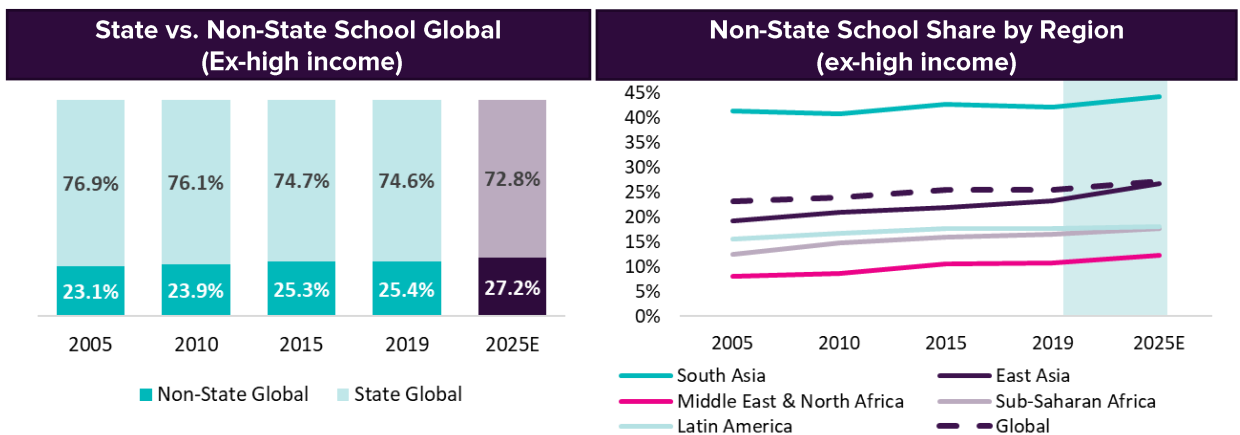


Key Insight: Schools, teachers and parents are facing immense challenges as a result of the COVID-19 pandemic

EduFinance surveys found that most school stakeholders have been **negatively affected by this pandemic**, albeit in varying magnitudes. While many schools mounted strong responses to the crisis, even the most proactive approaches could not mitigate massive income decline.

CONTEXT: Prior to COVID-19, non-state schools were gaining market share

The role of the non-state school sector in delivering education services has been growing. According to official UIS figures, the non-state education market share increased from 23.1 percent to 25.4 percent between 2005 and 2019.

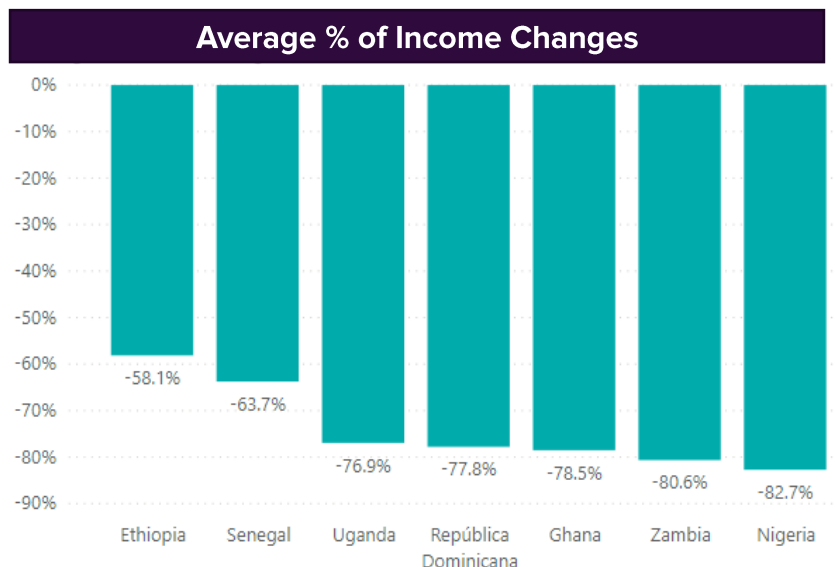


Source: UIS, EduFinance forecasts (2020)

School Income Impacts: Significant revenue reductions

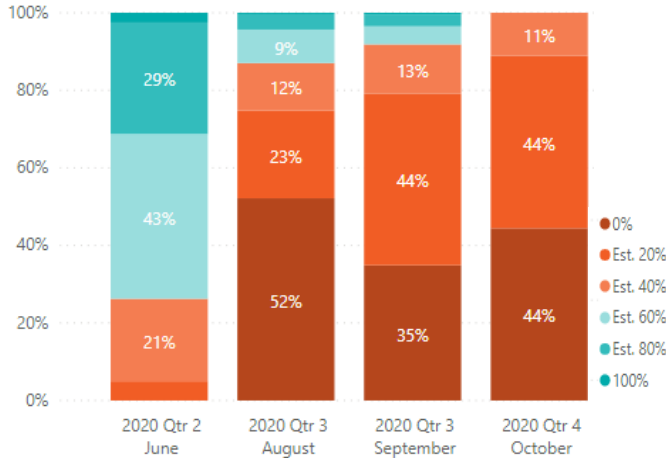
Key finding #1 – Revenue Reductions

Of 657 schools interviewed, 98.6% experienced a significant decrease in revenue. The average reduction in school income ranged between **58%-63%**, with a median revenue loss of **80%**.



School Stakeholder Impacts: School Leaders, Teachers, Parents

% of School Fees Collected within previous 2 months



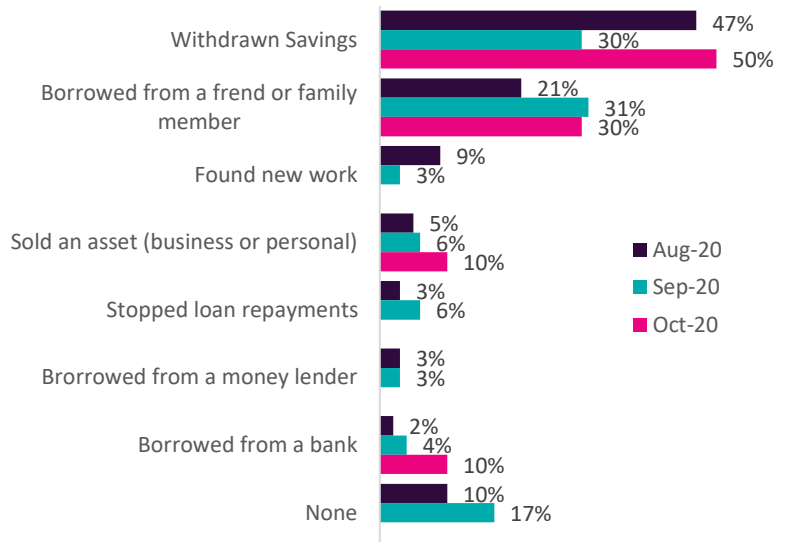
Key finding #2 – Leaders

As the pandemic progressed, schools struggled to recover fees. In **June**, **75%** of schools were still managing to collect 60% or more of school fees. By **October**, **44%** of respondents had collected **no fees in the previous two months**. No school was able to collect 60% of their usual school fees by this time.

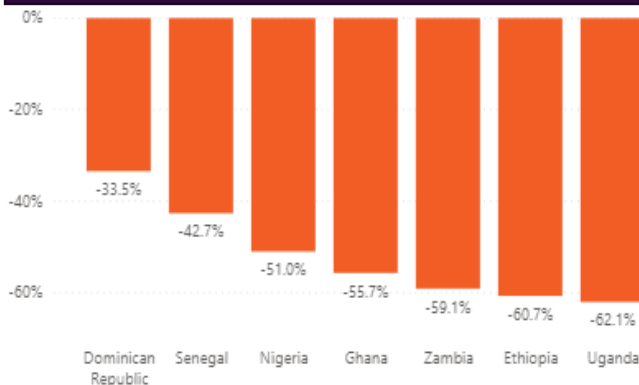
Key finding #3 – Teachers

Teachers had to dip into their savings and borrow from friends and family. **50%** of teachers were withdrawing savings by October and an additional **30%** were borrowing from someone close to them.

Teachers Sources of Funding



% of Parent Income Decrease



Key finding #4 – Parents

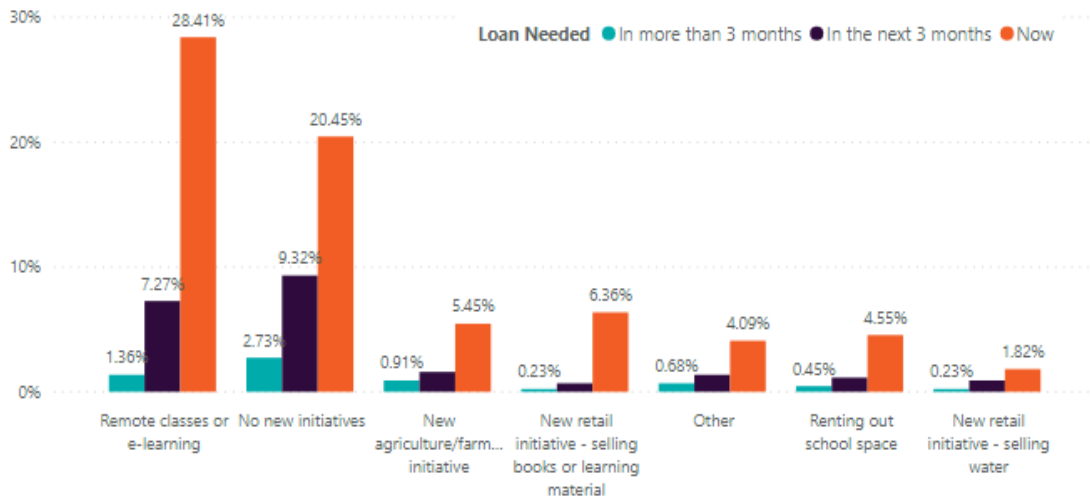
Parents also saw significant declines in their incomes. **94.5%** reported their incomes had decrease. The median impact of this decline was **50%**, lower than that for schools and teachers, likely due to the diversification of parent professions.

School Stakeholder Impacts: Financing opportunities

Key finding #5 – School Financing

Funding could help alleviate lost school revenues. Schools were asked **what** new initiatives they would invest in and **when** they would need financing. The most cited response (**37%**) was remote classes or e-learning, with 28% able to use financing now for these initiatives, if it was available.

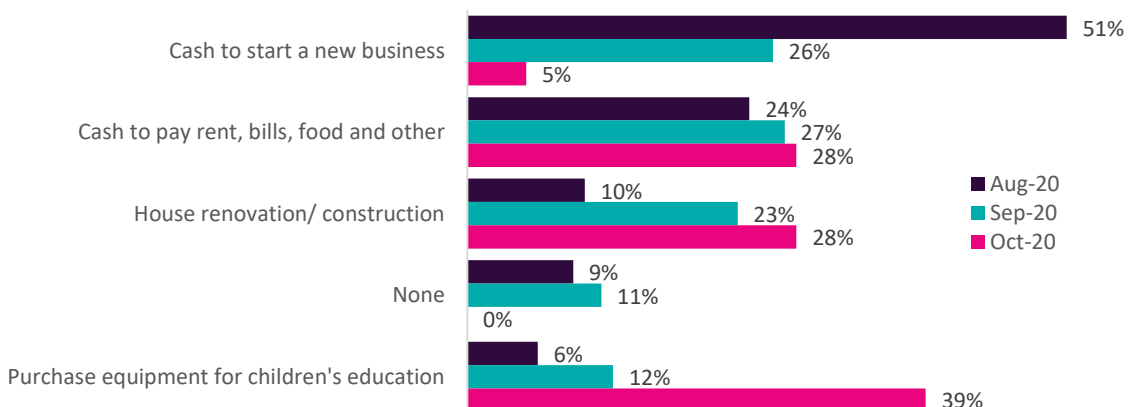
School Financing Needs & Timing



Key finding #6 – Teacher Financing

Financial needs of teachers have changed over time. Teachers increasingly wanted to use financing to purchase equipment for their children's education. In August, 51% of teachers reported an immediate need to obtain cash to start a new business. By October, teachers' urgent finance needs had shifted to cash for the purchase of learning equipment for children (**39%**), to pay for rent, bills & food (**28%**), and house renovations (**28%**).

Teacher Urgent Finance Needs in the Next 3 Months



METHODOLOGY

RESEARCH QUESTIONS

As schools began closing across markets that Opportunity EduFinance operates in, EduFinance began a series of **market research reassessments** with the aim of better understanding how schools, teachers and parents were being affected and what responses financial institutions and NGOs could take to alleviate some of the ensuing financial pressures that would be placed on non-state education systems.

Primary question: How has the COVID-19 pandemic impacted the education sector in low- and middle-income countries where EduFinance operates?

Sub-questions:

1. What are the financial impacts of the pandemic on schools, teachers and parents?
2. How have the schools, teachers and parents coped with these impacts?
3. Are there any country disparities in terms of the way that the education sectors* are affected financially and how they respond to the impact?

* The education sector here refers to three key stakeholders identified by EduFinance, namely schools, teachers and parents.

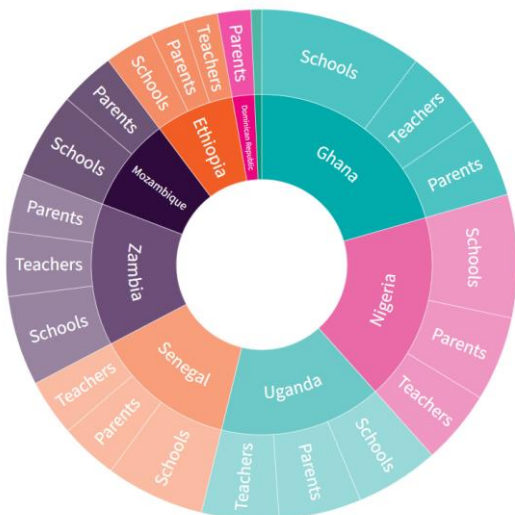
SURVEY RESPONDENTS

Throughout the EduFinance conducted studies, **657 schools** were interviewed, alongside **455 parents** that send their children to affordable non-state schools and **362 teachers** from affordable non-state schools.

EduFinance used a combination of physical visits and telephone interaction to conduct the interviews. The following criteria were used to select the sample schools:

- Minimum of 50 students
- More than 3 years of operation

The highest participation came from schools, which constitute 45 percent of the data collected, followed by parents and then teachers.



Country	Schools	Teachers	Parents	TOTAL
Dominican Republic	10	0	31	41
Ethiopia	46	32	32	110
Ghana	152	76	75	303
Mozambique	80	0	52	132
Nigeria	115	69	79	263
Senegal	92	53	54	199
Uganda	78	72	77	227
Zambia	84	60	55	199
TOTAL	657	362	455	1,474