

Your impact through

# Education



## In the first half of 2021, loan disbursements improved after the dip and disruption of 2020.

In India, Opportunity EduFinance completed a strategic assessment of its model and opportunities. It found the 400,000 local, low-cost non-state schools need more capital investment and professional development training to continue providing quality education for the 128.2 million children attending those schools. An additional 32.5 million children are out of school and they could potentially benefit if the sector grew and their parents had access to a loan to cover school fees.

Research conducted by EduFinance and KPMG India is informing how barriers to finance and needs for professional development are being addressed in a new program model. The study surveyed 100 schools across nine states, 16 professional development organisations, as well as financial institutions and regional school associations.

The sector will need to undergo change to overcome the effects of COVID-19 (85 per cent schools globally closed at peak of pandemic).

In Pakistan, 16 million school children are enrolled in non-government schools (almost 35 percent of total enrollments). A further 19 million children remain out of school and low educational attainment is particularly the case for many girls. Over the past three years, EduFinance has established a strong network of financial institutions and other educational partners in Pakistan. A new EduQuality pilot was launched with All Pakistan Private Schools Federation using a train-the-trainers model to build the skills of 100 local staff.

## Thanks to your support...

**111,541 families** using loans to educate their children in India, Indonesia and Pakistan

**5,276 active loans** to improve schools in India, Pakistan, Nepal and the Philippines

*Opportunity International US implements the Education Program in 25 countries and along with Opportunity Australia, is part of the broader Opportunity International Network.*

*Opportunity Australia provides funding to support the Education Program in five countries in Asia.*

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In reference to COVID-19, we've seen that it's exacerbated existing inequalities. I often hear people say about COVID-19 that the pandemic is an equalizer, but I couldn't think of anything that's further from the truth.”

**Renée McAplin, Director EduQuality**

### India

106,338 school fee loans to families  
June 2021

4,195 school improvement loans  
June 2021



### Indonesia

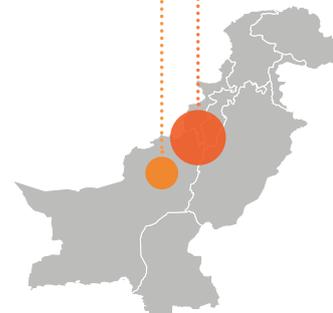
5,128 school fee loans to families  
June 2021



### Pakistan

75 school fee loans to families  
June 2021

1,044 school improvement loans  
June 2021



Included in the total are 75 school improvement loans that were issued by newly participating financial institution Taleem Finance Company in Pakistan. In addition to school improvement loans, Taleem provides school fee loans to parents so they can send their children to school, as well as loans to tertiary institutions to improve the facilities. In Pakistan, 128 schools participated in the EduQuality Program.

### Philippines

4 school improvement loans  
June 2021



### Nepal

33 school improvement loans  
June 2021



Country of operation (number of financial institutions)	Number of active education loans by type	Value of loan outstanding by type (USD)
<b>India (4)</b>	106,338 school fee loans to families	35,445,084
	4,195 school improvement loans	54,021,068
<b>Pakistan (4)</b>	75 school fee loans to families	148,910
	1,044 school improvement loans	1,384,085
<b>Indonesia (3)</b>	5,128 school fee loans to families	621,989
<b>Philippines (1)</b>	4 school improvement loans	28,997
<b>Nepal (1)</b>	33 school improvement loans	12,184

## Strategic direction

COVID-19 is often described as both a health crisis and an economic crisis but it is also an education crisis, especially for the poorest and most vulnerable children. COVID-19 resulted in full or partial school closures that affected two in three students one year into the crisis. An estimated 101 million more children than before the pandemic failed to demonstrate basic reading skills and nearly two thirds of the children falling behind live in Asia. The longer students miss school the higher the likelihood that they may never return, putting them at increased risk of child labour and child marriage.<sup>1</sup>

At the same time, Governments have less funding available for education since the start of the pandemic making a focus on non-state low-fee schools even more important in efforts to get students back on track after a catastrophic year for education.

The financial service sector creates value for customers by solving monetary challenges in their lives and the pandemic has clearly created more challenges for many clients. For education finance, this has created an environment for innovation in the two most prominent loan products used globally: school improvement loans and school fee loans.

It has also increased the urgency to explore financing beyond these options and diversify products to cater for the entire ecosystem by offering a full suite of financial services.

We have seen an increased emphasis on recognising and addressing the importance of teachers, schools and students having access to data, digital devices and knowledge of how to use them.

When schools reopen and face-to-face learning resumes, the demand for e-learning is expected to continue. Technology may be able to fill learning gaps.

### Future strategy includes:

- New products / diversification
- Digitisation
- Training
- Pilot evaluations
- Partnerships
- Grants / CSR
- Research

*1 The Sustainable Development Goals Report 2021  
<https://unstats.un.org/sdgs/report/2021/The-Sustainable-Development-Goals-Report-2021.pdf>*

## VIEW LATEST REPORTS FOR ALL PROGRAMS

This report highlights the impact of our programs up to 30 June 2021.  
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[opportunity.org.au/your-impact](https://opportunity.org.au/your-impact)

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