

## Market Insight: Latin America

July 2020

### Summary

- Coronavirus has had a significant impact across Latin America. Strict lockdowns have been enforced across the region since mid-March, and the economy is suffering the consequences.
- Economic recovery is predicted to start in the last quarter of 2020, with strong job creation programs, full reactivation of the mining sector, subsidies in agricultural exports and boosts to foreign investment policies with a focus on major infrastructure projects.
- Despite some challenges, there are also opportunities in market for Victorian education providers, particular in research, edtech and online learning.
- The lifestyle offered by international study destinations and a desire to experience living abroad, will continue to drive a strong desire for international study among Latin American students, along with affordability and education quality.

### Current Market Status and Coronavirus Responses

#### Brazil

- Brazil has been heavily impacted by coronavirus, with the world's second highest number of cases and deaths as of late June.
- The state of Sao Paulo has announced plans to resume in-person classes on 8 September 2020. Students will initially rotate between in-person and online classes to allow schools to follow social distancing guidelines.

#### Chile

- Infections in Chile are still on the rise, with around 4,000 cases being reported daily. There is a strict lockdown in Santiago, Valparaiso and other major centres. People may only leave their homes to do basic grocery shopping and to seek medical assistance. The previous Minister of Health resigned in June following criticism, a new Minister was rapidly appointed and has readjusted coronavirus containment plans.
- The economy is poised to shrink with consumer and capital spending falling as a result of prolonged social distancing, and stifled external demand driving down exports. Moreover, uncertainty surrounding the upcoming constitutional process may restrain the pace of economic recovery post-pandemic.

#### Colombia

- Colombia followed Peru in imposing strict quarantine measures, and lockdown measures have recently been extended.
- Schools and universities will most likely remain online throughout 2020.

## Peru

- Peru was the first Latin American country to impose strict lockdowns across the country. A national nightly curfew is still in place in July. Despite continued high daily infection rates, lockdown restrictions were eased in late June.
- There are no presential classes yet and they will likely not resume until 2021.
- Peru's economy will likely pick up in the last quarter of 2020 thanks to increased job creation programs, a focus on international investment and large subsidies for industry.

## **Education Sector Updates**

- There is strong competition from Canada, New Zealand and the United Kingdom. Competitors have launched online ELICOS and Foundation programs to retain students.
- Education agents are offering multiple webinars to continue recruiting students.
- Face-to-face teaching and learning is unlikely to resume soon. Education institutions and teachers are facing significant difficulties with technology platforms, curricula designed for presential learning. Many students lack internet connectivity or a computer, and students and parents have raised complaints about tuition fees and the lack of appropriateness of online education.

## **Education Sector Opportunities Across the Latin America Region**

### Student recruitment

A recent survey by FPP Edumedia indicates that Latin American students have high interest in resuming their travel plans to study abroad when international mobility resumes, and that they are also now considering online programs, particularly as a pathway to further onshore study. Victorian institutions seeking to tap into this market should consider:

- short online programs bearing certificates or qualifications
- online delivery of foundation and pathway programs
- blended degrees that allow students to start at home and finish onshore.

We also recommend participating in education fairs and student recruitment events both virtually and in person once travel restrictions ease.

Engaging with agents is also very important. The Victorian Government Trade and Investment (VGTI) Office in Santiago can assist education providers to make connections across the Latin America region.

Latin America is a highly price sensitive region. Scholarships are often a key decision-making factor and are a strong driver of student interest.

### Research opportunities

Ongoing successful collaboration between the State of Victoria and the state of Parana, Brazil has seen multiple Brazilian and Victorian universities be awarded with funding for joint research projects. The VGTI Office can assist Victorian education providers further develop partnerships in Brazil, and in other countries, by assisting with connections and with partnership building for research programs and academic exchanges.

### Education Technology (Edtech)

The VGTI Office is actively engaged with schools, universities and other stakeholders across Latin America, and can assist Victorian edtech companies interested to explore new opportunities and partnerships in this market. There are significant opportunities in the region for Victorian edtech tools and platforms that can help education institutions with online teaching, improving the student experience and improving learning management processes.

### **Contact details and further information**

Please contact Andrea Voto-Bernales, Education Services Director Latin America at [andrea.voto-bernales@global.vic.gov.au](mailto:andrea.voto-bernales@global.vic.gov.au) if you have questions or want to follow up on the information in this update.