

Education Finance: School is in Session

Your Program Impact Report—Fall 2023

2023–2025 EDUCATION FINANCE STRATEGIC GOALS

To reach **an additional 9.1 million children** with **\$421M** in education loans disbursed in **29 countries**—getting more learners in better schools.

OUR GRATITUDE



Esther, School Proprietor, Uganda

Esther and her husband Joseph founded the Bright Community School in Uganda, welcoming 80 children into their first kindergarten in 1998. Since then, Esther and Joseph have partnered with Opportunity International to build new classrooms, a kitchen where they prepare nutritious food each day, and dormitories—enabling even more students to get a good education. Now, Esther and Joseph educate 820 incredible students and are transforming not only their family, but their entire community.

Thank you for believing in the power of quality education to break the cycle of generational poverty.

THE NEED

Opportunity International's goal is to enable people living in extreme poverty to build sustainable livelihoods. We listened to our clients and heard across the board that they used their income to send their children to school—because parents know that education is the best way for their children to break the cycle of poverty. So, we asked: how can we build success for the whole family—starting with a profitable, sustainable business and ensuring quality education for all children?

THE SOLUTIONS

Opportunity International offers one of the only programs in the world that addresses both the **need for loans to parents AND school owners, while also deepening the skills** of school leaders and teachers:

- ▶ **Access** means getting more “seats” and more ways for children to safely attend school. Opportunity increases education access by connecting affordable non-state schools with financial institutions which provide **School Improvement Loans** for school facilities and connecting parents with financial institutions for **School Fee Loans** to send all their children to school.
- ▶ **Quality** means students have a safe, child-centered learning environment using best teaching practices so they can be successful. Opportunity works with affordable non-state schools to improve the quality of teaching and learning conditions for students through its **Education Quality, or EduQuality**, initiative. Through our program “Pathways to Excellence,” Opportunity staff guide school leaders through holistic school development and improvement planning; we deliver school leadership and teacher professional development training.

OUR IMPACT 2023 YEAR-TO-DATE

As of July 2023, Education Finance partners' loan portfolio was \$412M, 29% higher than in July 2022.

EduFinance Active Portfolio Indicators

Sept. '22-July '23

School Improvement Loans value outstanding (schools)	\$199.5M
School Improvement Loans outstanding	14,910
School Fee Loans value outstanding (parents)	\$35.9M
School Fee Loans outstanding	95,376
Active child impact	4.2 million
Financial Institution partners	115
Schools participating in EduQuality	2,467
Countries where EduFinance works	27

Thanks to your ongoing support, we achieved a major milestone in July 2023: **in total, more than 12 million children** have benefitted from the work of Opportunity EduFinance and our partners. This is an important marker in our ongoing journey to close the education gap for children in some of the highest-need countries in the world.

Education Finance Partnership: Opportunity International and Oikocredit

Together we address the lack of capital released into the education sector in low-income countries. The technical assistance provided by Opportunity's EduFinance program to partner financial institutions enables the lending of Oikocredit's capital support to the education sector. This capital is essential for scaling up EduFinance loans.

PROGRESS ON INCREASING ACCESS TO QUALITY EDUCATION

Colombia

We continue to expand to support local affordable non-state schools to improve conditions for learning through training, resources, and local expertise. In-country EduQuality specialists are focusing on developing partnerships with financial institutions and facilitating the learning activities with the schools that are part of the EduQuality program. Education loans are expected to begin disbursement in the fall of 2023. Today we have:

- Four new financial partners signed, and technical assistance completed with Crezcamos, Finanfuturo, Actuar Famiempresas, and El Alcaravan
- 34 schools in the EduQuality program
- 6,800 children impacted

In May, John Pulido, Opportunity's Head Education Specialist for Latin America and the Caribbean, presented at the Global Education Forum & Wisdom and Innovation Summit for Education in Colombia. John shares, "Every time I talk about the program, either with the schools or key stakeholders in different countries, people are amazed and tell me that they have not heard about anything like the EduQuality program."



Primary school learners, Cartagena

Dominican Republic and Guatemala

EduQuality has launched in these two new high-need countries. The EduQuality product development team creates country-specific, relevant, engaging training content on best practices around education quality—and then they translate and digitize that content.

Democratic Republic of the Congo

Low-cost private schools have rapidly increased in number in the Democratic Republic of the Congo (DRC) due to population growth, increased enrollment, and parental aspirations for quality education. As part of Opportunity's **Teacher Mentor Professional Development**, we delivered phonics training to teachers. Phonics is a widely used and proven method for building literacy skills among learners, and is a key tool used by the



Teacher Mentor Professional Development training, DRC

Education Specialists team within DRC schools. Post-training assessments reported enhanced language proficiency, adaptation of innovative and empowered pedagogy, and effective reading strategies.

Ghana

In February 2023, Opportunity International received an award from [USAID for low cost, private schools in Ghana](#). Over the next five years in 17 districts in northern Ghana, Opportunity will collaborate with USAID on project management. The goal: improved learning outcomes and financing options for low cost, private schools in northern Ghana. The award acknowledges Opportunity's experience in education finance—and EduQuality puts us in a strong position to work with local schools to affect positive change for learners, parents, and teachers.

Uganda

As part of EduFinance goal to drive capital to rural and marginalized schools in the Mityana Opportunity Zone, in March 2023 the team ran School Leadership Academy workshops across four districts in Central Uganda: Sembabule, Bukomansimbi, Lwengo, and Masaka.

The workshops invited school owners of low-fee non-state schools to attend training to equip the leaders with the tools to improve the quality and capacity of their schools; 260 school leaders attended as well as representatives from our partner financial institutions (Opportunity Bank Uganda, Letshego Uganda and Ugafode Microfinance) and local government.



Nigeria

As of July 2023, our EduFinance in Nigeria is 15,724 loans via 13 financial institution partners, valuing \$19.2M (up 28% year over year),

impacting 664,224 children. Opportunity International recently published a [blog](#) featuring Education Specialists from Ghana, Nigeria, and Uganda. Nigeria Education Specialist, Abimbola Lasisi specifically mentions the importance of school leaders learning fiscal management and budget creation. Despite financial limitations, schools can and do provide quality education.

Kenya

Battling a high illiteracy rate with many learners out-of-school, Western Kenya is an area with immense potential to increase access to quality education for children. In March 2023, we launched EduQuality program in Western Kenya with 104 schools in the regions of Eldoret, Kitale, and Kapenguria.



Launching Education Quality, Western Kenya

India

With Opportunity's extensive existing network in India and the size of the school-aged population, the country is a strategic growth area for the Education Finance program. Affordable schools in India need more capital to improve infrastructure and facilities in their schools, and professional development training for educators.

To date in 2023 (as of July), 178,650 loans have been disbursed in India for a total value of \$241.8M, impacting 1.4 million children.

Opportunity recently announced a new partnership with Varthana, the largest non-banking organization focused on school financing in India, to launch our EduQuality program in the south-east region of India. The partnership should reach 100-120 local schools.

Education equals opportunity, progress, and hope. Education paves a pathway out of extreme poverty. Thank you for joining our clients on their journey; thank you for investing your time and treasure in truly life-changing work.

What excites us the most right now?

- ▶ **Gender Equality and Social Inclusion:** Gender bias is often a barrier to quality, engaging, inclusive education. Opportunity International is committed to funding the integration of full gender mainstreaming across our operations, including the piloting of projects to incentivize financial institution partners to lend to more women school owners.
- ▶ **Dominican Republic and Guatemala:** Opportunity will receive support from USAID for both education financing and education quality programming if we secure matching funding. This leveraged partnership in these specific countries means quality education can be accessible at \$2.95/student.
- ▶ **EduQuality Expansion:** Networks of school clusters—supported by an Opportunity Education Specialist—with six to twelve schools per cluster allow school leaders to collaborate. We are expanding our reach in Colombia, Democratic Republic of Congo, Ghana, Nigeria, Rwanda, Tanzania, Uganda, Zambia and are launching in India and Pakistan.
- ▶ **Staff Expertise:** Opportunity continues to seek out people living in poverty that have been overlooked; education is both a way to reach people and a way out of extreme poverty. The need is great, and our staff is growing as we place local education specialists and technical assistance experts to work in communities.