

### At a Glance **Global Context**

United Nations' Sustainable Development Goal #4 aims to “ensure **inclusive** and **quality** education for all.” Great strides have been made over the past decade to get more kids in school while improving the gender parity of school enrollment in the process. The number of children and adolescents out-of-school has decreased by 30% since 2000. Girls now constitute just under half (49.5%) of all students who are out-of-school, demonstrating significant progress towards achieving gender-equal access to education. However, an estimated 263 million children and youth are still out-of-school – 74% of whom live in Africa and South Asia. Girls face distinct challenges that keep them from enrolling and staying in school which must be addressed. Additionally, progress must also be made in improving the quality of education available – an issue that requires an inclusive strategy poised to meet the needs of both girls and boys.

### At a Glance **Opportunity's Strategy**

Opportunity International mobilizes microfinance institutions to finance private education through its EduFinance program. Thus far, Opportunity has helped just under 1.9 million children (nearly 1 million girls) in developing countries secure access to affordable, quality, education. Our comprehensive approach addresses the challenges girls face to receiving an education by equipping parents and schools with— financial capacity; school leadership with enhanced awareness and training; and students with financial literacy, vocational training, and mentorship. We foster an inclusive approach to education that promotes widespread, sustainable access to quality education for both girls and boys.

## Current Efforts to Achieve Universal Education are Insufficient

Every child deserves an affordable, quality education. Significant progress has been made in reducing the number of children who are out-of-school and increasing gender parity among enrolled students. Girls now constitute just under half (49.5%) of all students who are out-of-school, demonstrating significant progress towards achieving gender-equal access to education.<sup>1</sup> Currently, however, an estimated 263 million children and youth are still out-of-school – 74% of whom live in Africa and South Asia.<sup>2</sup>

Girls face a number of distinct challenges to enrolling, attending, and completing school because of their gender. Parents may face income constraints or prefer to have girls focus on household tasks instead of their education. Girls also face the distinct challenges of menstruation and heightened security risks travelling to and from school.<sup>3</sup> Additionally, many girls in the developing world become pregnant or are married off at a young age.<sup>4</sup> Girls are more likely than boys to remain completely excluded from education – never setting foot in a classroom and never learning how to read or write – as a result of these unique challenges keeping girls from enrolling, attending regularly, and completing school. In fact, two thirds of the 25 million primary school children worldwide who will never have the opportunity to attend school are girls, and nearly two thirds of the 781 million illiterate youth and adults worldwide are women.<sup>5</sup>

Beyond the intrinsic value of receiving an education, studies have shown that educating girls in the developing world has dramatically positive effects on their health and future earnings. Girls who have received basic education are –

- Three times less likely to contract HIV;<sup>6</sup>
- Expected to earn wages that increase by 10% for every additional year of schooling;<sup>7</sup>



A teacher with her class at Young Roses Pre and Primary School in Arusha City, Tanzania

- Estimated to increase their children’s likelihood of living past age five by 50%.<sup>8</sup>

Addressing the unique challenges girls face in education is essential for reaching the United Nations’ Sustainable Development Goal 4 (SDG 4) – universal access to and completion of inclusive, quality primary and secondary school. Fulfilling SDG 4 is absolutely vital to breaking the cycle of poverty. If all children in developing countries completed school with basic reading skills, 171 million people could be lifted out of poverty – equaling a 12% cut in global poverty.<sup>9</sup> Unfortunately, current estimates indicate that SDG 4 will not be achieved until 2059 (29 years behind target),<sup>10</sup> and it is estimated that international aid needs to increase at least six fold to fill the annual \$39 billion dollar gap in governmental education funding.<sup>11</sup>

This level of aid is simply impractical. To reach the goal of universal quality education, multiple approaches are required. **Opportunity International mobilizes microfinance institutions to finance affordable private schools that provide inclusive, quality education to children living in poverty in the developing world.** This sustainable model relieves pressure on the public school system while addressing the distinct challenges facing girls in accessing a quality education.

## Opportunity’s EduFinance Program Expands Inclusive Access to Quality Education

At Opportunity, we believe that championing inclusion is essential to achieving universal access to quality education. Our EduFinance program fosters inclusive learning environments and opportunities for increased access to education by offering school proprietors, teachers, parents, and students a range of sustainable, scalable services. As of December 2016, **Opportunity has created nearly a quarter of a million permanent seats in low-cost private schools and helped just under 1.9 million students (nearly 1 million girls) in low-income countries secure access to affordable, high-quality, private education.**

Opportunity increases access to private education by working with both schools and families. Our multi-faceted approach starts with financing – a critical first step in providing schools with the credit they need to expand access to education in marginalized communities and parents with credit to cover expenses and keep their children in school despite income irregularities. This financing then provides an entry point for Opportunity’s continued long-term engagement with local, low-cost private schools by offering collaborative, sustainable quality improvement programming alongside financial services.<sup>12</sup> This suite of services, delivered in partnership with financial institutions, is sustainably serving the financial needs of low-income communities in the developing world. Opportunity builds the capacity of these partners and demonstrates the business case for serving schools and parents so that the financial institutions integrate education finance into their business model. Opportunity also raises impact investment funds to link financial service partners with viable sources of private capital and drive sustainability at the global level. The business case for educating girls and supporting inclusive education is integral to the model, so that girls’ education expands on a massive scale as a core component of a vibrant, sustainable education system serving the base of the pyramid.



A student at Naggalama Junior School in Uganda

The following sections outline Opportunity’s EduFinance strategy to foster inclusive education by focusing specifically on the importance of **access, quality, and empowerment.**



## SPOTLIGHT: DFID’S Girls’ Education Challenge

Opportunity’s EduFinance program is proud to partner with the UK government’s Department for International Development (DFID) in Uganda as part of its **Girls’ Education Challenge (GEC)**, which is aimed at helping “the world’s poorest girls improve their lives through education and find better ways of getting girls in school and ensuring they receive a quality of education to transform their future.”

A recent evaluation of Opportunity’s work with GEC affirmed that our gender-neutral financial services for families and schools further the education of girls in primary and secondary schools in Uganda. These services, coupled with mentorship and training for girls, demonstrate positive, statistically-significant results to further girls’ education.

As a result of these efforts to-date, Opportunity received a second GEC grant to build on our existing intervention by growing youth empowerment, workforce development, and knowledge of menstrual hygiene management.

A group of school girls in Uganda

### Promoting Inclusive Access to Education

The financial products outlined in the table below form the core of the EduFinance program. As of December 2016, EduFinance has extended **nearly 4,000 loans to school proprietors** for school improvements and **over 147,000 loans to parents** for school fee loans with limited risk of defaulting (7.8%).<sup>13</sup> Ongoing research demonstrates the value education finance has on promoting an inclusive learning environment that increases girls’ access to quality education.

EduFinance Theory of Change - Access		
Strategy	Service	Anticipated Outcomes
<b>School Improvement Loans</b>	Finances proprietors’ investment in improvements to their schools.	<b>For All</b> Improves facilities, decongests classrooms, reduces absenteeism, increases safety, and eliminates distractions to school work. <b>For Girls</b> Proprietors are educated on the business value of inclusive school infrastructure. For example, girls-only bathrooms support girls to attend school while menstruating and dormitories remove the risk of danger in daily commute. Both improvements give girls more time for school work and reduce family/societal pressure to drop out.
<b>School Fee Loans</b>	Loans to parents/caregivers to facilitate on-time payment of school fees, coupled with awareness-raising on the reasons to educate girls.	<b>For All</b> Prevents short-term absenteeism, increases likelihood that a child’s education will be supported in the future, and gives parents more school choices by giving them the financial flexibility to consider private education as an option. <b>For Girls</b> Parents/caregivers can more easily afford to educate all of their children – removing the need for choosing between boys and girls.
<b>EduSave (Savings-Linked Insurance Product)</b>	A savings account designed to encourage savings for school fees. Education insurance is offered as an incentive for savers who reach a determined balance. This insurance covers children’s school fees in case of their caregiver’s death or permanent disability.	<b>For All</b> Incentivizes and disciplines families to save for education. Reduces vulnerability of school enrolment in the case of major household financial shocks. <b>For Girls</b> Parents can more likely afford to educate both girls and boys.



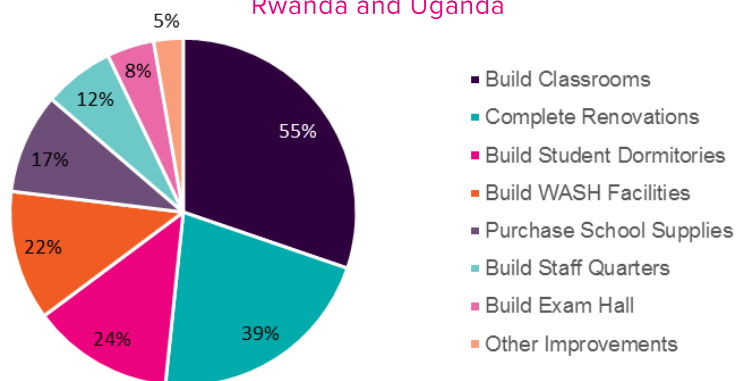
The majority of proprietors use their loans to make infrastructure improvements at their schools – most commonly constructing additional classrooms or conducting renovations to improve the security of school facilities (See “Proprietor Use of School Improvement Loans: Rwanda and Uganda”).

Building more classrooms can lead to an increase in student enrollment, with one study showing an **increase in enrollment of 16% year over year for Opportunity partner-financed schools** in Rwanda and Uganda.<sup>14</sup> Building school perimeter fences (included under “Renovations” in the pie chart) and providing gender-separated bathrooms (included under “Build WASH Facilities”) contribute to a more

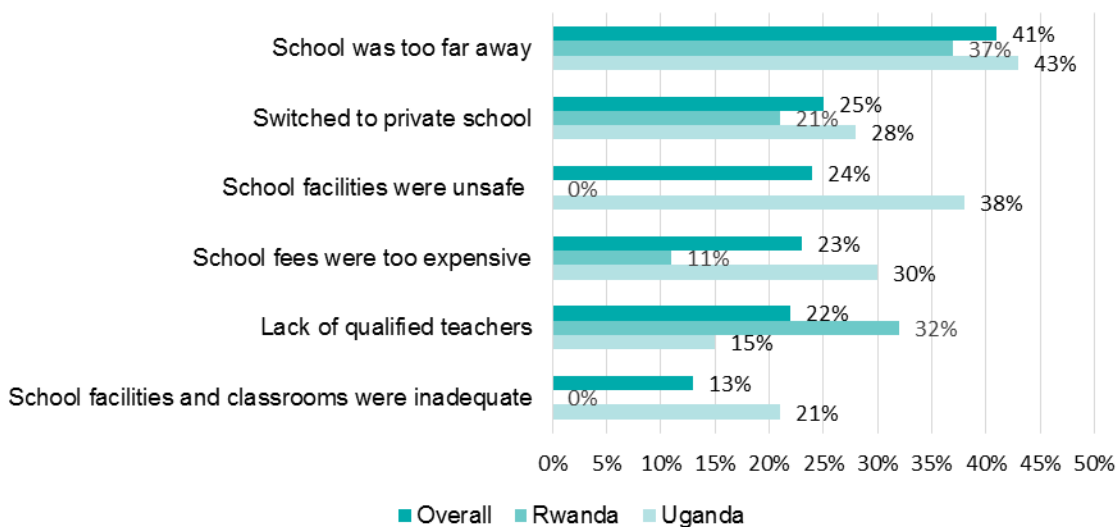
secure learning environment and less risk to students, since girls are not required to leave school premises during the day in order to use the bathroom. Purchasing school buses and offering gender-separated dormitories remove security risks and reduce absenteeism while giving girls more time-on-task for homework and improving their learning outcomes. An independent midline study of the Girls’ Education Challenge (GEC) in Uganda shows that **girls’ enrollment at financed secondary schools increased by 17% more than at non-financed schools**. Girls at financed schools in Uganda showed **an improvement of 60% in literacy and 27% in numeracy over girls at non-financed schools**.<sup>15</sup> These findings illustrate how school improvement loans allow proprietors to target the specific school infrastructure needs of girl students that ultimately impact their learning outcomes, and thus the quality of education received. By improving the inclusivity of the learning environment, girls are more likely to attend financed schools longer and learn better.

Parents use school fee loans to keep children consistently enrolled in school and to choose the best education option available. A recent study in Rwanda and Uganda found that parents of students at partner-financed schools are most likely to select a school based on proximity, school type (public vs. private), safety, affordability, and quality of teaching staff. (See “Reason Parents Move Their Child to a Different School.”) In Rwanda, **92% of parents interviewed agreed that private education is better than public education**, with all 92% agreeing that the proximity and quality of education offered were the main contributors to their decision to attend an Opportunity partner-financed school.<sup>16</sup> These findings are very consistent with school proprietors’ use of their school improvement loans, as outlined in the previous paragraph. Additionally, the GEC midline study from Uganda reported that girls in families using education loans showed a **6.2% improvement in attendance** over girls from families not using education loans.

Proprietor Use of School Improvement Loans: Rwanda and Uganda



Reasons Parents Move Their Child to a Different School: Rwanda and Uganda



## SPOTLIGHT: Dormitories in Uganda

“ Before the new dorms came we used to suffer a lot. There was a lot of congestion as there was so many of us and the dorms were too small. There were fights between the girls and people struggled to get a good rest. When we heard a new dorm was coming we were so excited as that problem would be solved. This dormitory is big! Before the dorm there was nowhere people could safely wash from [sic] – now there is. Before the dorm people were sleeping on the floor – now they have beds.”



Gloria, Student, Age 14  
Student at St Teresa Secondary School, Uganda

### Improving Education Quality and Inclusivity

In early 2015, EduFinance launched its Education Quality program (EdQ), as a means of empowering the schools Opportunity was already financing to drive improvements in education quality. EdQ promotes inclusivity at schools by teaching school leaders and teachers about their social responsibility to support girls' education and equipping them to implement child protection and inclusive education strategies. The table below outlines the specifics of the initiative, along with its anticipated outcomes.

EduFinance Theory of Change - Quality		
Strategy	Service	Anticipated Outcomes
<b>Pathways to Excellence</b>	A school assessment tool that allows proprietors to self-evaluate their schools, prioritize core areas for improvement, and map out a plan to excel. The tool encompasses 30 education topics developed by education specialists.	<b>For All</b> Encourages proprietors to address the needs and experiences of all students and staff – particularly the quality of their school's physical learning environment, student achievement, teacher activity and engagement, and health and safety provisions. <b>For Girls</b> School leaders become more aware of the social responsibility and business value of supporting girls' education. They are equipped with strategies to promote gender equality at their schools, strengthening the quality of their institution in the process.
<b>School Leadership Development Program</b>	Trainings for proprietors, head teachers, and administrators on a range of topics.	<b>For All</b> Informs staff and leaders on best practices for managing school operations providing a higher quality of education. <b>For Girls</b> Proprietors become more aware of their social responsibility to support girls' education through specific modules on inclusivity and child protection. This training allows school leadership to become aware of how gender dynamics permeate all aspects of a school, for example classroom management and teaching methods.
<b>School Cluster Development &amp; Online Training Tools</b>	Establishing clusters of local education leaders, facilitating collaboration on educational quality improvements, and equipping group members through relevant trainings and a web-based resource center. These education clusters are open to all schools in communities with an Opportunity partner-financed school.	<b>For All</b> Builds skills and awareness to empower educators as they introduce new quality improvement strategies that meet the specific needs of their students; enhances improved educational outcomes for the broader community on a sustainable basis. <b>For Girls</b> Proprietors and teachers learn more about how it is their responsibility to support girls' education. Clusters serve as a platform for building skills and awareness around gender equality issues at leadership, staff, and student levels. The clusters stimulate communities to take child protection and inclusive education seriously.

In 2016 **over 1,100 school leaders in three countries** attended training sessions hosted by Opportunity. School proprietors also received guidance through the “Pathways to Excellence” self-assessment tool, which incorporates modules that support girls’ education. These units include “Gender, Racial, and Religious Inclusivity;” “Child Protection;” and “Personal Health and Social Education.” At a session on Child Protection, schools were provided with a sample school policy to adapt to their school. Feedback on the training was excellent; a number of proprietors in Ghana began efforts to create their own sex offender registry so that staff dismissed from one school would not become unwittingly employed by other schools.

The EdQ school clusters engage and connect local teachers – whether or not their school is financed by Opportunity. In 2016, EduFinance started **48 active clusters, representing 264 schools in three countries**. In these clusters, teachers (with guidance from an Opportunity Education Specialist) openly discuss challenges and solutions to the issues they face and collectively improve the quality of education in their communities. Cluster participation also provides teachers with specific methods and practices to foster inclusive learning environments.

Partnering financial institutions are motivated to offer the EdQ program to the client schools they serve for several business reasons. First, the EdQ program **builds social capital** between financial institutions and local schools through regular meetings and by providing schools with tools for improvement. A strong relationship between the borrowing schools and financial institutions **reduces default risk of the loan portfolio**. In Ghana, every month since the launch of the EdQ program, participating school clients averaged 2.75% better risk than non-participating school clients. This represents a potential savings of 4.8% of the portfolio disbursed. With a cost of less than 2% of the portfolio disbursed, **EdQ is a profitable service**.<sup>17</sup> In addition, **EdQ is an effective client outreach method**. Ten months into the cluster program, the majority of non-client schools who have joined clusters in Uganda have applied for School Improvement Loans.



## SPOTLIGHT: Financing proprietors in Colombia

“ People are going to grow, and I get to see them do it.”

Carmen Julie is a force of positivity and hope in her community. Twenty years ago while working as a teacher, Carmen saw that kids in her community needed access to high-quality education and decided to start a school in her home. Today, Nueva Esperanza School educates 172 primary school students with the help of 18 teachers and staff members. Because life is often difficult for families in Carmen’s community, she offers scholarships, free meals, and even a few free beds to students with particularly difficult circumstances. Carmen hopes that each of her students will learn well and finish their studies.

Carmen Julie, Founder and Proprietor  
Nueva Esperanza School; Cartagena, Colombia

## Empowering Girls and Boys to Foster Inclusive Communities

EduFinance also provides students with training and financial services in the context of youth financial education clubs (YFE clubs). This component fosters personal agency by launching financial inclusion at a young age, equipping students with practical vocational skills, and fostering leadership capabilities. Services are delivered in an inclusive environment because including both boys and girls serves as a valuable teaching opportunity for boys to participate in settings in which girls are also being empowered as leaders and entrepreneurs.

EduFinance Theory of Change - Empowerment		
Strategy	Service	Anticipated Outcomes
<b>Youth Financial Education Clubs</b>	Students attending financed schools form clubs, are mentored by role models (teachers, community entrepreneurs), and learn important vocational and financial skills. Teachers receive trainings on facilitating groups and participatory learning.	<p><b>For All</b> Launches financial inclusion through education and child savings accounts. Demonstrates to both boys and girls how all children have the potential to save, launch social enterprises, and have a strong voice in their communities.</p> <p><b>For Girls</b> Keeps girls in school longer, preparing them for independence. Increases personal agency and empowerment at school and in their family life. Develops community engagement and financial management skills. Reduces drop-out rates and enhances learning. Girls are emotionally supported by a safe, peer support group that cultivates girls' leadership in school.</p>
<b>Youth Savings Accounts</b>	A savings account in a child's name, supervised by a parent/caregiver.	<p><b>For All</b> Launches financial inclusion at a young age, stimulates financial capacity through immediate, practical application of financial management skills.</p> <p><b>For Girls</b> Gives girls control over their financial destiny as they develop personal agency and a financial safety net. Empowers girls as they work towards personal goals, often educational or vocational.</p>

Through **YFE clubs**, over **24,000 students at 286 schools** to date have access to lessons on good financial practices along with life and vocational skills. 86% of girls participating in YFE clubs in Uganda said they were confident in their abilities to plan and budget and **96% said that they now understood the importance of savings** for their educational and personal future. **25% of Ugandan girls in YFEs** opened their own savings accounts, compared with only 6% of girls at non-financed schools. What's more, **96% of girls in YFE clubs transitioned to secondary school**, compared with 82% of girls who weren't in YFE clubs.<sup>18</sup>

*“One time, a relative ... gave my daughter UGX 15,000. She immediately advised me to invest it in a business (making snacks, biscuits, and popcorns). I bought the idea, started a small business venture, and the business has since grown and is now worth UGX 50,000. Profits from this business have been used to buy her scholastic materials and uniform.”*

– Parent testimonial, Lwanda High School, Uganda

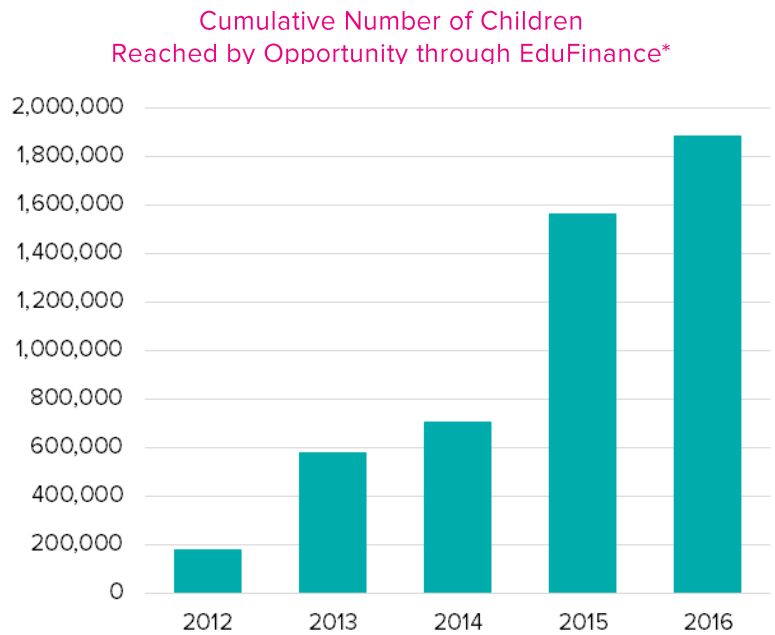
## Quality Education for ALL

Opportunity mobilizes partnering microfinance institutions to expand access to affordable, quality, education by financing and training local private schools and low income families. How does this approach promote inclusive education and address the disparity in education opportunities for to girls? Through **school fee loans**, families gain access to necessary funds at the right time of year to be able to send all of their children to school, rather than being put in the unthinkable position of choosing whether to educate their son or daughter. Through **school improvement loans**, school proprietors gain access to the financing they need to improve the infrastructure and security of their facilities. They can also receive training on the business value of inclusive learning environments – enabling more girls to enroll and stay in school longer. Through education quality initiatives like **School Leadership Professional Development**, teachers gain an enhanced understanding of their social responsibility to support girls' education, particularly through inclusive teaching



methods. Through **youth financial education clubs** and **youth savings accounts**, youth are taught to save towards future goals and launch social enterprises. Participation of both boys and girls in an inclusive environment demonstrates to both genders that girls have the capacity to become successful entrepreneurs and leaders within their communities and beyond.

EduFinance is a systemic, sustainable approach to expanding access to quality education. Over the past five years, **nearly 4,000 school improvement loans** and **over 147,000 school fee loans** have been disbursed by sustainable financial institutions with an **estimated loan loss rate of just 1.2%** for the total EduFinance loan portfolio. Since December 2012, the EduFinance portfolio has **grown an average of 48% each year**. In total, **over 1.9 million children** have benefitted from EduFinance, and **nearly a quarter of a million permanent seats** have been created in affordable private schools for students living in poverty in the developing world. Moving forward, EduFinance will continue expanding affordable access to inclusive, quality education by scaling up both its financial and quality programs in current and new markets.



\*At least half of all children reached are girls.



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<sup>1</sup> UNESCO Institute for Statistics Database (2014 data), “Leaving no one behind: How far on the way to universal primary and secondary education?” <http://www.uis.unesco.org/Education/Documents/fs37-out-of-school-children.pdf>

While there are now fewer girls out-of-school than boys overall, gender breakdown varies based on age. Worldwide, girls constitute 48% and 49% of lower and upper secondary students (respectively) who are out-of-school. However, more girls (53%) are still out of primary school than boys. These statistics, however, mask more pronounced gender inequalities at the regional and country levels.

<sup>2</sup> UNESCO Institute for Statistics Database (2016 data); Families with an educated head of household are 18-22% less likely to be poor than those with an illiterate head of household. World Bank, “Sustaining Gains in Poverty Reduction and Human Development in the Middle East and North Africa”, 2006

<sup>3</sup> Just over 1 in 10 girls worldwide have experienced forced intercourse or other forced sexual acts at some point in their lives. Sexual violence is also an issue for boys, but to a far lesser degree.

40% of boys and men (15-49 years) in least developed countries consider a husband to be justified in hitting or beating his wife for at least one of the following reasons: burning his food, arguing with him, leaving the house without telling him, neglecting their children, or refusing sexual relations.

UNICEF Global Databases, 2016. <https://data.unicef.org/topic/child-protection/violence/attitudes-and-social-norms-on-violence/>

UNICEF “Hidden in Plain Sight: A statistical analysis of violence against children.” 2014

[https://www.unicef.org/publications/files/Hidden\\_in\\_plain\\_sight\\_statistical\\_analysis\\_Summary\\_EN\\_2\\_Sept\\_2014.pdf](https://www.unicef.org/publications/files/Hidden_in_plain_sight_statistical_analysis_Summary_EN_2_Sept_2014.pdf)

<sup>4</sup> 41% of women in least developed countries age 20-24 were married by the time they were 18. UNICEF Global Databases, 2016.

<https://data.unicef.org/topic/child-protection/child-marriage/>

<sup>5</sup> UNESCO “Leaving no one behind: How far on the way to universal primary and secondary education?” July 2016.

<http://www.uis.unesco.org/Education/Documents/fs37-out-of-school-children.pdf>

UN Economic & Social Affairs “The World’s Women.” 2015. [http://unstats.un.org/unsd/gender/downloads/WorldsWomen2015\\_report.pdf](http://unstats.un.org/unsd/gender/downloads/WorldsWomen2015_report.pdf)

<sup>6</sup> Basic Education Coalition 2013 Report [Page 7] [http://www.basiced.org/wp-content/uploads/Publication\\_Library/BEC-Teach\\_a\\_Child-2013.pdf](http://www.basiced.org/wp-content/uploads/Publication_Library/BEC-Teach_a_Child-2013.pdf)

<sup>7</sup> UNESCO, “Sustainable Development Begins with Education.” <http://unesdoc.unesco.org/images/0023/002305/230508e.pdf> Pg. 1

<sup>8</sup> World Bank, <https://olc.worldbank.org/sites/default/files/2015-03-gpe-case-for-investment-summary.pdf>; By one estimate, universal secondary school enrollment for girls in sub Saharan Africa would mean 1.8 million fewer deaths among children under age five. Watkins, Ken. “Narrowing Africa’s Education Deficit.” *Foresight Africa: Top Priorities for the Continent in 2013*. The Brookings Institution. Pg. 3

<sup>9</sup> World Bank, <https://olc.worldbank.org/sites/default/files/2015-03-gpe-case-for-investment-summary.pdf>

<sup>10</sup> UNESCO Global Education Monitoring Report, 2016. “Education for people and planet: Creating sustainable futures for all.”

<http://unesdoc.unesco.org/images/0024/002457/245752e.pdf>

<sup>11</sup> UNESCO Global Education Monitoring Report, 2016. “Education for people and planet: Creating sustainable futures for all.”

<http://unesdoc.unesco.org/images/0024/002457/245752e.pdfs>

<sup>12</sup> Why finance private schools? Private schools are a key component of national strategies to achieve universal education for all. Private schools are financially incentivized to serve students and families well. To remain competitive, a private school must charge affordable fees and offer high-quality education. Furthermore, proprietors open schools where there is demand – expanding access to education in rural and unreached communities. Ultimately, successful, low-to-medium cost private schools lead to long-term sustainability for pro-poor education.

<sup>13</sup> This is historically higher than average and is a direct result of the demonetization in India – our highest single-market concentration. This impact is expected to be short-lived. For comparison, PAR>30 was 4.3% in November 2016, which was consistent with the portfolio in November 2015, as well.

<sup>14</sup> “Understanding School Improvement Loan Outcomes.” Research conducted in February 2017, based on interviews with proprietors at 87 partner-financed schools in Rwanda and Uganda, 190 parents of students at these financed schools, and 10 bank staff working with the education portfolio.

<sup>15</sup> These are midline results from the February 2016 Girls’ Education Challenge project evaluation. Endline results forthcoming.

Midline Summary: <http://opportunity.org/news/publications/knowledge-exchange/girls-education-challenge-midpoint-impact-results>

<sup>16</sup> “Report on the Process of Innovation.” January 2015 research in Rwanda, 13 parents of students at 6 financed schools interviewed.

<sup>17</sup> Cost of EdQ and Value of Reduced PAR>30 as a result of EdQ School Clusters, Ghana example: The EdQ model is highly efficient and low-cost. It is based on the cost of one Education Specialist per 40-60 schools and the costs of the provision of the training seminars. The goal is to keep these costs less than 2% of the total School Improvement Loan portfolio outstanding, which has been done successfully with all partners implementing EdQ thus far. At present, the bank sees a 47.9% conversion rate between PAR>30 to PAR>180 (effectively write-off). The current portfolio size is \$2,841,332 in constant currency terms. If all School Improvement Loan clients performed as the non-participant schools group over the past nine months, a 15.7% PAR>30, this will result in 7.53% of the portfolio being written off – a financial value of \$213,952 in losses. If we calculate the same figures for school clients participating in the EdQ program, the financial value of losses on the basis of PAR>30 of 5.7%, and resulting write-offs of 2.73%, we see financial losses reduced to \$77,568. In a SIL portfolio of this size, our data demonstrates effective financial savings of \$136,384 – or 4.8% of total portfolio.

<sup>18</sup> These result reflect research on girls-only or girls-majority YFE clubs.