

Market Insight: Middle East, Africa And Turkey

July 2020

Summary

- It is important that Victorian education and training providers remain engaged in the market to secure student pipelines and support long-term market engagement.
- There is increasing demand for Education Technology (edtech) products and services with governments and schools investing heavily in education technology.
- Teacher training, Vocational Education and Training and transnational education delivery, skills and executive training opportunities remain strong.
- Schools and universities in most countries across the region are beginning to reopen with social distancing and some restrictions still in place.

Current Market Status and Coronavirus Responses Across the Region

The coronavirus pandemic and lower oil prices have had a significant impact on Gulf economies, as it has with other countries around the world. Nevertheless, there is optimism for recovery because the diversification strategies of many Gulf states and investment in their non-oil sectors have made them more resilient to oil shocks. Trade indicators in Gulf Cooperation Council (GCC) countries are improving year by year. For instance, the total value of non-oil trade for the United Arab Emirates (UAE) in 2019 grew by 4.4 per cent¹. With the necessary containment measures and prudent restrictions influencing all economic sectors, the outlook within the GCC is largely expected to improve in 2021.

The Turkish government lifted the lockdown restrictions at the end of May 2020. The economy was already under pressure before the outbreak, caused by a recession as a result of the 2018 currency crisis and high rates of inflation and the economy faces difficulties in the short to midterm. On a more positive note, the country's gross domestic product grew 4.5 percent year-on-year in the first quarter of 2020 and there are signs targeted containment measures helped reduce a contraction in the highly developed manufacturing sector that could have been much worse with a uniform lockdown.

In Africa, lockdowns are being gradually eased across the continent for economic recovery efforts. The continent will experience its first recession this century.

Education Update

GCC

According to latest reports from the UAE, schools and universities will be allowed to open and operate from the start of the 2020/21 academic year, provided they comply with specific health and safety protocols. The UAE Government has already announced the

¹ Federal Competitiveness and Statistics Authority, United Arab Emirates, <https://fcsa.gov.ae/en-us>

regulations and requirements for the resumption of studies in universities and schools for the academic year 2020/2021.

Saudi Arabia resumed all commercial activities and lifted restrictions on movement from 21 June 2020, however, coronavirus cases are still high. International travel will continue to be banned. Social distancing remains in place and wearing of masks is mandatory. Saudi Arabia's Ministry of Education is considering distance learning as a strategic choice for the 2020/21 academic year.

The growth of the education sector in Gulf Cooperation Council (GCC) countries, particularly the United Arab Emirates (UAE) and Saudi Arabia, regularly out-paces other nations around the world. Governments are allocating 15 to 20 percent of their budgets to education, well above the global average.

Africa

Tertiary institutions in South Africa, Tanzania and Ghana will reopen throughout June and July 2020. Schools and higher education institutions in Kenya are expected to stay closed until after the virus' peak in August/September 2020.

Student sentiment

Market research reports and surveys recently conducted on the study intentions of international students, in the context of coronavirus, shows students from the Middle East and Turkey (and to an extent in Africa) have less interest in starting courses online and a preference for face to face learning still takes priority². Prospective students expect a large discount from universities to enrol in remote learning programs: 20-45 percent less than the on-campus learning tuition fees. Given a choice, students from the region would largely prefer to wait for borders to open to travel and commence programs in Australia.

Rankings and Quality of Institutions

It has been a good year for universities in the Middle East across many international rankings.

- The QS World University Rankings 2021 increased its rankings of Middle Eastern universities and recorded a record-breaking six institutions in the top 250. In the UAE, Khalifa University was ranked 211 and King Abdul Aziz University in Saudi Arabia was ranked 143. Qatar University is positioned in 245, Oman Sultan Qaboos University is placed in 375 and in Turkey's Koç University was ranked 465.
- The Times Higher Education Asia University Rankings 2020 released its eighth annual list on 3 June 2020. Two UAE universities are among the top 50 in Asia for the second consecutive year. The United Arab Emirates University has moved up in rankings to

² The impact of Covid 19: A Student's Perspective, May 2020, FPPEduMedia; Diversifying Student Recruitment Africa Focus, May 2020, StudyPortals and Eduquator

38 and Khalifa University is ranked 31. The University of Sharjah made into the top 200 for the first time and is at 169.

- Saudi Arabia's King Fahd University of Petroleum and Minerals (KFUPM) has been ranked fourth on a global list of 100 universities granted utility patents in the United States in 2019. The annual list is compiled by the United States' National Academy of Inventors and the Intellectual Property Owners Association. KFUPM was granted 225 patents last year according to the list, which was topped by the University of California (631), followed by Massachusetts Institute of Technology (355) and the University of Texas (276).
- Knowledge and Human Development Authority (KHDA) Dubai released results of the second annual Higher Education Classification (HEC) rankings for international branch campuses established in Dubai. Based around the four core categories of Teaching, Research, Employability, and Internationalisation, the HEC has been developed in partnership with QS Rankings and adapted to meet the needs of foreign branch campuses in Dubai. Seventeen branch campuses across Dubai took part in the classification and more than 30,000 students were surveyed. Institutions accredited by the Commission for Academic Accreditation of the Ministry of Education such as Wollongong University Dubai was excluded from the survey.

Edtech

The growth of the education sector in the GCC, particularly in the UAE and Saudi Arabia is regularly out-pacing other nations around the world. Governments in the GCC are allocating 15 to 20 percent of their budgets to education, well above the global average.

UAE school sector operates in a dynamic environment and is increasingly evolving. The UAE has the greatest number of enrolments in premium, English language medium private schools in the world with over 693,000 students over 700 schools. Whereas Saudi Arabia has 334,000 students in 278 schools (numbers include pre-school and kindergarten)³. Therefore, it is no surprise edtech and technology service companies from around the world are active and thriving in the GCC. Schools and higher education institutions in the GCC are embracing new technologies and pedagogies to meet the needs of learners in digital literacy and skills for the future workforce, as new changes and risks are rapidly emerging in the education industry globally.

The use of emerging technology in the region is not limited to the K-12 curriculum – higher education institutions in the GCC want to modernise their programmes to address traditional issues of access as well as to expand degree options. Edtech solutions are in high demand in the Middle East and North Africa region, as they can focus on the entire education to direct delivery, university studies and continuing education.

³ ISC Research, UAE Country Report 2020

Opportunities

Despite the challenges of recent months, there are opportunities in the Middle East, Africa and Turkey in:

- education technology and service provision – GCC
- student recruitment – GCC, Turkey, Kenya, Nigeria and Ghana
- teacher training - GCC
- vocational Education and Training - GCC and Sub Saharan Africa
- transnational education delivery, skills assessment and executive training – GCC

There is a need for Victorian education and training providers to remain engaged in the market to ensure increased access to offshore international student markets, lift Victoria's market share and showcase Victoria's expertise in niche technology solutions and affirm its commitment to long term market engagement.

Contact and further information

Please contact Barış Satar at baris.satar@global.vic.gov.au, Senior Education Services Manager, Middle East, Africa and Turkey if you have questions or want to follow up on the information in this update.