

Regional Education Finance Fund for Africa (REFFA)

FACTSHEET EDUCATION FINANCE STUDY: Côte d'Ivoire

Summary of main findings

In 2018, REFFA commissioned a study to assess the education sector and education finance market in Côte d'Ivoire to gain insight in the nature of the private education market.

Supply of education finance in Côte d'Ivoire: The government has set itself the target of reaching "education-for-all" and has consequently increased expenditure towards (predominately primary) education. As a result, 81% of the total primary schools are public schools. This is in strong contrast to the number of secondary schools of which only 29% are public. Therefore, in particular secondary education is highly dependent on the private sector. Besides, a distinctive feature of the Côte d'Ivoire education system is that the private sector segment is characterized by a contract-out-education approach: as a result of the severe shortages in the number of schools, classrooms and teachers, the government contracts private education providers to supply places for public school students in private schools.

Demand for education finance in Côte d'Ivoire: It is the private schools which are commonly preferred by parents. However, a typical strategy is to first enroll children in public schools, knowing that they have a high chance to be transferred to a private school due to the limited class capacity in public schooling.

Private education sector in Côte d'Ivoire: Despite the growth in government funding, the country is faced with a severe demand - supply mismatch especially in secondary schooling, as the 85 students-per-class ratio shows. The strong participation of the private sector mitigates this problem but the need to expand education facilities keeps growing. At the same time, suitable financial product offerings are limited and financial institutions fail to provide the customized products which are demanded by schools.



Country facts	
Capital	Yamoussoukro
Population	26 million
Below 25 year olds	60%
Population growth	2.6%
GDP per capital	USD 1735



About REFFA

Initiated by KfW Development Bank and funded by the German Federal Ministry for Economic Cooperation and Development (BMZ), the Regional Education Finance Facility for Africa (REFFA or the Fund) is the first regional education finance fund for Africa. It aims to provide customized financial services for the education sector in a demand-oriented, financially sustainable, and socially responsible manner.

Education market facts

- Literacy rate: 47%
- Education index: 3.89
- Primary enrolment rate: 77%
- High concentration of students per class: between 80 and 100

Study methodology

The study was conducted by IPC GmbH through a combination of desk review as well as on-site interviews in the states of Abidjan and Bouaké.

Interviews were conducted with parents and school owners through focus group sessions and individual interviews, and with other stakeholders including NGOs or government bodies.

Interesting links

REFFA: www.reffa.org
Ipc: www.ipcgmbh.com

FEATURED TOPIC: Affordability of private education

In order to assess the affordability of private education in Côte d'Ivoire, the methodological approach of Prof. Tooley (2013) was used. This method calculates the estimated fees of affordable schools as a percentage of poverty-line income or minimum income. The minimum wage in the country is USD 61.7 per month, which is around the 2015 poverty line of USD 57 per month (based on the World Bank definition of USD 1.90 per day). Following Tooley's method, the poverty threshold of USD 1.90 per day was adjusted to the country's inflation to get the minimum yearly income for a family on the threshold of poverty line which is around USD 644.

Taking 10% of the resulting figure gives the maximum amount a poor family is willing to spend on children education per year. The derived amount of USD 64.4 still does not represent the acceptable total fees for an affordable-for-the-poor school. The reason is that the derived amount has to be divided by the number of children going to school in one family. Hence, the conclusion is that an affordable school in Cote d'Ivoire for poor families should incur a maximum total cost of USD 32 yearly per child.

The resulting maximum threshold for an affordable school does not meet the reality on the private education sector, where school fees generally extend from USD 107 to USD 1,333. However, government subsidies should be taken into account, as the major bulk of private school tuition fees are usually paid by the state.



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