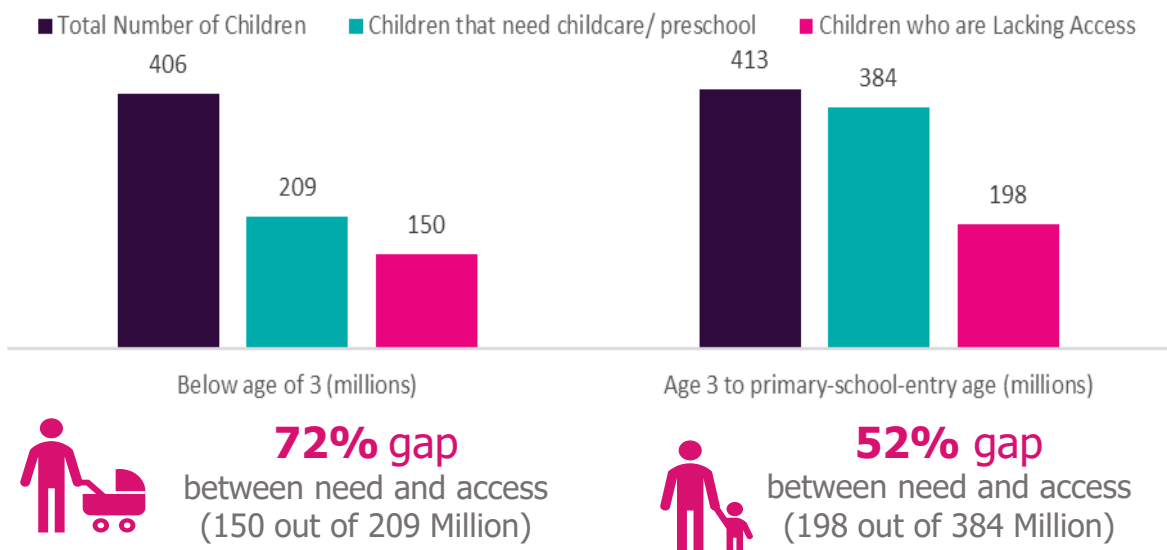


## Key Insight: 350 million children do not have access to the developmental benefits of preschool education

The positive lifetime impacts that early childhood education (preschool) has on child development are well documented. Parental demand for childcare & preschool options has led to steady growth in the sector. **Despite this encouraging progress, a new report published by the World Bank demonstrates the ongoing gap in access to childcare & preschool, and the role that is left to the non-state sector to fill if given adequate access to capital to grow.**

### Global Childcare Needs, Supply and Gap in Access



Source: World Bank (2021)

## Better Jobs & Brighter Futures: Investing in Childcare to Build Human Capital



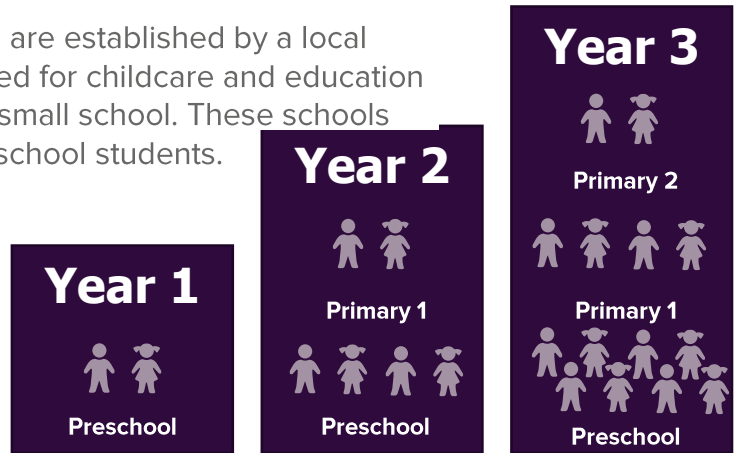
### Other key findings from the World Bank Report included:

- A child living in a low-income country is nearly **five times less likely** to have access to childcare than a child living in a high-income country.
- Expanding the childcare economy – and the childcare workforce – to meet current needs **could create 43 million jobs globally.**
- While childcare is an issues that impacts all working parents, it is particularly important in the context of efforts to improve **women's employment opportunities and productivity** in both formal and informal sectors.
- Older siblings, **especially girls**, are also impacted by the childcare challenge when they are forced to take on childcare responsibilities, **with consequences for their own education opportunities and life choices.**

## What are the typical characteristics of a school offering preschool?

Many affordable, non-state schools are established by a local community member that sees a need for childcare and education access and responds by starting a small school. These schools often start with a small class of preschool students.

Over time, schools with access to capital can invest in expansion – adding more classrooms, more seats and more grade levels as their students advance each year, growing into a sustainable educational institution for the community.



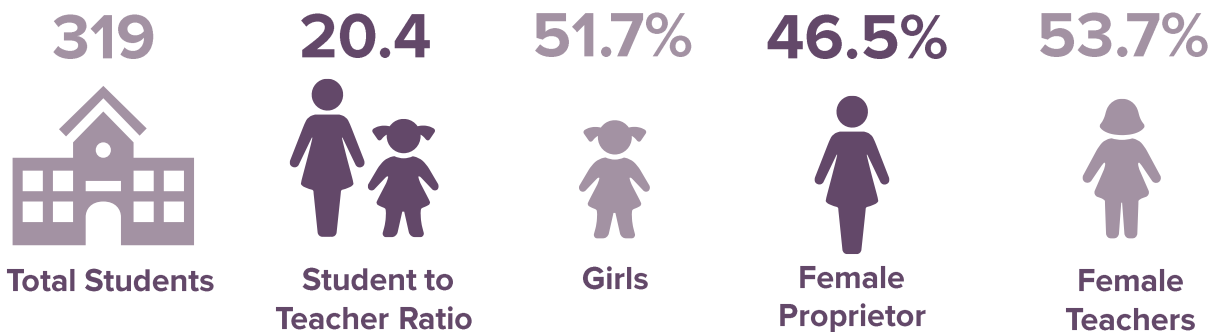
Note: Illustrative example of how schools grow over time from Preschool

**AVERAGE PROFILE.** For schools in the EduQuality program, the average school offering preschool classes has a total enrolment of **319 students**, of which **51.7% are girls**. The average student to teacher ratio is **20.4**.

Data also indicates a **gender variance in leadership & teaching staff** between schools offering preschool and those without.

- Schools offering preschool report **46.5% with a female proprietor**, compared to 25% female proprietors of schools without preschool.
- Similarly, **53.7% of teachers are female** at schools offering preschool, compared to 44.1% at schools without preschool.

### EDUQUALITY PROGRAM SCHOOLS OFFERING PRESCHOOL



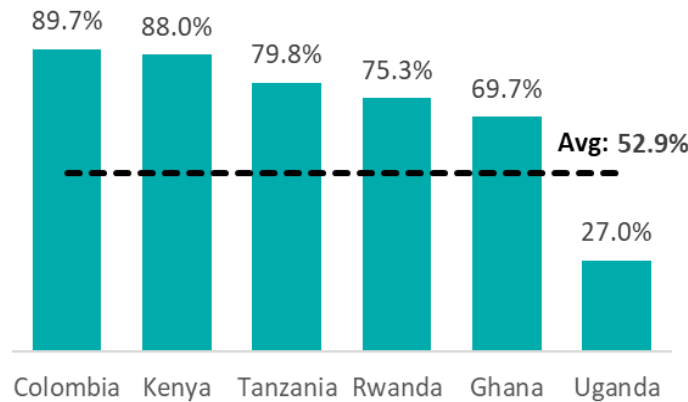
Source: Opportunity EduFinance School Profile data. *Number of respondents 740*

Data represented in this analysis comes from schools that participate in the School Profile between 2018 and early 2020. Outliers were removed from the dataset in instances where there were concerns about the accuracy of data collected from specific enumerators. In



## How can EduFinance play a role in helping these schools grow?

### Percent of Schools in EduQuality offering Preschool



#### Key finding #1 –

#### Schools offering Preschool

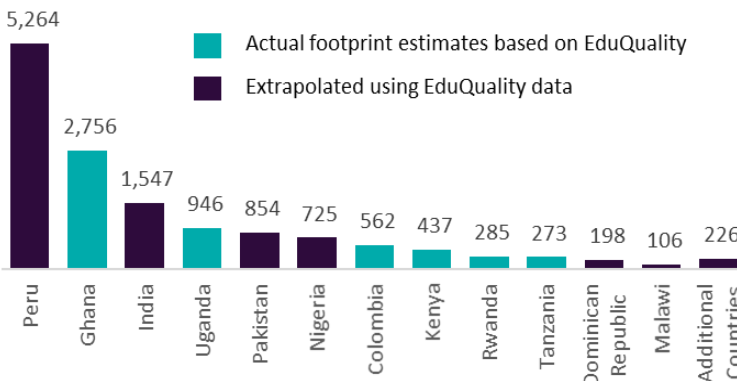
The majority of schools in the EduQuality program offer preschool. Of 812 schools surveyed, 52.9% report offering preschool classes.

n: 812 (of 1,535 schools with data) report a Preschool section

#### Key finding #2 – Lending to Preschools

EduFinance financial institution partners are supporting schools with preschool to grow. Based on data from six countries and extending the figures to EduFinance partners globally, financial institution partners may have provided **13,838 school improvement loans** worth US\$110 million to schools with preschool since the launch of EduFinance.

### Number of Loans benefitting Schools Offering Preschool



“Despite its important role in education, the non-state school sector remains under leveraged and its growth has largely been financed organically – by proprietors’ savings and/or informal borrowing.”  
– *The State of the Affordable Non-State School Sector*

Schools with access to formal financing options are best positioned to continue expanding sustainable, preschool services, increasing parents’ options for early childhood education. Because most non-state schools offer preschool classes, increasing private investment into the education sector will also increase access to preschool services.

## What is important to schools offering Preschool?

The **Pathways to Excellence** guide offers schools the opportunity to self-assess their school quality across 18 domains, **rating themselves on a scale of 1-4 using sets of objective criteria**. This self-assessment supports schools to create a **School Development plan**, identifying 2-5 priority areas for improvement, and action steps to reach the next level of quality in each area.

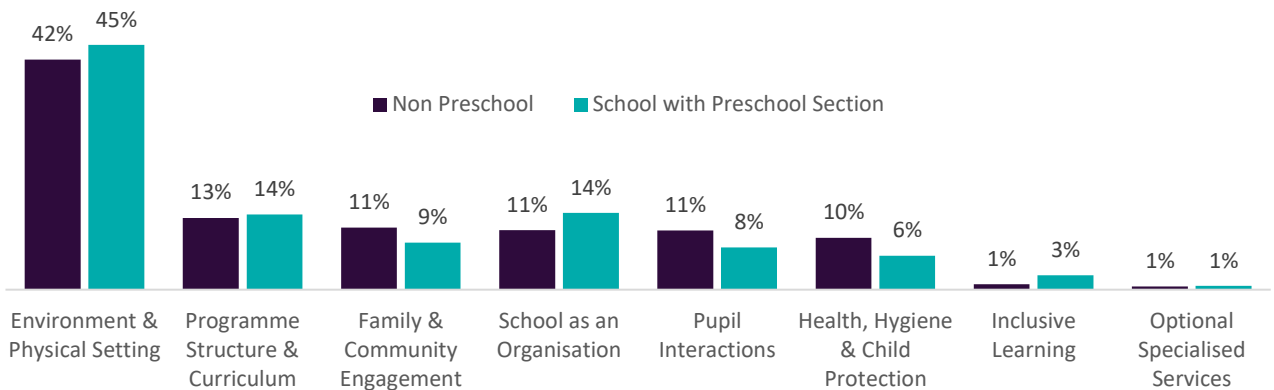


### Key finding #4 – Priorities of Schools with Preschool

Data shows schools offering Preschool tend to have a similarly high focus on the need to improve **'Environment and Physical Setting.'** This is the most frequently selected domain prioritized in School Improvement plans by all EduQuality schools, regardless of preschool offerings.

Many action plans for improving environment and physical setting require financing to make required improvements, **indicating schools offering preschool require the same types of school improvement loan options** to add more seats and make improvements in the quality of education they offer all ages of students.

### Key Domain selected in School Development Plans



The below shows **Pathways to Excellence: Early Childhood Level 1 and Level 2 criteria** that a school offering preschool uses to score its quality of preschool services.

#### LEVEL 1.

- Limited or no outdoor space for learning & play
- Assessment of learners is infrequent, and observations are not recorded in systematic way
- School day is not structured and lacks good routines that support learners
- Some areas of development such as cognitive skills and physical skills are not prioritized in the early childhood curriculum.

#### LEVEL 2.

- Observations to assess learners take place and the findings are recorded on an observation form
- Learners have outdoor areas to play and learn
- Teaching and learning materials are used to organize the days' activities
- All areas of development are included in the early childhood curriculum