Using national exam results as a simplified proxy for learning, analysis found **examination results between schools that have taken a loan and schools that have not taken a loan show no meaningful difference**. Schools with a loan reported a higher percentage of pupils receiving a Division 2 result (35.0%), compared to those without a loan (29.7%).

Primary Leaving Examinations Grade Divisions

