

Fact Sheet Education 2021

April 2022 | Competence Center Economy, Jobs, Rural Development

Education in partner countries of FC

- 2021: **Schools in 27% of all countries are partially or fully closed** and more than **616 Mio. students are affected by the pandemic** (as of September 2021, [UNICEF](#)). Worldwide, schools have been closed for approximately 224 days since the pandemic began.
- [McKinsey](#): Globally, **students' educational attainment is eight months behind the level they would have reached without the pandemic**. The economic impact of pandemic-related learning delays could cost \$1.6 trillion annually by 2040. The number of students in low- and middle-income countries experiencing **"educational poverty"** (unable to read and understand simple texts by age ten) **has increased from 50% before the pandemic to 70%**.
- As a result of the pandemic, **LMIC labor markets are the hardest hit** and are slow to recover: The **employment rate there in 2021 is 2.1 percentage points lower than in 2019**. Young woman are particularly affected by the impact of the pandemic ([ILO](#)).
- In 126 countries, vocational schools were completely closed and **in 98% of the cases the practical part was interrupted in companies** ([ILO](#)). From 2019 to 2020, the share of young people not in employment, education, or training (NEET) increased by 1.3 percentage points to 23.3%. The ratio for young women is 31.5%, while for young men it is 15.7% ([ILO](#)).
- **Distance Learning** partially enables classes to continue during school closures, but that reinforces inequalities between people regarding to their digital access (digital gap) ([ILO](#)).

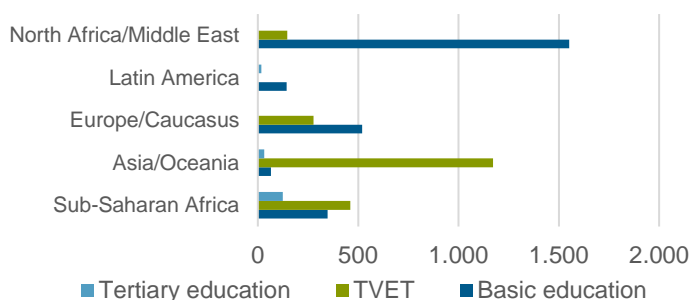


KfW-Bildarchiv / Joerg Boethling

Current education portfolio* – as of 31.12.2021

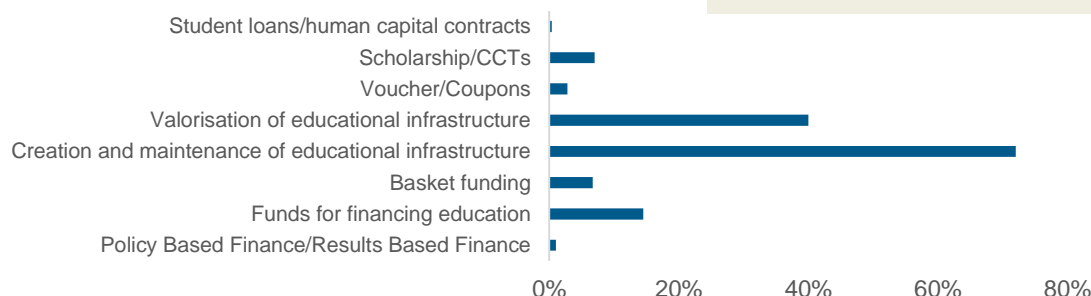
*"Current portfolio" refers to all projects that were contractually agreed by the reporting date 31.12.2021 and have not yet been completed.

Regional and sectoral distribution of the project volume (EUR million)



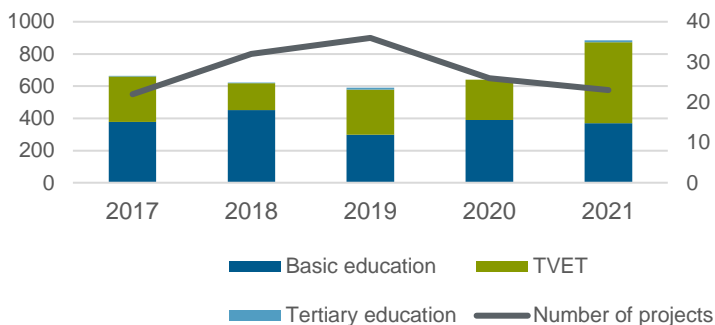
- **FC education portfolio 2021**: 230 projects with a total volume of approx. EUR 4,9 billion. (2020: approx. EUR 4 billion)
- **Regional focus**: North Africa/Middle East (35% of financing), Asia/Oceania (26%) und Sub-Saharan Africa (19%).
- **Subsectors**: largest share in basic education (approx. EUR 2,6 billion, 54%), then Technical and Vocational Education and Training (TVET) (approx. EUR 2 billion, 42%) and tertiary education (approx. EUR 176 million, 4%).
- **Funding approaches**: 72% creation and maintenance of educational infrastructure, 40% valorization of educational infrastructure (e.g. teachers training) and 15% funds for financing education.

Distribution of funding approaches in the education portfolio

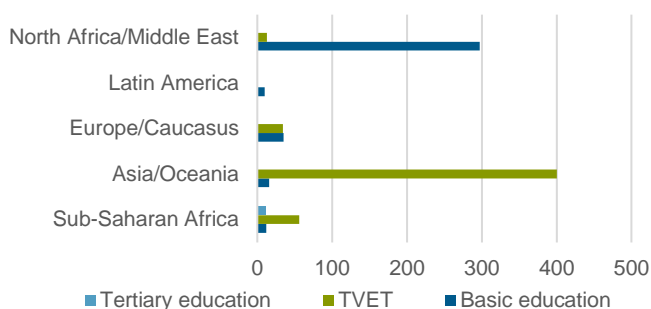


Portfolioentwicklung – Neuzusagen 2021

New commitments in education 2021 (EUR million) and number of projects



Distribution of new commitments into regions and subsectors (EUR million)



KfW-Bildarchiv / photothek.net

Project 2021 – Human Capital Development Programme in Indonesia

The “Boosting Productivity through Human Capital Development Program” (BPHCD) supports the Republic of Indonesia in identifying and implementing reforms to increase labor productivity for stronger and stable growth. For this purpose, the Asian Development Bank (ADB) and KfW provide loans and technical support services, among other things. The project aims to improve the development opportunities of young people and families at risk of poverty. KfW assumes topic leadership for the area of TVET in BPHCD. The goal is to strengthen the performance of the education system as well as the development of professional competences. At EUR 400 million, the volume of this FC project amounts to 45% of all new commitments in Education 2021.

You can find more information [here](#).

Financing contracts concluded in 2021, by

subsectors: Total education approx. EUR 884 million (23 projects).

Of which

- TVET 57% (approx. EUR 502 million)
- Basic education 42% (approx. EUR 370 million)
- Tertiary education 1% (approx. EUR 12 million)

Development of new commitments, by subsectors

- Compared to 2020, new commitments increased by 40% in 2021.
- **Basic education:** New commitments decreased by 5% compared to 2020. The regional focus is on North Africa/Middle East with EUR 297 million.
- **TVET:** New commitments doubled compared to the previous year. The regional focus is on Asia/Oceania with EUR 400 million.
- **Tertiary education:** The regional focus is on Sub-Saharan Africa with approx. EUR 12 million.

Aggregated results in the education sector

*These are ex-ante forecast values that do not correspond to already realized outcome and impact figures. Included are 2021 initial commitments from all clients with all financing instrument.

In 2021, German FC concluded new commitments for investments in the education sector that will directly benefit approx. **2.3 million students with new or improved primary or secondary education**, about half of them girls.

In addition, as a result of the new commitments in 2021 approximately **39,000 people will directly benefit from vocational training measures**.

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