English-Medium International Schools

THE GLOBAL REPORT 2016

Produced for

MACMILLAN EDUCATION

by

ISC Research Limited

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Report: **English-Medium International Schools: The Global Report**

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Preface

This report has been produced by ISC Research Limited. It provides an analysis of:

- Key market parameters that describe the current state of the international schools market at global and regional levels;
- Historical market data;
- Growth forecasts for the global and regional international schools markets.

Please note:

1. The international schools market is very dynamic. Key parameters, such as enrolment numbers and tuition fee income, change frequently. ISC makes every effort to keep its data and intelligence current by continuously researching the market, using research teams based in Europe, South America and Asia. Information is collected from a wide range of sources, including local correspondents.
2. ISC carries out detailed surveys of most premium schools in the world's key sub-regions at least once a year and has close relationships with the Heads of many of these schools. ISC has regional staff based in Eastern Asia, South-Eastern Asia, Western Asia (the Middle East), South America and Europe, and typically surveys 1,000 premium schools during each academic year.
3. ISC has data and research agreements with most of the key international school associations.
4. This report has been compiled using the following sources of information:
   a. Publicly available demographic and economic data;
   b. Other publicly available sources such as newspapers, magazines, journals, etc.
   c. International schools data from ISC's databases:
      i. 2015-2016 data relating to the international schools market, some of which is provided by schools to ISC and some of which is publicly available;
      ii. Historical data relating to the international schools market;
      iii. Information collected by ISC staff during their interviews with the Heads of premium schools;
   d. ISC's network of well-informed contacts in the key sub-regions.
5. All information has been reported as accurately as possible from the information available at the time.
6. Historical key market parameters are from January of each year.
7. Information from external sources has been referenced and credited.

Contents

Introduction

This report focuses on the key features of the worldwide international schools market and the key parameters by which it can be measured. In addition to providing this information on a global level, the report presents comparable data for the world's five regions: Africa, the Americas, Asia, Europe and Oceania. Global and regional data are colour-coded as follows:

Global	Africa	Americas	Asia	Europe	Oceania

The report outlines the history of the international schools market, detailing the most important changes and trends influencing the development of the market. It also highlights key aspects of government policy and legislation which can result in large differences between the markets in individual countries. The latter part of the report notes some of the socio-economic factors (mainly demographics) which affect the international schools market and, finally, presents ISC's forecasts for the market's key parameters over the next ten years.

What is an international school?

ISC includes an international school in its databases if it delivers a curriculum to any combination of infant, primary or secondary students, wholly or partly in English outside an English-speaking country. Exceptions to these criteria include American schools in the UK, British schools in America, and also schools in countries such as India and Pakistan where English is one of the official languages. Schools in these countries are included only if they offer *international* curricula. Schools teaching international curricula to mostly local students in English-speaking countries (e.g. to British students in the UK or to American students in the US) are not included.

Throughout this report, the terms "school", "international school" and "English-medium international school" should be taken to mean schools which fulfil the above criteria unless it is obvious that a different meaning is intended (e.g. state school or public school). It should also be noted that some schools have more than one campus and that ISC records each campus as a separate entity. Where school numbers are presented in this report, these numbers refer to the numbers of school campuses.

Premium international schools

International schools at the top end of the market are referred to as premium international schools. These are the most prestigious schools. They have a strong presence in the market and they are almost always in high demand. They charge relatively high fees, largely because they need to recruit and retain the best teachers and have to offer appropriate salaries. Most are accredited by a recognised accreditation body and most are members of at least one recognised regional or global school association. If a premium school teaches at secondary level, it will offer a recognised international examination programme and be authorised by a recognised examination board.

Executive Summary

Market statistics

The current condition of the international schools market, both worldwide and in each of the world's five regions, is summarised below using four key points of measurement:

	World	Africa	Americas	Asia	Europe	Oceania
Schools	8,257	784	1,125	4,448	1,751	149
Enrolment	4,300,000	321,200	526,300	2,555,000	743,000	111,000
Teaching staff	406,400	31,000	53,800	238,900	73,800	8,800
Fee income (USD)	38.81 billion	2.43 billion	5.32 billion	20.63 billion	9.17 billion	1.26 billion

Notes: The figures in this table are from January 2016.

Fee income is the total annual tuition fee income generated by all schools on ISC's database.

A small number of national markets generate a high proportion of total annual tuition fee income. **The UAE has a 9.9% share and China has a 9.1% share -** more than twice that of any other national market. Their combined tuition fee income is 19%, more than the next six largest markets combined: Saudi Arabia, Hong Kong, Singapore, Switzerland, Germany and Spain. Each of these six markets generates tuition fee income between 2.6% to 3.6% of the global total and their combined tuition fee income amounts to 17.5% of total global tuition fee income.

Development of the international schools market

Those early international schools which opened more than 30 years ago were established primarily to meet the needs of expatriate communities. They were often known as 'expatriate schools', and some still are. They taught the national curricula of their countries of origin. They were often small, with limited resources, and most were not-for-profit. Many of these schools still exist and some still cater exclusively for expatriate students, but these are now in the minority.

Thirty years ago, there were less than 1,000 international schools. The market has grown rapidly since then. In the year 2000, there were 2,500 schools with total annual tuition fee income of USD 5 billion. **Now there are more than 8,200 international schools**, providing education to 4.3 million students and **generating annual tuition fee income of almost USD 39 billion**. The majority of new schools are profit-making in one form or another. The range of curricula has expanded enormously. **The majority of students now come from wealthy local families rather than from expatriate communities**.

Compound annual growth of the numbers of schools, students and teaching staff and annual tuition fee income (converted to USD) throughout the world and in each of the five major regions since 2011 is shown below:

Compound annual growth rates in the international schools market, 2011 - 2016

	World	Africa	The Americas	Asia	Europe	Oceania
No. of schools	7.2%	7.9%	7.9%	7.6%	6%	2.3%
Enrolment	7.9%	7.3%	6.9%	9.3%	5.6%	0.2%
Teaching staff	7.6%	7.1%	7.5%	8.8%	5.4%	-5.5%
Fee income	7.8%	8.5%	8%	11%	3.9%	-4.1%

The costs of establishing and running an international school continue to increase. Land prices in the best locations have risen much faster than general inflation, and building costs have also increased. The costs involved in recruiting and retaining teaching staff have risen considerably. This is particularly true of premium schools that need highly qualified and experienced staff. **Remuneration for teaching staff accounts for at least 70% of most schools' operating costs.** The typical IT budget of 30 years ago was negligible, whereas now it is a substantial non-staff cost. The cost of establishing a new school nowadays is usually funded by way of a loan or investment. The lenders and investors require a return on the funds that they provide, adding another significant expense to the cost of running an international school.

The large amounts of money involved, the rising demand for international education and the potential to run schools efficiently and profitably have attracted an increasing number of larger businesses into the international schools market. The high costs and the need for substantial investment are the main reasons why most new international schools are run for profit.

Expatriate vs local demand

The movement of labour across national borders creates expatriate communities. Well-paid expatriate parents from English-speaking countries almost always want an English-medium education for their children, and they want curricula that provide continuity. A state school in the destination country is unlikely to provide the desired curriculum and learning environment. Parents from the UK will usually look for an international school which teaches a UK curriculum; parents from the USA will usually look for an international school which teaches a US curriculum; and so on. However, international curricula, such as the International Baccalaureate Diploma Programme (IBDP), are also attractive to expatriate families of all nationalities, particularly those that frequently move from one country to another.

Many wealthy local families have aspirations for their children to study at the top western universities. The state education systems in most non-English speaking countries do not prepare their students for western university education, so the only realistic options for these families are to send their children to schools in English-speaking countries or to English-medium international schools. Their requirements are for top quality teaching and a curriculum (such as IBDP, UK or US) which will give their children the best chance of securing a place at a reputable university.

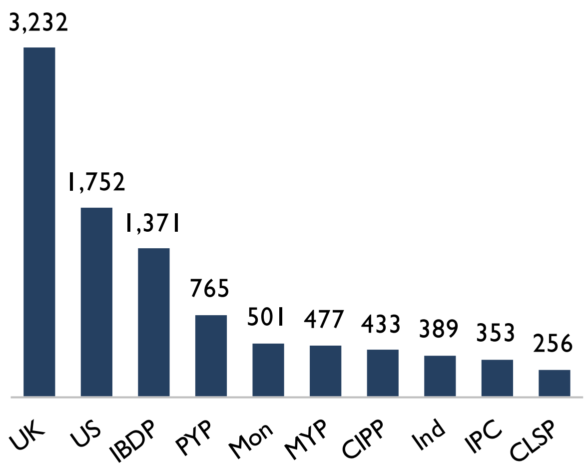
The quality of the public education system is often a key determinant of demand for international education. Poor quality public education pushes families towards private schools, including international schools. Parents who are disillusioned with public education systems want good quality, affordable English-medium education for their children but they do not want their children to lose touch with their local languages and cultures. These parents have driven the rising demand for schools which offer bilingual programmes.

The international schools market has responded to the rising demand from local families, and this has generated much of the market's recent growth. Although expatriate demand has grown significantly in the past 20 years, demand from local families has grown at a much faster rate and **the balance between local and expatriate demand has shifted.**

Twenty years ago, expatriates accounted for 80% of all international school enrolment, whereas now they account for barely more than 20%.

Curricula and examinations

The most prevalent curricula throughout the world's international schools are shown below.



UK-based curricula are by far the most prevalent and have a strong presence in the African and Asian regional markets, offered by 66% and 44% of schools respectively. Cambridge International Examinations (CIE) is one of the main organisations offering UK-based curricula and examinations to international schools. **CIE's flagship programme, the IGCSE, is the top examination in the market**, offered by 2,040 schools.

ISC does not include schools which teach the IBDP to mostly local students in English-speaking countries.

The International Baccalaureate (IB) has emerged as a global leader in international education over the past few decades. **IB curricula are now generally perceived to be the industry benchmark for international programmes**. More than a fifth of international schools in the Americas and Europe offer the International Baccalaureate Diploma Programme (IBDP).

Nearly a third of international schools in Africa and the Americas offer US curricula. The SAT examination is the most popular American examination and is available at 895 schools worldwide.

Bilingual programmes

Bilingual programmes are offered at more than 2,500 international schools. Some offer international curricula, some combine international curricula with their host countries' national curricula while others only teach national curricula. They provide tuition in more than one language and, in the context of this report, one of those languages is always English. They have become increasingly popular, largely because of the strong increase in demand from local families who want their children to learn in an English-medium environment but not to lose connection with their local languages, culture and history. **The Americas have shown particularly strong growth in bilingual programmes**, rising from 357 schools in 2010 to 813 schools in 2016. Most of this growth has been in Latin America. There has been significant growth in Argentina, where bilingual programmes have been popular for many years. Growth in Brazil has been even stronger.

Most traditional 'expatriate' schools do not offer bilingual programmes and do not put a strong emphasis on these local factors.

The diverse range of international schools

Most countries have international schools of many different types, offering a wide range of curricula and examinations. Some schools are clearly aimed at the wealthiest parents while others are aimed at those for whom school fees represent a major expense. This diversity is a reflection of the way in which the market has developed, with much more demand now coming from local families than from expatriates.

Schools at the top end of the market typically employ a high proportion of foreign teaching staff whose first language is English. They offer at least one of the widely recognised UK, North American or Australasian curricula and/or international curricula such as the IB Diploma Programme. They have state-of-the-art campuses and charge high fees, but are still the most sought after schools despite the high costs involved.

At the other end of the market, there are many schools where staff are predominantly local. Some of these schools offer US/UK/international curricula. Many teach national curricula in conjunction with bilingual programmes. Campus facilities are more likely to be on a par with the country's public schools than with premium international schools. Fees are significantly lower than at premium schools. Students at these schools are much more likely to be children of local families than of expatriate families.

Accreditation

Top schools differentiate themselves from other schools through accreditation by one or more of the major, globally recognised accreditation bodies.

Accreditation provides assurance that the schools have met high standards of quality and is a powerful marketing tool. Accreditation can be expensive and is not an easy process.

Standards of education at international schools are becoming the subject of government regulation in an increasing number of countries. Accreditation by at least one specified agency is mandatory in some markets, including China, Dubai and Qatar.

The major accreditation bodies are listed in the following table in order of student enrolment.

Accreditation body	Schools	Students
CIS	748	609,253
AdvancED	593	474,551
MSACS	268	185,704
WASC	239	142,383
NEASC	236	202,136
ACSI	151	38,916
EDTRUST	32	16,905

School associations

There are several widely recognised and prestigious global and regional international school associations. The top schools are almost invariably members of at least one of these. These associations confer a certain amount of status, partly because membership is expensive and partly because some associations will accept schools as members only if they are accredited. Regional and global school associations with an enrolment of more than 20,000 are listed below.

Association	Schools	Students
ECIS	361	238,318
COBIS	259	133,947
AAIE	179	152,800
EARCOS	167	115,171
NESA	102	125,659
TRI	102	79,175
BSME	88	103,918
AASSA	81	56,553
ACAMIS	72	59,505
FOBISIA	58	51,851
CEESA	51	22,371

Schools within schools (international streams)

A trend which has developed over the past few years is the creation of international streams within schools which otherwise have no international component. For example, some public schools in The Netherlands have established international or bilingual streams in which their secondary level students can be enrolled.

Several Chinese state schools have followed a similar path, offering international streams to students aged 15+ years, i.e. those who have completed their compulsory phase of education, which covers primary and junior secondary levels. These international streams are often operated as separate business entities - in essence, they are private schools operating within the grounds and using the facilities of larger public schools.

Government policy

The degree to which different governments regulate international schools and the controls they apply vary enormously and have a profound effect on the international schools market. Differences between national markets can very often be explained by government policy. Key factors include whether limits are placed on the enrolment of local students, whether tuition fees are regulated and what legislation applies to the employment of staff and to the ownership of schools.

Examples of government policies which influence the international schools market (including those mentioned above) are provided here:

Enrolment limits

Several countries impose limits on the proportion of local students that an international school can enrol. **Chinese legislation imposes restrictions on the attendance of Chinese passport holders at foreign-owned international schools. Singapore does not allow its citizens to attend international schools except in rare circumstances.** Schools that are licensed as international schools in Vietnam are restricted to a relatively low proportion of Vietnamese citizens on their rolls. Most international schools in South Korea are allowed to enrol local students only if they have lived abroad for at least three year or if at least one parent has a foreign passport.

Tuition fees

Governments exercise control over tuition fees in some markets. For example, proposed fee increases in Qatar, Kuwait and Dubai must be submitted to, and approved by, government bodies before they can be put into effect. This is a real issue in Dubai, where some schools have been pushed to the brink of closure by the authorities' refusal to agree to fee increases.

Recruitment issues

Labour laws and tax rules affecting expatriates can influence the recruitment and retention of teaching staff. For example, at least half of the teaching staff at international schools in Indonesia must be local citizens, and all teaching staff must have at least five years' postgraduate teaching experience. International schools in some Chinese cities are also required to employ teachers who have a minimum of five years' teaching experience. In some countries (e.g. the UAE), foreign teaching staff pay little or no tax on their salaries, a factor which makes these destinations more attractive than they might otherwise be.

Education hubs

A number of countries have created education hubs, which are designed to attract both local and foreign students. For example, the Malaysian government wants the country to become an education destination, attracting a significant number of foreign students. It has established two education hubs: EduCity in Johor and Education City in Kuala Lumpur. Several international schools have already been established in these hubs and more are planned. South Korea has followed a similar path with the establishment of Jeju Global Education City, an English-medium education hub which attracts foreign students and where international schools can enrol South Korean nationals without limits.

Land and planning constraints

The availability of land for school development is a critical issue in many of the most sought after locations, e.g. Hong Kong and Singapore. Planning consent is almost always needed for new school developments and for expansion of existing schools, and planning proposals are frequently met with objections. Planning policy is therefore an important facet of these markets.

Rules on ownership and profit

Several countries have rules which, either directly or indirectly, limit ownership of international schools by foreigners. For example, international schools in Thailand must be at least 50% owned by Thai nationals, and foreigners are not allowed to own land in Thailand unless they are part-owning it with a Thai national. Indonesia has a similar restriction on school ownership and, furthermore, Indonesian law does not permit schools to be run as profit-making entities. Hong Kong does not impose an outright ban on for-profit international schools; however, the system whereby the Education Bureau releases sites for international school development at relatively low cost is clearly aimed at not-for-profit schools. Bids from for-profit schools will be rejected.

The public education system

The quality of a country's public/state education system has a strong influence on the demand for private (including international) education. In Argentina, for example, the state education system is widely considered to be inadequate and many parents are willing to pay for private education in order to avoid sending their children to state schools. Schools which offer bilingual programmes have benefitted from this situation.

Financial incentives

Financial incentives are often offered by governments that want to attract international schools. Malaysia, for example, provides generous tax breaks for new schools.

The outlook for the international schools market

The global international schools market has flourished since the turn of the century. Enrolment has grown by 7.9% per annum and total annual tuition fee income (expressed in USD) has grown by 7.8% per annum since 2011. Most of the factors which have driven recent growth are still prevalent, and it is highly likely that the market will continue to expand at a similar rate. However, there are large differences between national markets (some will grow rapidly and others more slowly) and there will inevitably be peaks and troughs in growth in some countries. For example, the falls in oil and gas prices have affected international school enrolment in countries that generate a significant amount of GDP via oil and gas industries.

Growth in Asia has exceeded the global average in recent years, with a 9.3% per annum rise in enrolment and an 11.1% p.a. rise in tuition fee income since 2011. The strongest growth has been in Eastern, South-Eastern and Western Asia. These are the key sub-regions which will drive further expansion of the international schools market. Important characteristics of a selection of key national markets in these sub-regions are presented below. Some of this information has been summarised from ISC's knowledge of international schools in these countries and is not necessarily mentioned elsewhere in this report.

- **China**

  Measured by student enrolment, China is the largest national market in the world. The country has **200 million school-aged children** and a rapidly increasing level of personal wealth. Enrolment at its international schools is 219,695.

  Demand for international education has already risen substantially and is certain to continue to grow fast. If the market expands sufficiently to meet demand, growth in China could easily outpace growth in any other national or regional market. Since foreign-owned schools are not allowed to enrol Chinese nationals, market development is most likely to be in Chinese-owned and operated international schools that will be aimed at recruiting local students.

  China has at least 2.5 million USD-millionaires, some of whom are likely to want international education for their children. If 10% send one child, these children alone would require 250,000 school places.

- **Hong Kong**

Although it is part of China, Hong Kong has a very different international schools market. Its population includes a relatively high proportion of expatriates, most of whom want international schooling for their children. Demand from wealthy local families is also high. Most of Hong Kong's top international schools are full and have waiting lists.

Many of Hong Kong's top schools operate debenture systems. Parents who hold debentures usually gain priority in the admission process, although the purchase of a debenture is a precondition for admission at some schools and may not confer any advantage.

The difficulty in securing school places for their children deters some families from moving to Hong Kong. This is a serious recruitment issue for the business community. New schools have opened recently, and more are in the pipeline; however, shortage of land in the right locations is a major issue. The Education Bureau releases sites for international school development from time to time, but **the pace of development is not keeping up with the increase in demand and many schools will continue to be oversubscribed.**

- **Singapore**

Singapore has a substantial expatriate community and expatriate labour is vital to the country's economy.

With very few exceptions, **Singaporean children are not allowed to attend international schools**. Demand for places at Singapore's international schools is therefore closely linked to the size of the expatriate community. The government (via the Economic Development Board) maintains tight control of the international schools sector, and it releases land for school development only when it foresees sufficient demand for places. This alignment of supply with demand is designed to ensure that existing capacity is sufficient to meet the expatriate community's requirement for school places.

The additional capacity that was created by new schools that have opened during the past year has not been completely filled. At the premium end of the market, about 15% of capacity is unfilled. The fall in oil and gas prices has affected enrolment at some schools. Although some schools are still full, others have lost students during the 2015-16 year. It is likely that capacity at Singapore's international schools will continue to exceed demand in the short term, especially if oil and gas prices remain low. However, the medium and long term outlook for the market in Singapore is more positive.

- **Malaysia**

The government wants to establish Malaysia as a top quality education destination, attracting large numbers of foreign students to its international schools, and it has introduced several measures to encourage the establishment of new international schools. It has also removed a previous limit on enrolment of local students at international schools. Demand from local families has increased since the government introduced a requirement that the country's public schools should teach all subjects in the local language (before 2009 science and mathematics had been taught in English). **Local students have accounted for more than 50% of enrolment at Malaysia's international schools since 2013, and the proportion will undoubtedly rise.**

The premium end of the market has suffered from the recent falls in oil and gas prices because several companies in this sector have cut back on costs, including senior staff. Several premium schools have lost students during the 2015-16 academic year and several are planning for lower enrolments in 2016-17. On the other hand, mid-range schools (those that do not charge high fees and are aimed primarily at local students) are largely unaffected by the oil price; and this sector will continue growing.

- **The United Arab Emirates (UAE)**

  Expatriates outnumber locals by a large margin in the UAE. Among the seven emirates, Dubai has the highest proportion of expatriates. The markets in Dubai and Abu Dhabi have grown rapidly during the past decade and further growth is inevitable. In the UAE as a whole, enrolment has grown by at least 13% per annum since 2011, while tuition fee income has more than doubled during the same period, growing by 19% per annum.

  Dubai's Knowledge and Human Development Authority (KHDA) has forecast a **substantial increase in enrolment between 2015 and 2018**; and some of that increase has already materialised. On the negative side, however, the UAE is facing several problems. Lower oil and gas prices have inevitably affected enrolment at some schools, and the increase in the number of new school places during the past year has exceeded the increase in demand for places. Furthermore, some schools have encountered real difficulty in recruiting and retaining top quality teaching staff, especially those with UK curriculum experience. On the positive side, the UAE has decreased its reliance on oil and gas exports, and it is highly likely that the expatriate population will continue to grow, which means that demand for international education will continue to grow.

- **Qatar**

  Large-scale infrastructure projects and the development of a new city, Lusail, are under way and will add further impetus to the substantial and expanding expatriate population. Until recently, the rise in the number of students enrolled at international schools in Qatar had appeared to be inexorable. However, with the recent fall in prices in the oil and gas prices, some schools have lost students during the 2015-2016 academic year. Some schools that had waiting lists in August 2015 had no waiting lists in the spring of 2016. Fewer companies are offering employment contracts to expatriates and fewer foreign companies are being contracted to work in Qatar. This uncertain environment has led to some schools requesting that tuition fees for the next academic year be paid in advance. While oil and gas prices remain low, it seems likely that there will be a period of reduced growth in Qatar's international schools market. Nevertheless, several new schools will open in 2016 and several sites have been allocated to school groups or investors for further international school development.

Strong medium-term growth is expected in these countries, especially in those whose economies are less dependent on the price of oil. However, growth in some other countries in these sub-regions will be slow. In Taiwan, for example, its own citizens are not allowed to attend international schools unless they have dual nationality. International school growth in recent years has been slow and most schools have spare capacity. Unless the restrictions on local enrolment are relaxed, growth in Taiwan will remain slow.

Latin America has been responsible for most of the growth seen in the Americas. Demand from local families for bilingual programmes has grown strongly throughout Latin America, expatriate communities are thriving in some countries and the economic outlook is improving rapidly in many parts of the region. These factors provide a signal that growth could surge in some Latin American countries, possibly to the same extent that has already been seen in several Asian countries.

Student enrolment in Africa is likely to continue growing at 6-8% per annum, and some national markets in this region will undoubtedly grow at a faster rate. However, the relatively low fees charged at schools in Africa make this region less attractive to commercial groups for the establishment of new for-profit schools.

The market in Europe is more mature than in other regions. Growth in enrolment (5.6% p.a.) and tuition fee income (3.9% p.a.) in Europe since 2011 has been considerably slower than the global average and slower than in all regions apart from Oceania. This pattern is likely to continue. There will be opportunities for successful school development projects in Europe, but there will be many more opportunities in Asia and possibly in Latin America.

In terms of student enrolment, the market in Oceania has grown at 0.2% p.a. since 2011, much more slowly than in other regions. This pattern is expected to continue. There may be opportunities for successful school development projects, but these will be rare.

In short, the global international schools market continues to grow rapidly and is attracting investment from many sources, including major school groups. However, there are large differences between national markets. From an investment point of view, selecting the right market is absolutely critical. Even in thriving markets, there are several factors which could limit the profitability of a new school. For example, the choice of location can determine the likelihood of success. Investment in the wrong market at the wrong time, in the wrong type of school or in the wrong location could be very costly.

1 Historical Overview

Market Development

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Market Development

The international schools market is a dynamic and growing market that has become an integral part of education systems throughout the world. Since the latter half of the 20th century, the market has been transformed from a small group of schools designed for wealthy expatriates (mostly British and American) into a modern and more inclusive part of the global education system, serving students from a much wider range of backgrounds.

International schools which opened more than a few decades ago were established primarily to meet the needs of expatriate communities. The expatriates were mostly employed at foreign embassies or multinational companies. Schools taught the national curricula of their countries of origin, usually British or American. They were small, had limited resources and most were not-for-profit.

Most of today's international schools bear little resemblance to those early schools. The nationalities of students, curricula, approaches to learning and schools' business models have all changed enormously. The international schools sector is no longer a small market satisfying the needs of a niche group; it has become a significant industry.

In 2000 there were 2,500 schools with less than 1 million students and tuition fee income of less than USD 5 billion. Today there are more than 8,200 international schools, teaching 4.3 million students, the largest proportion of whom come from wealthy local families. International education now generates annual tuition fee income of over USD 38 billion. The majority of new schools are profit-making in one form or another, and the range of curricula offered is very broad.

International school markets in many countries are growing rapidly. These are countries whose economies have been transformed by globalisation - and most of them are Asian. By contrast, the European market is more mature and, as will be shown below, is growing less rapidly.

Shifting Sources of Demand

Local demand

In many non-English-speaking countries, globalisation has led to fast growing economies, increasing populations and rising incomes. People in these countries recognise that their increased prosperity is strongly linked with the success of international businesses in their countries, and they recognise that English is the dominant language of international business. They learn that the people who have successful careers in international business have very often been educated at reputable western universities.

In developing countries, this education-career pathway has been followed by children of the elite for many years, but was unaffordable to most other families. However, rising prosperity in developing countries has changed this. Many parents want to give their children the chance to follow this path, and now a significant number of parents can afford to do so. There has been a large increase in the number of families who recognise the benefits of an English-medium private education and who have the means to pay for it.

Attending state schools which teach local curricula in the local language is unlikely to result in a place at a western university.

The rising number of middle-to-high income local families has shifted the balance in demand for international school places. A few decades ago, expatriate students occupied 80% of places whereas local students now occupy the majority of places. This trend continues to present new opportunities in countries where demand from local families has become the main driver of growth.

Expatriate demand

The rise in demand for English-medium education has been driven to a large extent by globalisation. The expansion and mobility of large businesses, the mobility of skilled labour and the movement of vast amounts of money around the world have resulted in:

(a) the creation of new expatriate communities in countries where there were previously none; and
(b) the expansion of existing expatriate communities.

Most countries which are undergoing rapid economic development have become heavily dependent on highly skilled, well paid expatriates who have valuable experience which is difficult to find locally. These people insist upon the best international education for their children. They continue to provide strong demand for places at many of the world's most prestigious international schools.

Changes in Government Policy

In general, governments have reacted to the development of international schools by introducing policies and legislation to control them. The changing character of the international schools market, combined with changing socio-economic conditions, has resulted in big changes in government policy in some countries, often followed by major increases in the numbers of international schools and students. The removal of limits on the enrolment of local students at international schools provides one of the best examples of this, as described below.

Enrolment limits

Thailand's first international schools were established more than 50 years ago. These schools catered for the children of expatriates and of Thai diplomats who were serving abroad. Local children were not allowed to attend these schools. Attendance restrictions were removed in 1992, giving Thai parents the freedom to choose where their children were educated. This change in policy transformed the Thai international schools market, from one led by expatriate demand to one dominated by local demand. The number of international schools has increased substantially since then, and more than half of school places are now taken by local students.

Until 2007 it was almost impossible for Malaysian citizens to attend international schools in Malaysia. In 2007 the government introduced legislation which allowed international schools to recruit Malaysian citizens up to a limit of 40% of the schools' total enrolments. In 2012 the government removed this limit. Since then, many new international schools have been established, while many others have expanded, and local children now account for more than half of enrolment at Malaysia's international schools.

In South Korea, most international schools may enrol Korean students only if they have lived abroad for at least three years or if at least one parent has a foreign passport, subject to a limit of 30% of Korean students at each school. The rules for international schools in Special Economic Zones are more relaxed, and there are no restrictions on the enrolment of Korean students at schools in Jeju Global Educational City.

The Rise of For-Profit Schools

International schools which were established many decades ago were often small, with limited resources. They would have cost little to set up and almost all were not-for-profit. Now the cost of establishing a new, state-of-the-art international school, including the cost of land and construction, can be tens of millions of dollars. Because it is not usually possible to raise such large sums without offering an appropriate return on the investment, most new schools are profit-making in one form or another.

International school education has grown into a substantial global industry, with an increasing number of large international school groups now operating around the world. Many are expanding rapidly by investing in the development of new schools or through the expansion of existing operations and are highly profitable.

Demand for Bilingual Programmes

Bilingual programmes provide tuition in more than one language. In the context of this report, one of those languages must be English. The rise in demand from local families has led to a rise in demand for bilingual programmes. This is partly because local families who want international education for their children also want their children to maintain strong connections with their own languages and cultures. Bilingual programmes satisfy these parents' requirements. Furthermore, some governments have introduced legislation which favours schools offering bilingual programmes.

This trend is continuing and, in some countries, it generates tremendous opportunities for the development of international schools. For example, strong demand from parents in some Latin American countries has resulted in a substantial increase in the number of schools offering bilingual programmes.

Schools with International Streams

The rising demand for international education from local families has been met, to some extent, by international sections which have been created within national curriculum schools. Children enrolled in the international sections of these schools are taught international curricula, often alongside elements of their national curricula. Children who are not enrolled in the international sections are taught only the national curricula.

The creation of international streams within national curriculum schools is just one of the ways in which education systems throughout the world have adapted in response to the growing demand for English-medium international education. Financial considerations make this an attractive route to follow - the cost of establishing an international stream at an existing school is considerably less than the cost of building a new school.

Several Chinese state schools have followed this route. Many affluent Chinese families would like to send their children to foreign-owned international schools, which are the most prestigious and sought after, but those schools are not allowed to enrol Chinese children. In response to this unsatisfied demand, some Chinese public schools have established partnerships with outside organisations that set up and run international departments within these schools. These departments are often operated as separate entities. This business model allows public schools to enrol local children onto international programmes, thereby satisfying the growing demand from Chinese families for international education. However, this business model has an uncertain future, following a large scale public backlash against the principle of private companies charging high fees for providing international education within state-funded buildings.

In common with China, The Netherlands has a significant number of state schools which offer national curricula and which also have English-medium streams. These schools satisfy the demand from local parents for English-medium education, usually charging fees which are much lower than those charged at traditional, private international schools.

2 Diversity in National Markets

Restrictions on Enrolling Local Children

Control of Tuition Fees

Rules on Ownership and Operation

Special Economic Zones

Public Education Policies

Education Hubs

2

Diversity in National Markets

Government regulations and policies influence the international schools market in every country. There are enormous differences between (and sometimes within) national markets and these can often be explained by differences in government policy. In some countries, policy is guided largely by ideological principles, while in others economic imperatives and purely practical concerns are more instrumental in shaping policy. Some examples of policies which influence international schools markets were outlined in Section 1, and more examples are provided below.

Restrictions on enrolling local children

Many governments (e.g. Thailand, Malaysia, Dubai and Abu Dhabi) allow unlimited enrolment of local children at international schools. Some governments (e.g. South Korea, Vietnam and Hong Kong SAR[1]) limit the enrolment of local children at international schools. The governments of China and Singapore do not allow citizens of specific ages to attend international schools.

In Singapore, the reason is ideological - the government wants to maintain tight control over the way in which its children are educated, ensuring that national culture and identity are given top priority. Many parents disagree with their government on this point, and there is significant demand from Singaporean families for international education.

The Chinese government does not allow its citizens to attend international schools which have been established to satisfy expatriate demand (broadly speaking, the foreign-owned schools). The government is reluctant to put the education of its citizens into the hands of western educators, although this is exactly what many parents (particularly those among the better-educated and wealthier sections of its population) now want. The government recognises the high level of demand for international education, and it has responded by developing its own system. In effect, China has been encouraging the development of two systems of international education: one for expatriates and one for local students. Nevertheless, there is still a high level of demand from Chinese parents for places at foreign-owned schools. If there is any relaxation of the rule preventing Chinese students from attending foreign-owned international schools, there will be a surge of applications for places at these schools.

Many schools in Hong Kong are required to limit their enrolment of local children to between 20% and 30% of total enrolment. This is largely because the level of demand from expatriates (on which the economy is heavily dependent) is very high and the government does not want places which could have been taken by expatriates to be taken by locals. The reason is therefore economic rather than ideological.

Despite the restrictions on enrolment of local children, demand for places at most of the top schools in Hong Kong and Singapore exceeds capacity. This is because the creation of new capacity is restricted by the limited availability of land which is suitable for school development. If more land were to be made available for school development, and if there were no limit on local children attending international schools, enrolment would rise sharply. Thailand and Malaysia provide good examples of the positive effects on international schools markets which are brought about when enrolment limits are removed.

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[1] Although Hong Kong is a Special Administrative Region of the People's Republic of China, ISC treats it as a separate national market.

Control of tuition fees

International schools in many countries are allowed to set tuition fees with little or no government control. By contrast, in Qatar, Dubai and Abu Dhabi, government agencies control the amount by which schools may increase their fees. The authorities' powers to control fee increases has caused serious problems for some schools, pushing them to the brink of closure.

The Hong Kong government has the power to control the tuition fees charged by international schools, although this rarely seems to be an important issue. Many schools impose charges which are additional to tuition fees and which are therefore beyond the government's control. Examples of these are annual charges, typically known as capital levies or facility fees, and "one-off" charges known as debentures, nomination rights or capital notes. The income generated by these charges is used to finance school development or refurbishment programmes.

> Debentures have been introduced by many schools at the upper end of the market in Hong Kong. The purchase of a debenture is obligatory at some schools and optional at others. At schools where they are optional, debenture holders gain higher priority in the admission process. (See ISC's Hong Kong Market Intelligence Report for more information.)

Rules on ownership and operation

Some countries have little or no legislation that dictates who is allowed to own international schools and how they are operated; however, many countries impose some level of control. For example, rules in Thailand state that international schools must be at least 50% owned by Thai citizens, although this may be reduced as a result of ASEAN Economic Community regulations. Several countries in the Middle East require that at least 50% of any international school must be locally owned.

In the case of Indonesia, government legislation requires that schools must be established as foundations (i.e. they must be not-for-profit organisations). This is an ideological policy - the government does not want people or companies to make profits from the provision of education. Indonesian legislation also makes it difficult for foreigners to own international schools in Indonesia. Furthermore, legislation requires that at least 50% of staff at schools (including international schools) must be Indonesian.

Special Economic Zones

Special Economic Zones (SEZs) include Free Trade Zones, Free Ports, Free Economic Zones and Urban Enterprise Zones. They benefit from economic or commercial advantages which are not available outside these zones. For example, the normal taxes, national customs laws, employment laws and restrictions on Foreign Direct Investment may not apply. Because import and export are key activities in most SEZs, they are almost invariably built around ports. Countries create SEZs because of the economic benefits which they are expected to confer.

Some SEZs include international schools, and some of these schools enjoy advantages which are not available to other international schools in the same country. For example, while in most of South Korean international schools market only 30% of the students at a given school can be South Korean nationals, at schools in the Incheon and Busan SEZs 50% of their students can be South Korean nationals. In the Jeju SEZ there are no nationality enrolment restrictions at all.

Public education policies

The quality of a country's public education system inevitably influences demand for private education, including education at international schools. A good example of this is provided by changes in Malaysian public education policy on the language of tuition.

In the 1970s, a change in policy led to Bahasa Malaysia replacing English as the main language of tuition. This created the perception that the standard of education had declined and that Malaysian students were poorly prepared for education at western universities. The result of this policy was that many wealthy families chose to send their children abroad for good quality, English-medium education.

In 2003, the government implemented a policy of teaching science and mathematics in English, and this almost certainly persuaded some families to choose local schools for their children instead of sending them abroad. However, in 2009, the government announced another policy change, reverting to Bahasa Malaysia as the language of tuition for all subjects at Malaysian public schools. This policy change was widely criticised and led to a sharp rise in demand for education outside the country's public education system.

International schools in Malaysia absorbed some of this demand, but the enrolment of local students was restricted to 40% of each school's enrolment. The government removed this restriction in 2013; and enrolment of Malaysian citizens at international schools has surged since then. Local students now account for more than 50% of international school enrolment.

Education hubs

As described above, the standard of public education has, according to many Malaysians, deteriorated. Wealthy families reacted to this by sending their children abroad for their education. In effect, Malaysia was importing education services on a large scale. The government responded by allowing Malaysian citizens to attend international schools and, taking a longer term view, it went a lot further. It has developed a policy of becoming a major education destination in Asia by attracting international schools and universities to two new education hubs: Education City in Kuala Lumpur and EduCity in the Iskandar development region in Johor.

In South Korea, Jeju Global Education City (JGEC) is being developed as an English-medium education hub, designed to attract students from many countries, including other Asian countries, in addition to local students. In contrast to most international schools in South Korea, international schools in JGEC are allowed to enrol as many South Korean citizens as they like.

3 Key Market Parameters

Numbers of Schools, Students and Staff

The Global Picture and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

Summary

3

3.1 The Global Picture

Table 1 - The global international schools market

	Schools	Students	Staff	Average annual fee (USD)	Fee income (USD)
Jan 2016	8,257	4.3 million	406,300	9,330	39 billion

Note: **Fee income** in the table above is the total annual tuition fee income, expressed in USD, for all international schools. It is calculated from enrolment data and average annual tuition fees at individual schools.

This section outlines several key parameters which describe the international schools market throughout the world. The table above shows the global picture in terms of school numbers, student enrolment, staff numbers (full time teaching staff), average annual tuition fees and total tuition fee revenue. The tables on the next page show the top 10 countries ranked by the number of international schools and by student enrolment at these schools. Corresponding data for the 5 regional markets (Africa, the Americas, Asia, Europe and Oceania) are shown on subsequent pages.

Historical data for school numbers, student enrolment, staff numbers, average annual tuition fees and total annual tuition fee income, globally and in the regions, are presented in Sections 4 and 5.

The following tables list the top 10 countries in the world, ranked by the number of schools and by student enrolment in each country. Some schools have more than one campus and ISC records each campus as a separate school.

Table 2 - The top 10 countries ranked by number of international schools

Country	Schools
United Arab Emirates	548
China	547
Pakistan	440
India	401
Spain	350
Saudi Arabia	239
Japan	238
Indonesia	192
Egypt	190
Brazil	185

Table 3 - The top 10 countries ranked by enrolment at international schools

Country	Students
United Arab Emirates	564,210
Saudi Arabia	265,472
China	219,695
India	197,836
Pakistan	153,647
Netherlands	130,180
Qatar	120,493
Spain	109,979
Egypt	99,597
Kuwait	97,389

For the purposes of this report, Hong Kong SAR is not included as part of China; it is treated as though it were a separate country. The concentration of international schools in Hong Kong is higher than almost anywhere else in the world. Only Bangkok, Dubai and Singapore are comparable.

The UAE has more international schools and students than any other country. It is also the largest national market in terms of annual tuition fee income (USD 3.8 billion per annum, almost 10% of the global market). China, with substantially fewer students, generates a similar annual fee income because the average annual tuition fee in China is more than twice that in the UAE.

Several countries, including China, have a substantial number of schools with English-medium streams. Enrolment at China's 547 international schools is 219,695, however this figure does not include 139,000 students who are being taught the national curriculum in the local language within these same schools.

3.2 Africa

Table 4 - The international schools market in Africa

	Schools	Students	Staff	Average annual fee (USD)	Fee income (USD)
Current	784	321,200	31,000	7,530	2.4 billion
% of global	9.5%	7.5%	7.6%	-	6.3%

Table 5 - Top 10 African countries ranked by number of schools

Country	Schools
Egypt	190
Nigeria	176
Kenya	59
South Africa	51
Ghana	40
Tanzania	33
Botswana	23
Uganda	19
Zimbabwe	18
Zambia	17

Table 6 - Top 10 African countries ranked by student enrolment

Country	Students
Egypt	99,597
Nigeria	58,526
Kenya	25,711
South Africa	19,326
Tanzania	15,948
Ghana	12,624
Botswana	10,833
Zimbabwe	9,453
Zambia	8,059
Uganda	6,848

3.3 The Americas

Table 7 - The international schools market in the Americas

	Schools	Students	Staff	Average annual fee (USD)	Fee income (USD)
Current	1,125	526,300	53,800	10,200	5.3 billion
% of global	13.6%	12.4%	13.2%	-	13.7%

Table 8 - Top 10 countries in the Americas ranked by number of schools

Country	Schools
Brazil	185
Argentina	164
Mexico	164
Colombia	72
United States of America	66
Peru	61
Honduras	49
Chile	47
Ecuador	43
Dominican Republic	34

Table 9 - Top 10 countries in the Americas ranked by student enrolment

Country	Students
Argentina	82,479
Mexico	80,652
Brazil	45,992
Colombia	43,510
Chile	37,858
United States of America	33,290
Peru	32,626
Honduras	22,414
Ecuador	22,209
Dominican Republic	14,718

3.4 Asia

Table 10 - The international schools market in Asia

	Schools	Students	Staff	Average annual fee (USD)	Fee income (USD)
Current	4,448	2,555,000	238,900	8,380	20.6 billion
% of global	53.9%	60%	58.8%	-	53.2%

Table 11 - Top 15 Asian countries ranked by number of schools

Country	Schools
United Arab Emirates	548
China	547
Pakistan	440
India	401
Saudi Arabia	239
Japan	238
Indonesia	192
Thailand	178
Hong Kong SAR	173
Malaysia	159
Qatar	158
Turkey	107
Vietnam	96
South Korea	91
Singapore	86

Table 12 - Top 15 Asian countries ranked by student enrolment

Country	Students
United Arab Emirates	564,210
Saudi Arabia	265,472
China	219,695
India	197,836
Pakistan	153,647
Qatar	120,493
Kuwait	97,389
Hong Kong SAR	77,128
Malaysia	65,409
Oman	64,642
Thailand	62,305
Singapore	59,113
Indonesia	57,476
Turkey	57,120
Japan	53,300

3.5 Europe

Table 13 - The international schools market in Europe

	Schools	Students	Staff	Average annual fee (USD)	Fee income (USD)
Current	1,751	743,000	73,800	12,310	9.2 billion
% of global	21.2%	17.5%	18.2%	-	23.6%

Table 14 - Top 10 European countries ranked by number of schools

Country	Schools
Spain	350
Germany	158
Netherlands	152
Sweden	110
France	106
Switzerland	106
Italy	85
Russia	71
Poland	59
Finland	58

Table 15 - Top 10 European countries ranked by student enrolment

Country	Students
Netherlands	130,180
Spain	109,979
Germany	77,187
Sweden	53,543
France	46,675
Switzerland	37,802
Italy	28,658
Belgium	24,612
Norway	23,756
Poland	22,934

3.6 Oceania

Table 16 - The international schools market in Oceania

	Schools	Students	Staff	Average annual fee (USD)	Fee revenue (USD)
Current	149	111,000	8,800	11,400	1.3 billion
% of global	1.8%	2.6%	2.2%	-	3.3%

Table 17 - Top 10 countries in Oceania, ranked by number of schools

Country	Schools
Australia	57
New Zealand	42
Papua New Guinea	27
Fiji	5
Guam	5
Mariana Islands	4
Marshall Is	3
Tonga	2
Vanuatu	2
Solomon Islands	1

Table 18 - Top 10 countries in Oceania, ranked by student enrolment

Country	Students
Australia	62,021
New Zealand	34,499
Papua New Guinea	6,891
Guam	2,946
Fiji	1,222
Vanuatu	1,139
Marshall Is	631
Mariana Islands	520
Solomon Islands	470
Tonga	378

3.7 Summary

This table summarises the data for numbers of schools and for student enrolment globally and in each region.

Table 19 - Summary of global school and enrolment data

	Schools	% of the world's international schools	Enrolment	Enrolment as a percentage of the global market
Global	**8,257**		**4,300,000**	
Africa	784	9.5%	321,200	7.7%
Americas	1,125	13.6%	526,300	12.5%
Asia	4,448	53.9%	2,555,000	59.2%
Europe	1,751	21.2%	743,000	17.9%
Oceania	149	1.8%	111,000	2.7%

4 Historical Data: Schools, Students & Staff

The Global Picture and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

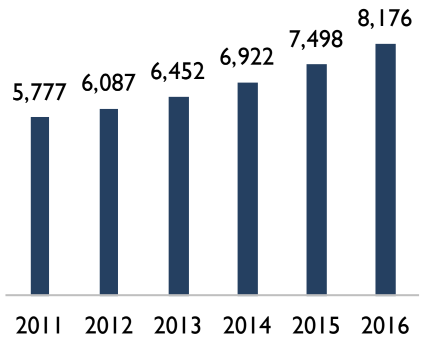
Summary

4

4.1 The Global Picture

Figure 1 - Growth of international schools, students and staff globally

Schools

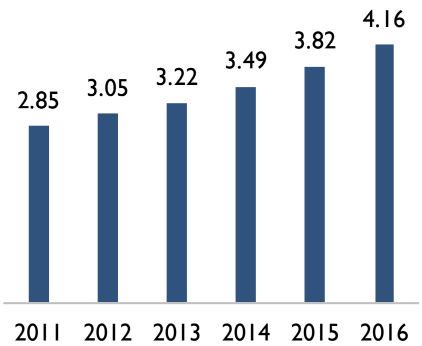


Total growth
2011 - 2016
41.5%

Compound annual growth rate

7.2%

Students (millions)

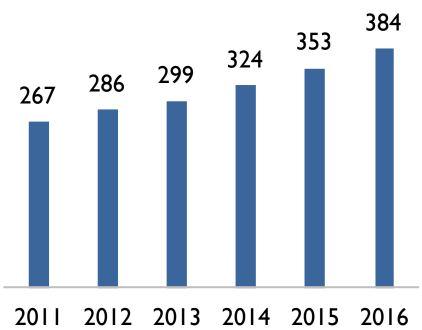


Total growth
2011 - 2016
45.9%

Compound annual growth rate

7.9%

Teaching staff (thousands)



Total growth
2011 - 2016
43.8%

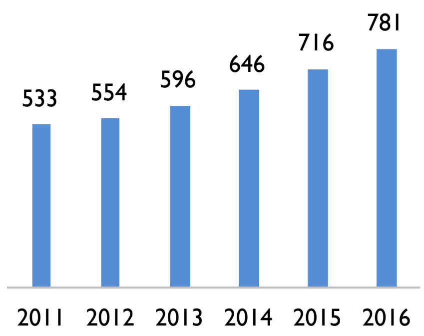
Compound annual growth rate

7.6%

4.2 Africa

Figure 2 - Growth of international schools, students and staff in Africa

Schools

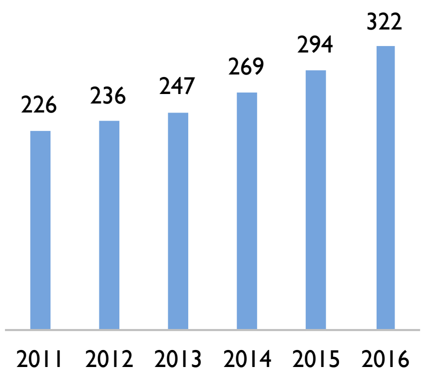


Total growth
2011 - 2016
46.5%

Compound annual growth rate

7.9%

Students (thousands)

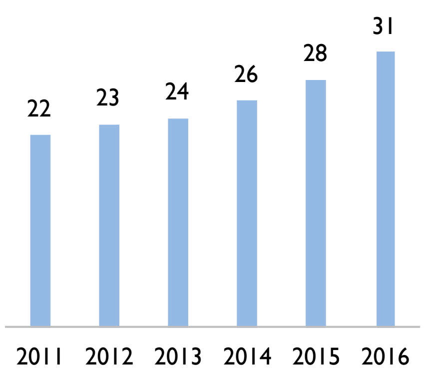


Total growth
2011 - 2016
42.5%

Compound annual growth rate

7.3%

Teaching staff (thousands)



Total growth
2011 - 2016
40.9%

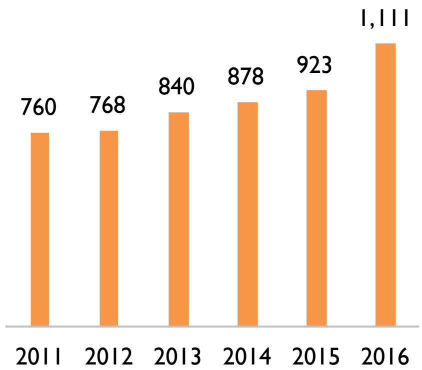
Compound annual growth rate

7.1%

4.3 The Americas

Figure 3 - Growth of international schools, students and staff in the Americas

Schools

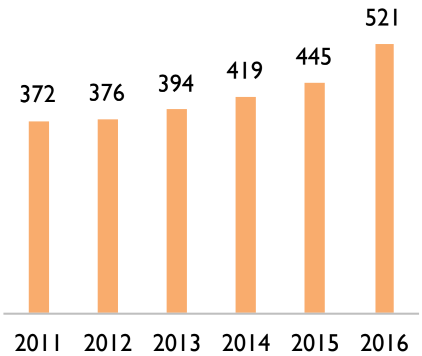


Total growth
2011 - 2016
46.2%

Compound annual growth rate

7.9%

Students (thousands)

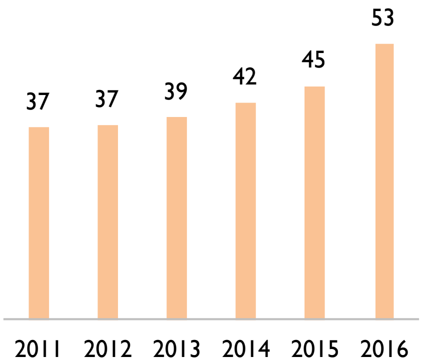


Total growth
2011 - 2016
40.1%

Compound annual growth rate

6.9%

Teaching staff (thousands)



Total growth
2011 - 2016
43.3%

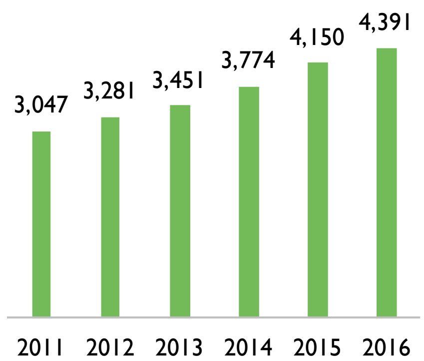
Compound annual growth rate

7.5%

4.4 Asia

Figure 4 - Growth of international schools, students and staff in Asia

Schools

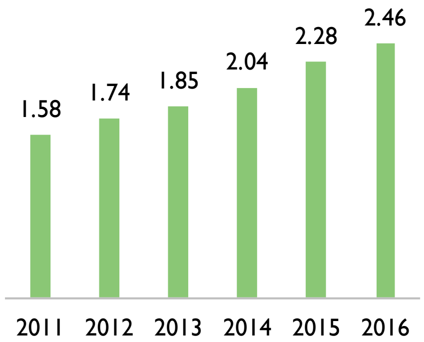


Total growth
2011 - 2016
44.1%

Compound annual growth rate

7.6%

Students (millions)

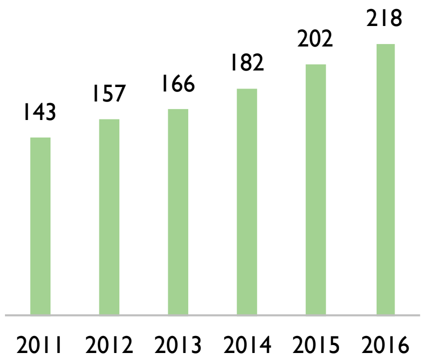


Total growth
2011 - 2016
55.7%

Compound annual growth rate

9.3%

Teaching staff (thousands)



Total growth
2011 - 2016
52.4%

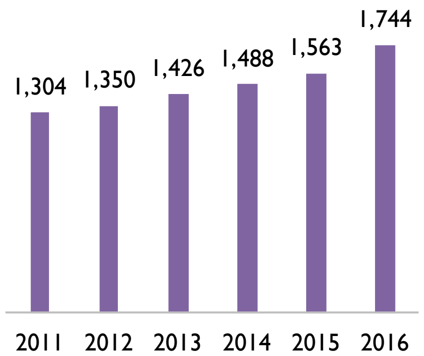
Compound annual growth rate

8.8%

4.5 Europe

Figure 5 - Growth of international schools, students and staff in Europe

Schools

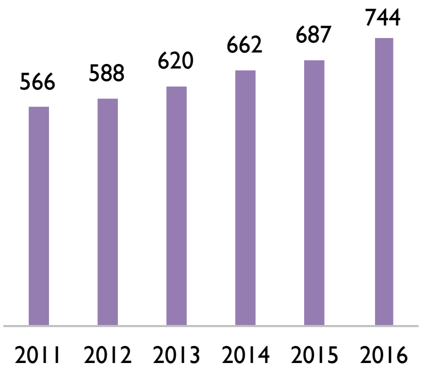


Total growth
2011 - 2016
33.7%

Compound annual growth rate

6%

Students (thousands)

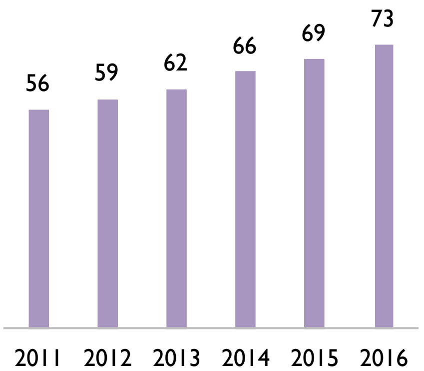


Total growth
2011 - 2016
31.4%

Compound annual growth rate

5.6%

Teaching staff (thousands)



Total growth
2011 - 2016
30.4%

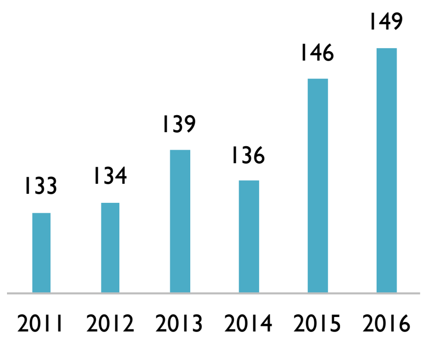
Compound annual growth rate

5.4%

4.6 Oceania

Figure 6 - Growth of international schools, students and staff in Oceania

Schools



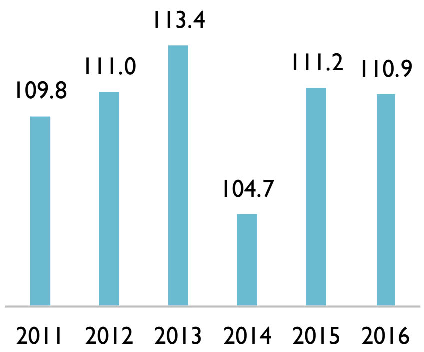
Total growth
2011 - 2016
12%

Compound annual growth rate

2.3%

Part of the reason for relatively slow growth in this region is that, while several new schools have opened, others have withdrawn their international curricula and are now operating as national schools.

Students (thousands)

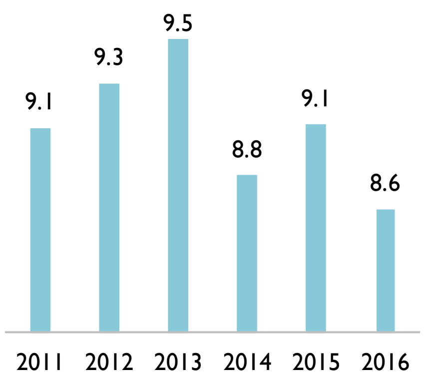


Total growth
2011 - 2016
1%

Compound annual growth rate

0.2%

Teaching staff (thousands)



Total growth
2011 - 2016
-2.4%

Compound annual growth rate

-5.5%

4.7 Summary

Table 20 - Summary of historical school, enrolment and teaching staff data

	Global	Africa	Americas	Asia	Europe	Oceania
Schools	**8,176**	781	1,111	4,391	1,744	149
Compound annual growth rate, 2011 - 2016	**7.2%**	7.9%	7.9%	7.6%	6%	2.3%
Enrolment	**4,159,500**	322,200	520,800	2,461,200	744,500	110,900
Compound annual growth rate, 2011 - 2016	**7.9%**	7.3%	6.9%	9.3%	5.6%	0.2%
Staff	**383,900**	30,900	53,200	218,000	73,100	8,600
Compound annual growth rate, 2011 - 2016	**7.6%**	7.1%	7.5%	8.8%	5.4%	-5.5%

5 Historical Data: Tuition Fees

Average Annual Tuition Fees and Total Annual Fee Income

The Global Picture and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

Summary

5

5.1 The Global Picture

In most countries, there are large differences between the tuition fees charged by international schools. The most sought after schools charge annual tuition fees which are, in many cases, much higher than the average annual income in that country and typically more than twice the average tuition fee in that country.

This section of the report presents: (a) average annual tuition fees throughout the world and in each region, (b) total annual tuition fee income for the world and for each region, and (c) growth in average tuition fees and in annual tuition fee income throughout the world and in each region since January 2011

It should be noted that global and regional averages mask the large differences between average annual tuition fees in national markets. For example, the average tuition fee in Singapore (USD 18,500) is much higher than the average in the whole of Asia (USD 9,300), whereas the average fee in Bangladesh (USD 5,200) is considerably lower.

Premium schools

Premium international schools usually charge tuition fees which are significantly above average, reflecting the higher cost of recruiting and retaining the best teachers and the high cost of top-of-the-range campuses. They are almost always accredited by at least one recognised accreditation body and are usually members of at least one recognised global or regional school association. If they teach secondary level students, they will offer a recognised international examination programme and be authorised by a recognised examination board.

The increasing presence of low fee schools

The number of international schools at the middle and lower end of the fee range has increased in recent years and this trend is continuing. Growing demand for an international education from middle-income families has generated the opportunity for investors and not-for-profit organisations to establish affordable schools. India is an example of a national market that has seen significant growth in this type of school. Only a very small minority of the population can afford the fees charged at the premium international schools but a significant minority can afford to pay fees at the lower end of the spectrum.

In Europe, governments cooperate with each other to subsidise Schola Europaea schools. These schools are public (i.e. run by the state) and charge relatively low fees. Some state schools in Europe, especially in The Netherlands, operate international streams which charge very low fees.

Government regulation of tuition fees

National governments exert varying degrees of control over the education sector. In some countries, this control has extended to tuition fees. The Supreme Education Council (SEC) of Qatar is an example of a government body that has considerable control over international school fees. Proposed fee increases must be approved by the SEC before schools are allowed to implement them. International schools in Dubai are not allowed to increase fees without approval by the Knowledge and Human Development Authority (KHDA), and fee increases are related to school performance.

Other sources of revenue

As a general rule, tuition fees cover a school's running costs but do not always provide enough additional revenue to finance the further development of the school. Therefore, in addition to tuition fees, some international schools impose charges in order to finance projects which need substantial capital investment. These charges are typically called "capital levies", "facility fees" or something similar.

Some of Hong Kong's most prestigious schools generate additional income by selling debentures (sometimes called capital notes). The purchase of a debenture is a requirement for admission at some schools, but is optional at others. Where it is optional, the possession of a debenture confers an advantage in the admissions process over applicants who have not purchased a debenture. At a small number of Hong Kong's schools, the cost of a debenture is many times higher than the annual tuition fee.

Global tuition fee data

Graphs on the next page (Figures 7 and 8) show:

a) the average annual tuition fee throughout the world's international schools; and

b) total annual tuition fee income generated by the world's international schools.

These are followed by Sections 5.2 - 5.6, which show comparable data for each of the world's five regions.

Note that changes in tuition fee income reflect:

a) changes in student enrolment;

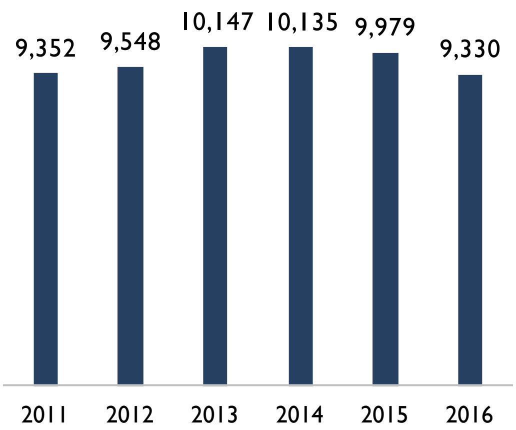
b) inflation of tuition fees; and

c) fluctuations in the exchange rates between local currencies and USD.

Figure 7 shows average annual tuition fees, expressed in USD, for full-time, non-boarding tuition. Fluctuations in average fees can occur as a result of new schools opening with fees that are significantly higher or lower than the previous year's average and/or as a result of fluctuations in exchange rates. These factors explain why average annual tuition fees appeared to fall slightly in 2014 and 2015. Generally, however, it is extremely rare for any school's fees (expressed in local currency) to be reduced.

Figure 8 shows total annual tuition fee income, expressed in USD. It is calculated from the enrolments and average tuition fees at individual schools and can be influenced by exchange rate fluctuations. Although the effect of exchange rate fluctuations is not obviously apparent at a global level, it can be seen in some of the regional data shown on the next few pages.

Figure 7 - Average tuition fees at international schools (USD)



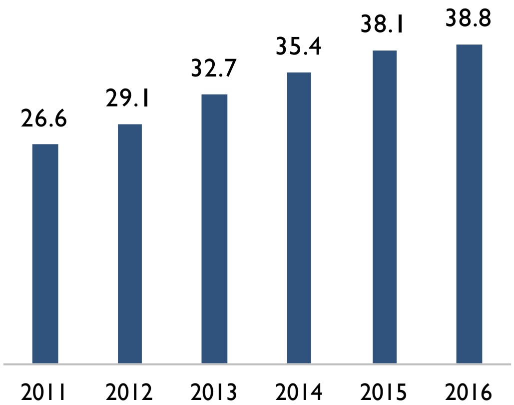
Total growth 2011 - 2016

-0.2%

Compound annual growth rate

-0.1%

Figure 8 - Total annual fee income (USD billion)



Total growth 2011 - 2016

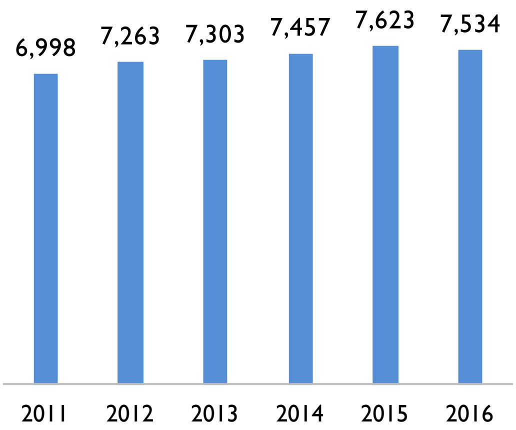
45.9%

Compound annual growth rate

7.8%

5.2 Africa

Figure 9 - Average annual fees at international schools (USD)



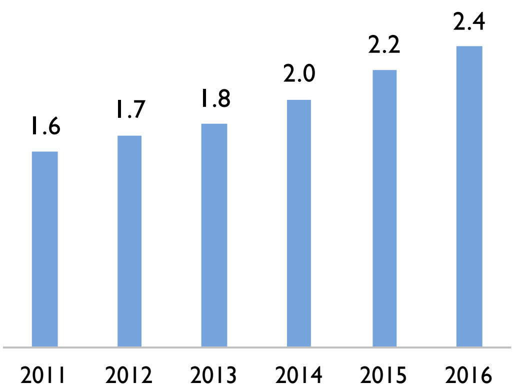
Total growth 2011 - 2016

7.7%

Compound annual growth rate

1.5%

Figure 10 - Total annual fee income (USD billions)



Total growth 2011 - 2016

50%

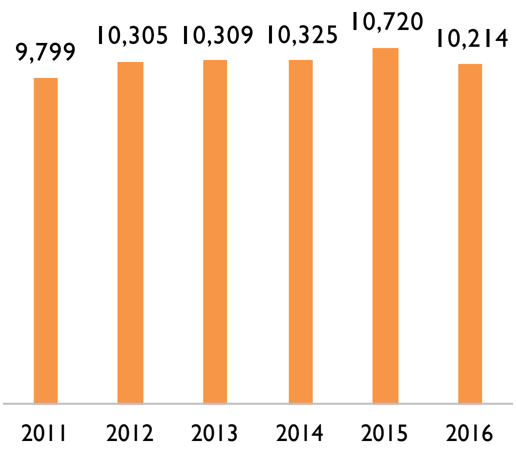
Compound annual growth rate

8.5%

The average annual tuition fee in Africa is 20% lower than the global average. This is in line with income levels in Africa: GDP per capita is much lower than in the world's other four regions. There are many not-for-profit schools, such as the Aga Khan Development Network schools, which charge lower fees.

5.3 The Americas

Figure 11 - Average tuition fees at international schools (USD)



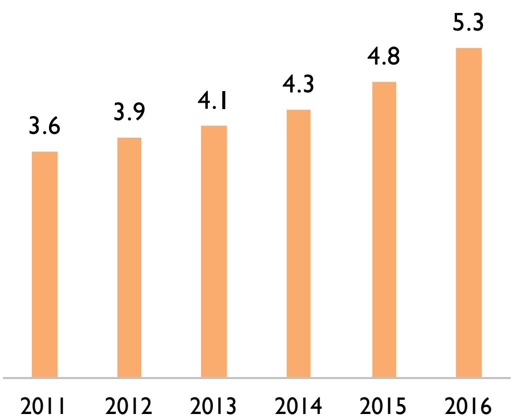
Total growth 2011 - 2016

4.2%

Compound annual growth rate

0.8%

Figure 12 - Total annual fee income (USD billion)



Total growth 2011 - 2016

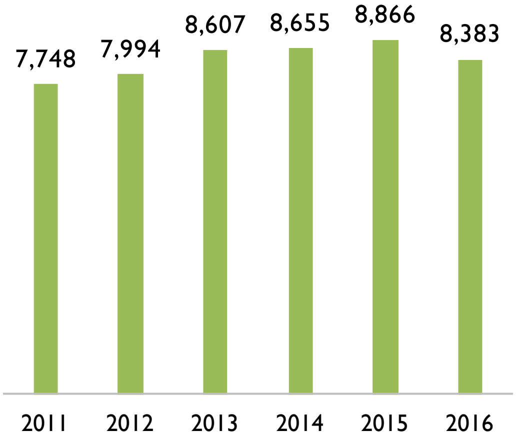
47.2%

Compound annual growth rate

8%

5.4 Asia

Figure 13 - Average tuition fees at international schools (USD)



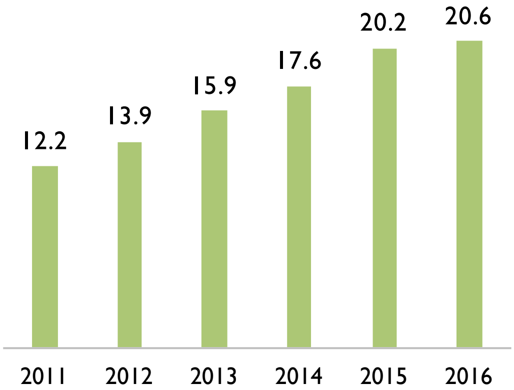
Total growth
2011 - 2016

8.2%

Compound annual growth rate

1.6%

Figure 14 - Total annual fee income (USD billion)



Total growth
2011 - 2016

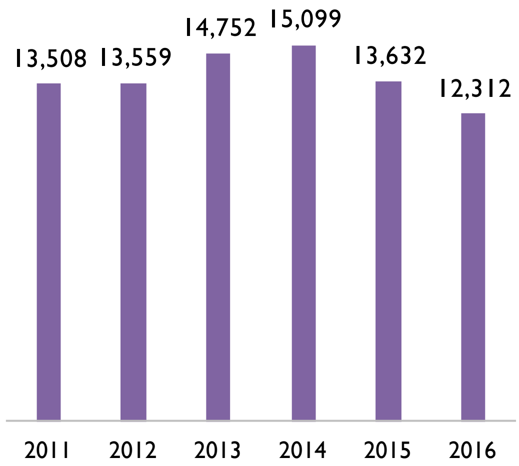
68.9%

Compound annual growth rate

11.1%

5.5 Europe

Figure 15 - Average tuition fees at international schools (USD)



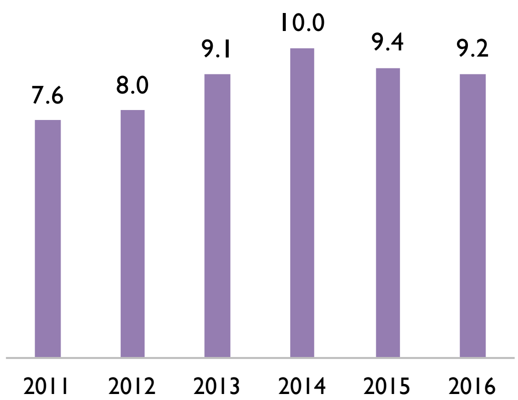
Total growth
2011 - 2016

-8.9%

Compound annual growth rate

-1.8%

Figure 16 - Total annual fee income (USD billion)



Total growth
2011 - 2016

21.1%

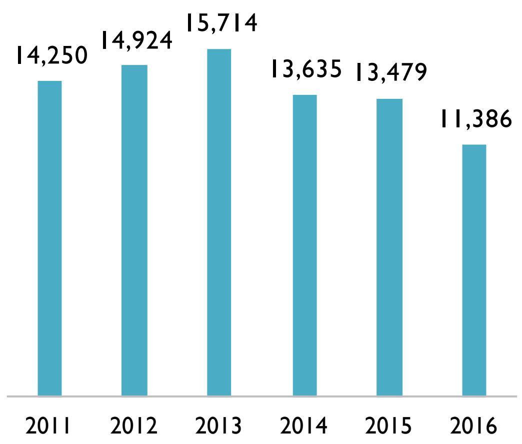
Compound annual growth rate

3.9%

Note: The apparent fluctuations in average annual tuition fees can be largely explained by the exchange rate between the Euro and US Dollar.

5.6 Oceania

Figure 17 - Average tuition fees at international schools (USD)



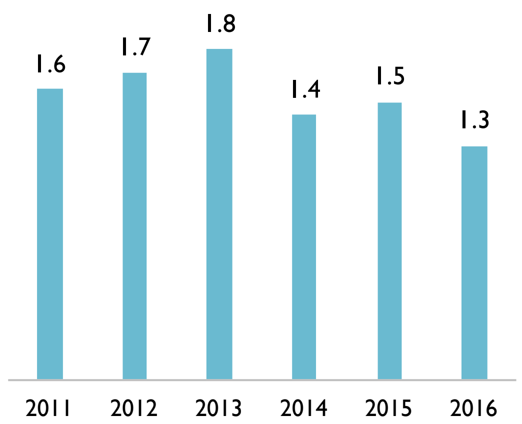
Total growth
2011 - 2016

-20.1%

Compound annual growth rate

-4.4%

Figure 18 - Total annual fee income (USD billion)



Total growth
2011 - 2016

-18.8%

Compound annual growth rate

-4.1%

5.7 Summary

Table 21 - Summary of international school fees

	Average annual tuition fee (USD)	Compound annual growth 2011 - 2016	Total annual fee income (USD)	Compound annual growth, 2011 - 2016
Global	**9,330**	**-0.1%**	**38.8 million**	**7.8%**
Africa	7,534	1.5%	2.4 billion	8.5%
Americas	10,214	0.8%	5.3 billion	8%
Asia	8,383	1.6%	20.6 billion	11%
Europe	12,312	-1.8%	9.2 billion	3.9%
Oceania	11,386	-4.4%	1.3 billion	-4.1%

6 Teaching staff

Recruitment Issues

Salaries & Benefits

Staff Nationalities at International Schools Worldwide and in the Regions

6

6.1 Recruitment Issues

Most teachers gain teaching qualifications in their countries of birth and they remain in these countries for the rest of their lives, teaching national curricula in the national language at local schools. English-medium schools in non-English speaking countries require teachers of a different type. They need to recruit teachers whose first language is English, who have experience of teaching globally recognised curricula (e.g. UK, US or IB curricula) and who are willing to move away from their home countries.

There are not enough top quality teachers who meet these criteria, and schools compete to recruit the best ones. Some schools offer salaries which are higher than teachers could earn in their home countries. Many also offer a range of benefits in addition to the basic salary, including:

- medical insurance,
- free or subsidised housing,
- free or subsidised flights to and from teachers' countries of origin,
- free or subsidised tuition for dependents,
- an annual bonus,
- relocation allowance,
- professional development allowance,
- pension contributions.

Other important factors that may attract teaching staff to some countries include favourable tax arrangements and the quality of life available in those countries.

Competition among schools for teachers continues to push up the value of salaries and benefits on offer. The best teachers can often negotiate higher salaries and/or a better range of benefits than originally offered. Remuneration for teaching staff typically accounts for 70% - 75% of the operational costs of an international school. A substantial increase in these costs cannot simply be absorbed by cutting other budgets, so the inevitable consequence of the shortage of top quality teaching staff at international schools is that tuition fees have to be increased.

Government regulation can hinder the recruitment of expatriate staff. Regulatory barriers include high qualification specifications, work permit requirements, taxation on expatriate salaries and legislation which is designed to protect the domestic labour market (e.g. by limiting the proportion of expatriate staff that schools are allowed to employ). In Indonesia, for example, at least 50% of a school's staff must be Indonesian and schools must demonstrate that they cannot find an Indonesian national with the required skillset before a work permit is approved. Some countries also require teachers to have a minimum number of years of teaching experience.

Many top schools promote themselves on the basis that they have a large proportion of teachers from English speaking countries, and there is strong demand for places at most of these schools. Teaching staff who speak English as their first language often account for at least 50% of full time teaching staff at premium international schools and are therefore in high demand. The top schools may lose their premium status if they fail to maintain a high proportion of teaching staff whose first language is English. These schools therefore have little choice in this matter; they must pay enough to recruit and retain the right teachers, which means that they must charge tuition fees that are high enough to cover their high staff costs.

6.2 Salaries & Benefits

Salaries paid to teaching staff at international schools vary widely within countries and between countries. Teachers at small kindergarten or infant schools tend to earn less (in some cases, as low as a third of the salary) than teachers at international schools within the same country. The average salary in Qatar is half of the average salary in the UK but twice that in the Dominican Republic. There are also wide differences between the salaries of staff at schools offering different curricula. In some countries, teachers at UK curriculum schools may earn 20% less (on average) than those at IB curriculum schools, but in other countries this difference may be reversed. Comparing average salaries between the world's five regions would therefore serve no function because no meaningful conclusions could be drawn.

In addition to their salaries, staff at international schools can usually expect a package of benefits. These include accommodation, bonuses, flights (to and from their country of origin), medical insurance, pension contributions and subsidised or discounted tuition fees for dependents. There are schools that do not offer these benefits and instead pay higher salaries.

The table below shows the percentages of a sample of international schools that offer certain benefits to their staff.

Table 22 - Benefits offered at international schools

Medical Insurance	Flights	Tuition	Housing	Bonus	Pension
95%	91%	95%	82%	74%	46%
of					
1,393	1,338	1,119	1,098	873	1192
schools					

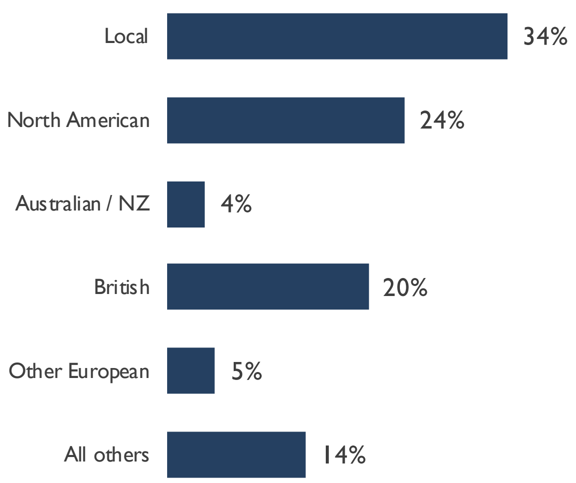
6.3 Staff Nationalities at International Schools

Staff nationalities throughout the world and in the regions of Africa, the Americas, Asia and Europe are shown in Figures 19 - 23. ISC does not collect staff nationality data for schools in Oceania.

The following five tables show information obtained during surveys of international schools conducted by ISC during the 2015/16 academic year and do not include local staff working in their countries of origin. In general, there are many more local teaching staff at non-premium schools than at premium schools.

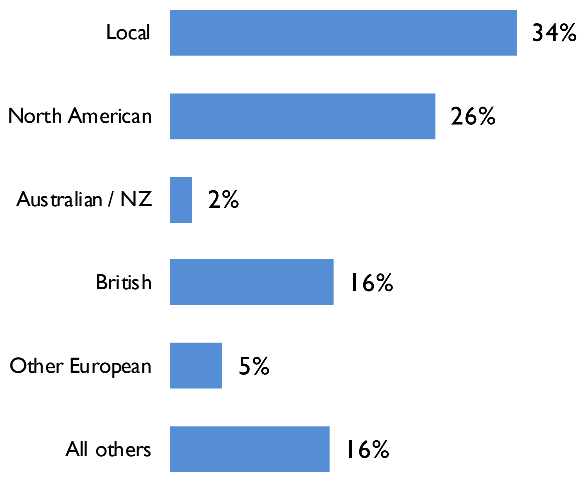
Some of the numbers in the graphs below add up to 99% or 101% as a result of numbers being rounded.

Figure 19 - Staff nationalities at international schools worldwide



The graph above represents the nationality of 89,322 full time teaching staff at 1,150 schools in 130 countries.

Figure 20 - Staff nationalities at schools in Africa



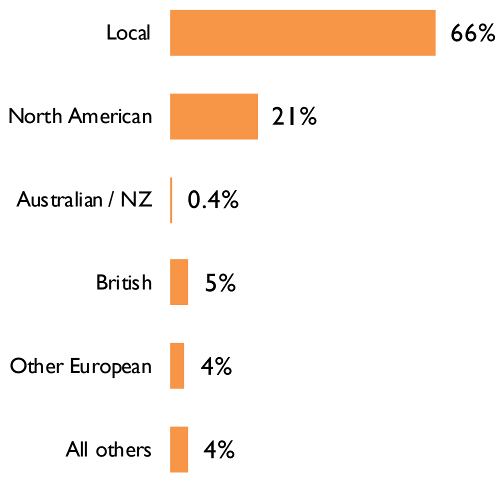
Sample:

4,789 teaching staff

86 school campuses

35 countries

Figure 21 - Staff nationalities at schools in the Americas



Sample:

17,340 teaching staff

204 school campuses

28 countries

Figure 22 - Staff nationalities at schools in Asia

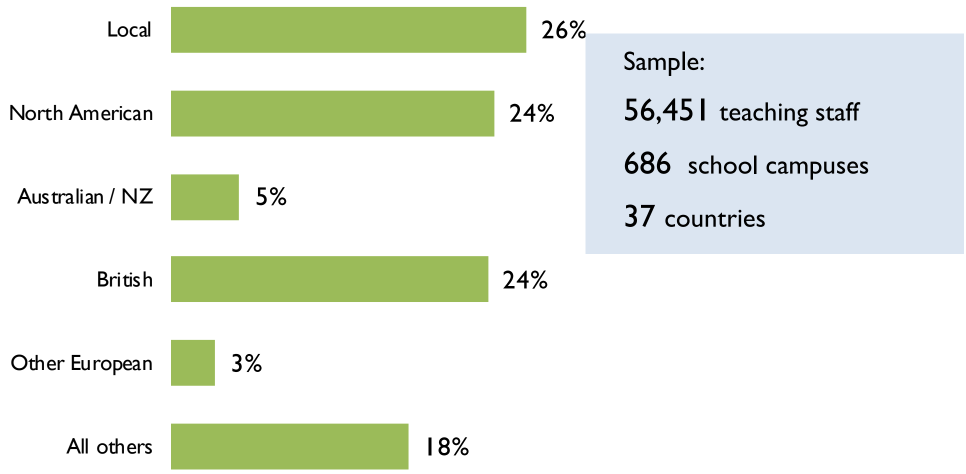
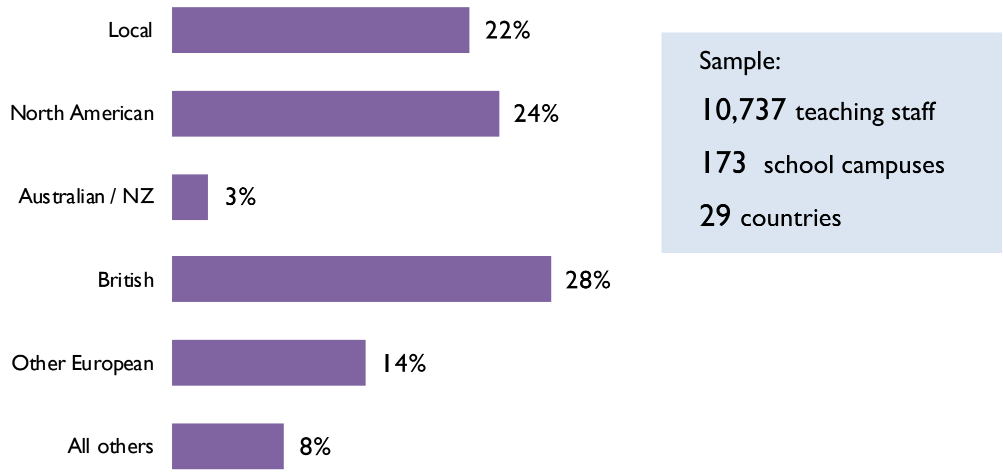


Figure 23 - Staff nationalities at schools in Europe



7 Student Nationalities

Student Nationalities at International Schools

The Global Picture and in the Regions:

- Africa
- The Americas
- Asia
- Europe

7

7.1 The Global Picture

Student Nationalities at International Schools

The combination of student nationalities at international schools is dependent upon several factors, including the size and make-up of the expatriate population, the curricula offered at individual schools and government legislation regarding the enrolment of local students.

The main source of demand for international education varies sharply between individual countries. In Singapore, for example, government policy prohibits Singaporean nationals from attending international schools at primary level. As a result, the demand for places at international schools in Singapore comes almost entirely from expatriates. By contrast, the Thai government places no limit on the enrolment of local students at international schools, and Thai students outnumber expatriate students at most international schools in Thailand.

In recent years, there has been an increasing demand from local families for English-medium education. This has been caused by the increasing wealth of local families coupled with high aspirations for their children's education. Many governments have embraced the concept of international education and have introduced policies which encourage or facilitate the enrolment of local children at international schools. Nevertheless, expatriate communities continue to represent an important source of demand for places at English-medium international schools in many countries.

This section illustrates the most prevalent student nationalities at a selection of international schools throughout the world, excluding Oceania. The following ten graphs show information obtained during surveys of international schools conducted by ISC during the 2014/15 academic year. Most of the schools surveyed by ISC are premium schools. The combination of student nationalities at premium schools does not necessarily represent the nationality combination at all schools because, in general, expatriate students are more likely to attend premium schools than non-premium schools.

The data presented on the following page (Figures 24 and 25) show the top 10 local and expatriate student nationalities at international schools worldwide. Figure 24 shows data for students studying in their home countries whereas Figure 25 shows data for students studying outside their home countries (i.e. expatriate students). Figures 26 - 33 show comparable student nationality data for four regions: Africa, the Americas, Asia and Europe. ISC does not collect student nationality data in Oceania.

Methodology

ISC examined the top three student nationalities at 1,825 international schools in 180 countries. The analysis of the top 3 nationalities covers 924,517 students, 21% of the total enrolment at these schools.

333,800 students attend international schools outside their country of citizenship.

592,700 students are enrolled at internationals schools inside their country of citizenship.

Figure 24 - Top expatriate student nationalties studying at international schools

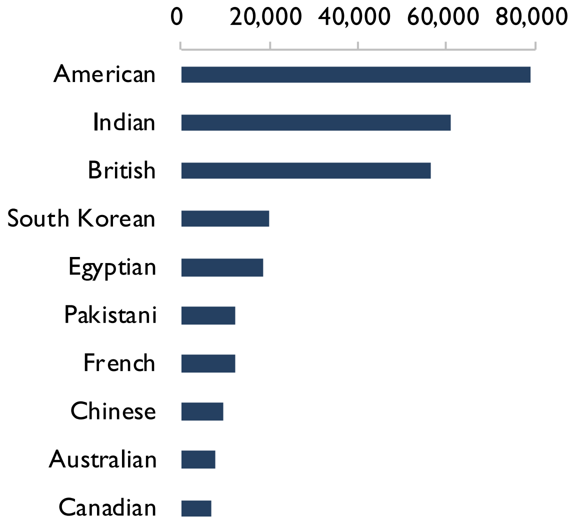
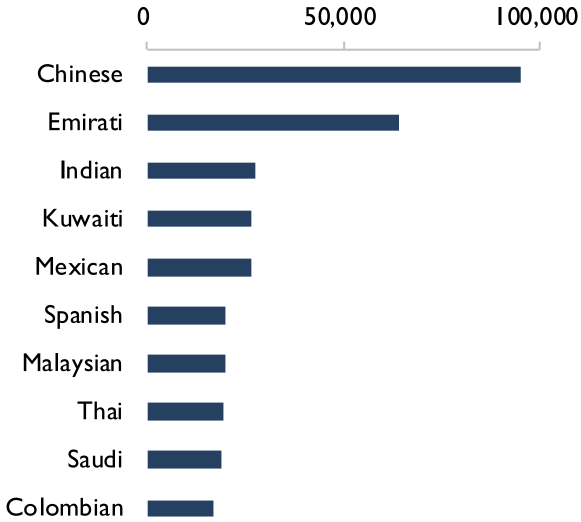


Figure 25 - Top local student nationalties studying at international schools



Sample:

1,825 international school campuses

926,575 students (21% of total enrolment at these schools)

180 countries

7.2 Africa

Figure 26 - Expatriate student nationalities at international schools in Africa

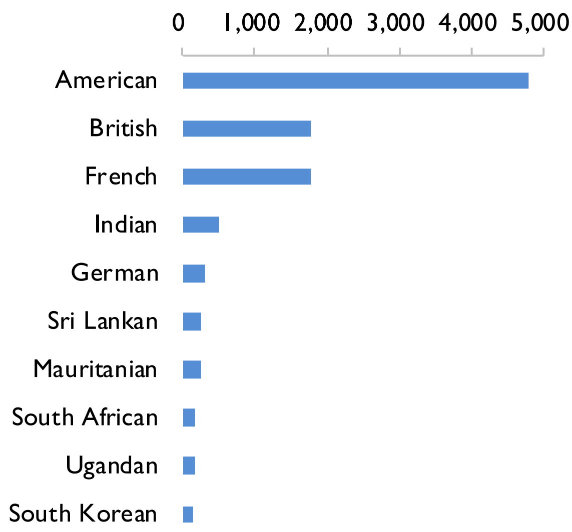
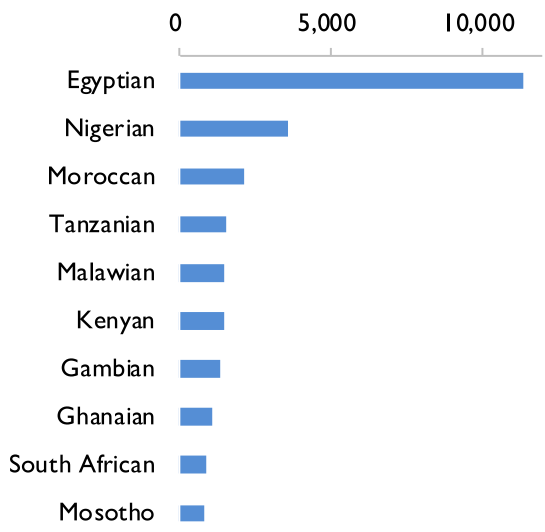


Figure 27 - Local student nationalities at international schools in Africa



Sample:

39,764 students (12% of total enrolment at these schools)

129 international school campuses

47 countries

7.3 The Americas

Figure 28 - Expatriate student nationalities at international schools in the Americas

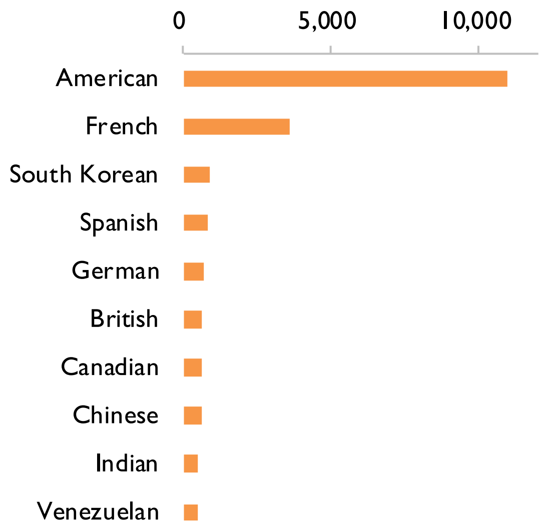
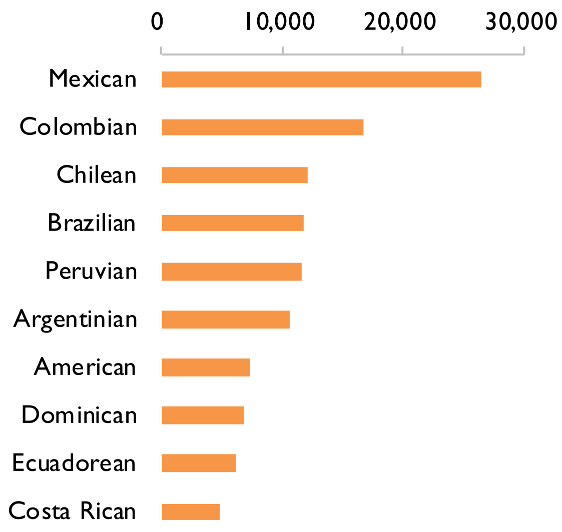


Figure 29 - Local student nationalities at international schools in the Americas



Sample:

153,533 students (29% of total enrolment at these schools)

244 international school campuses

43 countries

7.4 Asia

Figure 30 - Expatriate student nationalities at international schools in Asia

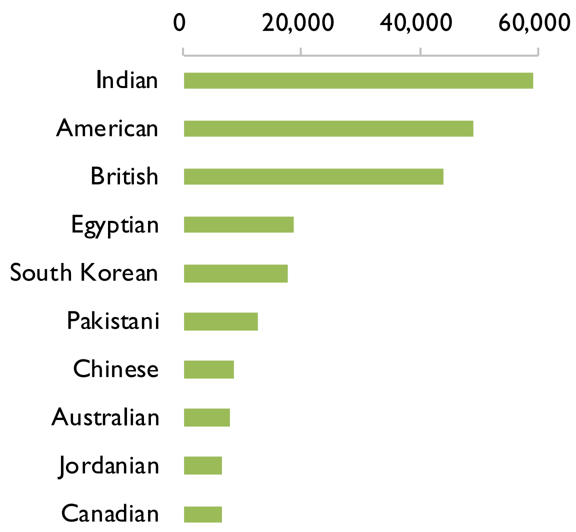
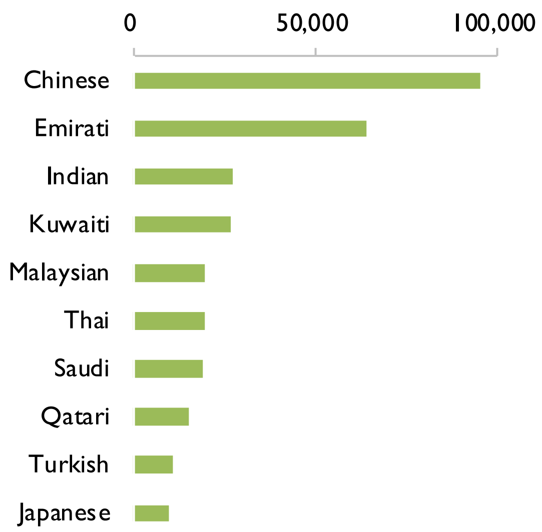


Figure 31 - Local student nationalities at international schools in Asia



Sample:

640,002 students (25% of total enrolment at these schools)

1,195 international school campuses

49 countries

7.5 Europe

Figure 32 - Expatriate student nationalities at international schools in Europe

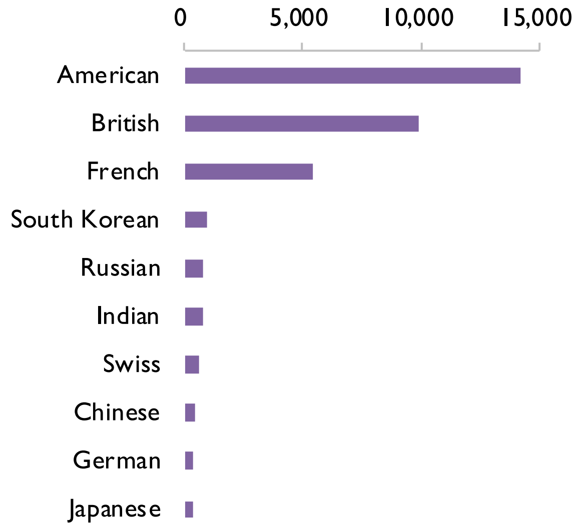
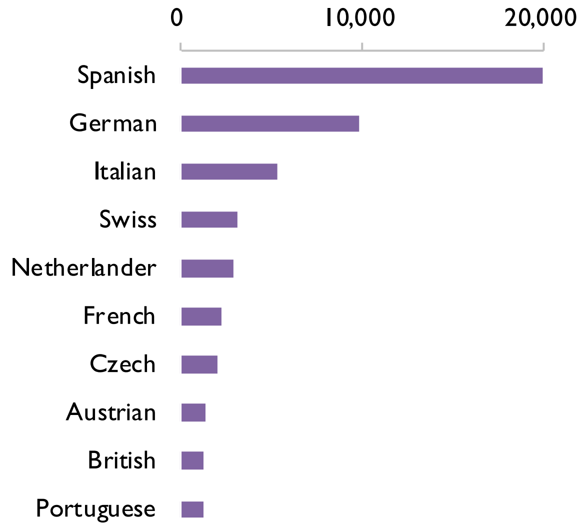


Figure 33 - Local student nationalities at international schools in Europe



Sample:

91,218 students (12% of total enrolment at these schools)

257 international school campuses

41 countries

8 Curricula at International Schools

The Most Prevalent Curricula - Globally and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

Review of Key Curricula and Programmes:

- UK Curricula
- US Curricula
- IB Programmes
- Bilingual Programmes
- Montessori Method
- Indian National Curriculum
- Cambridge Primary and Secondary
- International Primary Curriculum
- Canadian Curricula

Summary

8

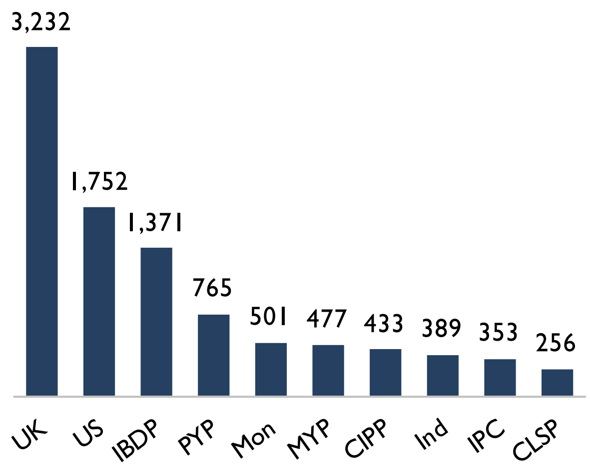
Abbreviations used in Section 8

AICE	Advanced International Certificate of Education
Aus	Australian National Curriculum
BI	Bilingual
CAM-A	Cambridge Advanced
Can	Canadian National Curriculum
CAM-P	Cambridge Primary
CAM-S	Cambridge Secondary
EP	European Platform
FR	French National Curriculum
IBDP	International Baccalaureate Diploma Programme
Ind	Indian National Curriculum
IPC	International Primary Curriculum
Mon	Montessori Method
MYP	International Baccalaureate Middle Years Programme
NZ	New Zealand National Curriculum
PYP	International Baccalaureate Primary Years Programme
REGGIO	Reggio Emilia Approach
SING	Singaporean National Curriculum
UK	UK National Curriculum
US	US National Curriculum

8.1 The Global Picture

The graphs below show the ten most prevalent curricula taught at international schools throughout the world (Figure 34) and the ten curricula which have shown the fastest growth in the numbers of schools offering these curricula (Figure 35). Note that many schools offer more than one curriculum. Graphs in Sections 8.2 - 8.6 show comparable data for each of the world's five regions.

Figure 34 - The ten most widely taught curricula worldwide



Most prevalent curriculum

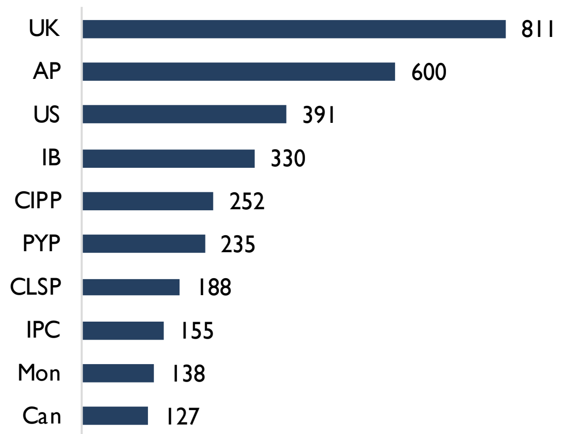
UK

offered by

39.1%

of schools

Figure 35 - Growth of curricula worldwide, 2011 – 2016

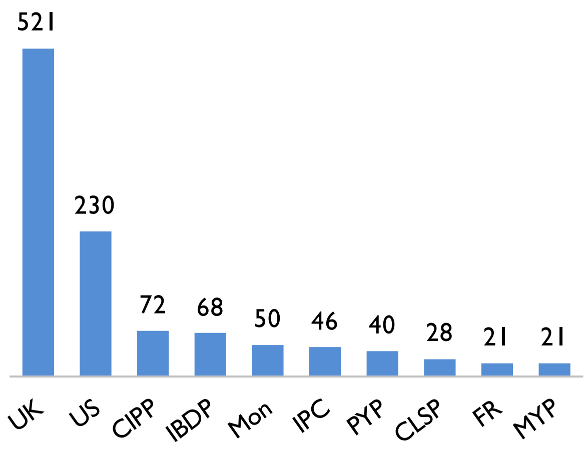


Curriculum with highest absolute growth

UK

8.2 Africa

Figure 36 - The ten most widely taught curricula in Africa



Most prevalent curriculum

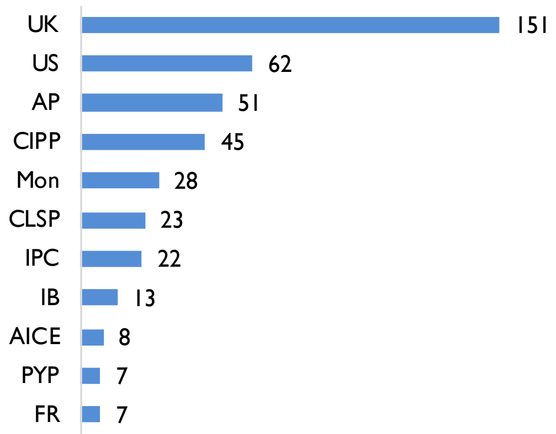
UK

offered by

66%

of schools in Africa

Figure 37 - Growth of curricula in Africa, 2011 - 2016

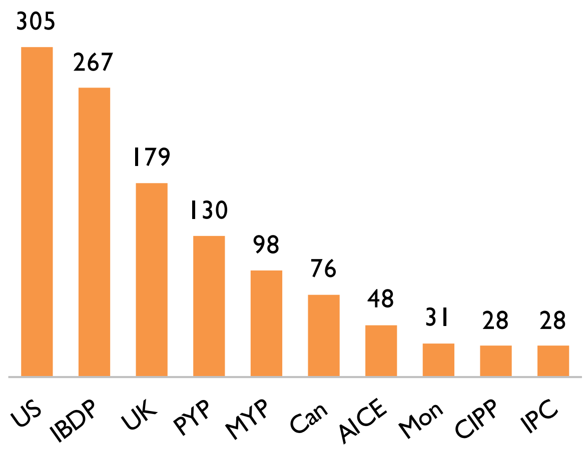


Curriculum with highest absolute growth

UK

8.3 The Americas

Figure 38 - The ten most widely taught curricula in the Americas



Most prevalent curriculum

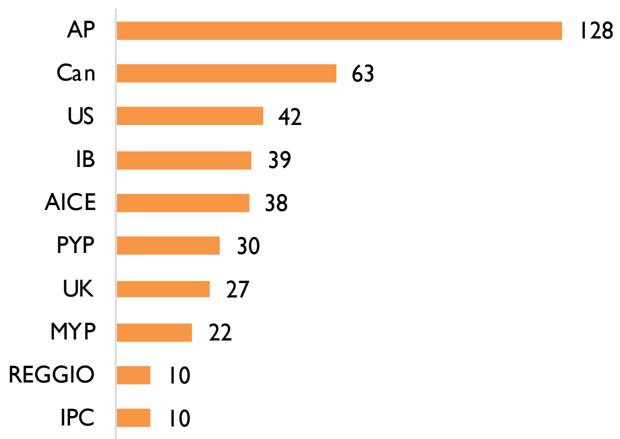
US

offered by

27%

of schools in the Americas

Figure 39 - Growth of curricula in the Americas, 2011 - 2016

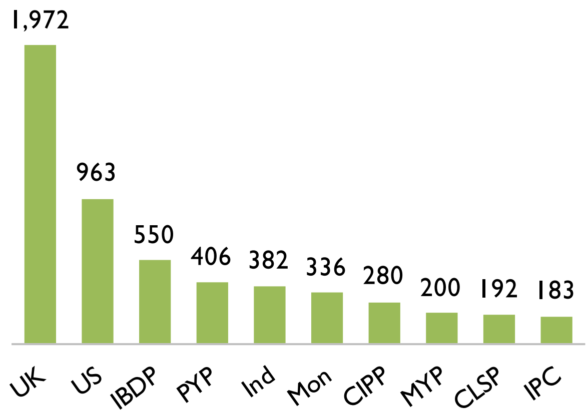


Curriculum with highest absolute growth

AP

8.4 Asia

Figure 40 - The ten most widely taught curricula in Asia



Most prevalent curriculum

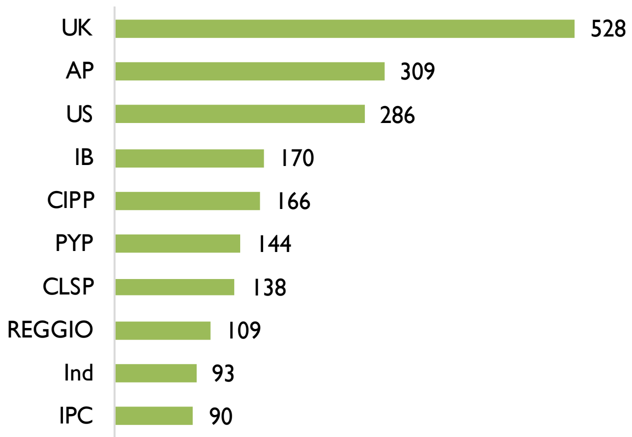
UK

offered by

44%

of schools in Asia

Figure 41 - Growth of curricula in Asia, 2011 - 2016

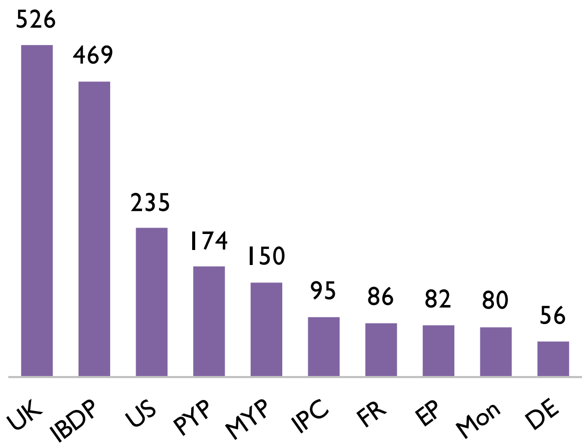


Curriculum with highest absolute growth

UK

8.5 Europe

Figure 42 - The ten most widely taught curricula in Europe



Most prevalent curricula

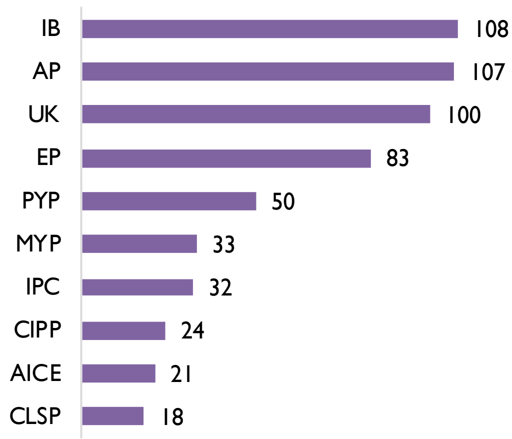
UK

Offered by

30%

of schools in Europe

Figure 43 - Growth of curricula in Europe, 2011 - 2016

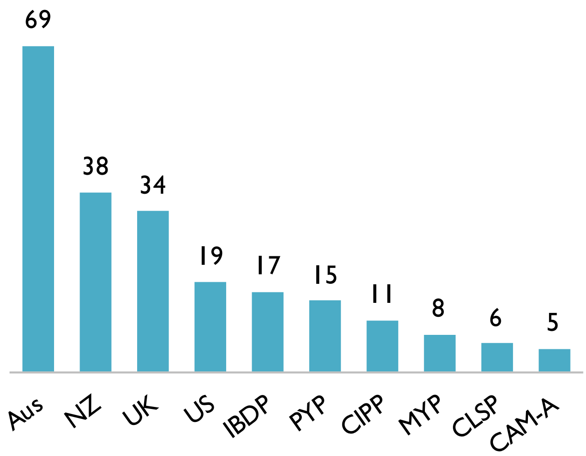


Curricula with highest absolute growth

IB

8.6 Oceania

Figure 44 - The ten most widely taught curricula in Oceania



Most prevalent curriculum

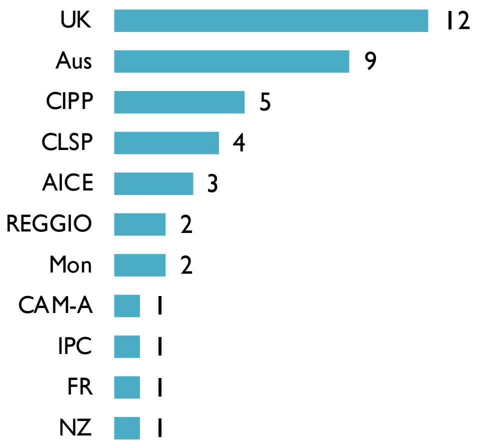
Aus

Offered by

46%

of schools in Oceania

Figure 45 - Growth of curricula in Oceania, 2011 - 2016

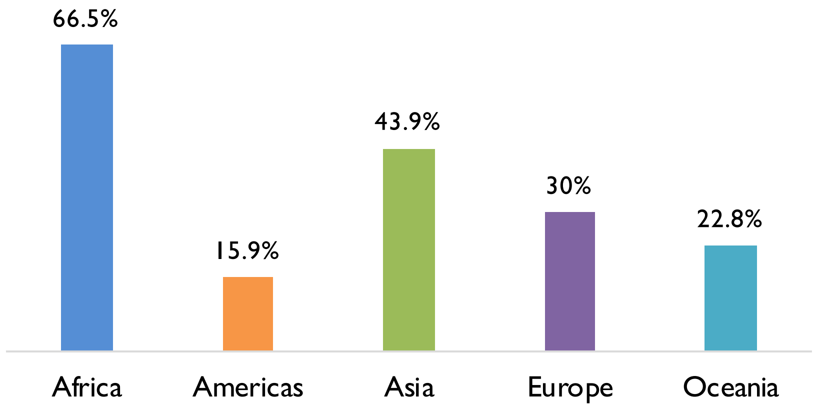


Curriculum with highest absolute growth

UK

8.7 UK Curricula

Figure 46 - Proportion of international schools offering UK-based curricula



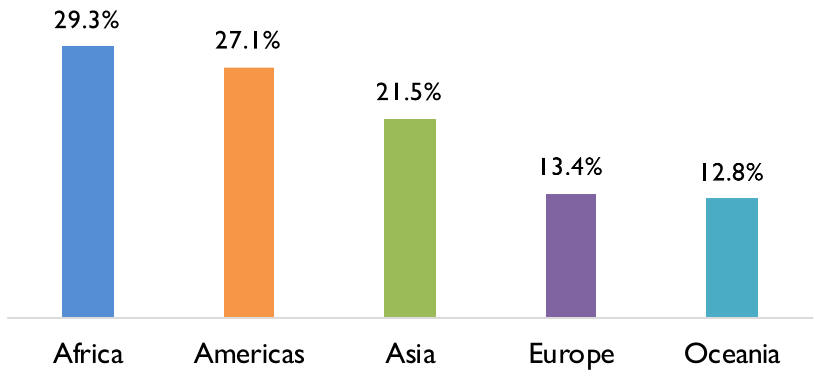
39.1% of the world's international schools (3,232) offer UK-based curricula, more than any other curriculum. In practice, international schools offering a UK curriculum almost invariably teach the National Curriculum in England (NCE; often referred to as the English National Curriculum).

The NCE is highly regarded and sought after throughout the world. It is especially prevalent in countries which have strong historical connections with the UK but whose national curricula do not have the same high status as the NCE.

UK curricula were offered by 811 more schools in January 2016 than in January 2011, an increase of 33.7% in five years. In terms of absolute numbers, this is the highest growth of any curriculum.

8.8 US Curricula

Figure 47 - Proportion of international schools offering US-based curricula



21.2% of the world's international schools (1,752) offer US-based curricula. In the US there is no standard national curriculum, though most states adhere to the Common Core State Standards Initiative (only Alaska, Indiana, Nebraska, Oklahoma, South Carolina, and Texas have not adopted the initiative at state level) . The US government provides funding and sets the national standards for schools; however, authority over state school education in the US rests primarily with the individual state departments of education. US curricula vary considerably from state to state.

If an international school wants to offer a US curriculum, it must meet the standards set by the US government. These standards ensure that the core curriculum prepares students to enter schools, colleges and universities in the US. Two major suppliers of American-designed education programmes for international schools are the College Board and ACT Inc.

8.9 International Baccalaureate Programmes

IB Curriculum	Schools
IBDP	1,317
MYP	477
PYP	765

The International Baccalaureate Organisation (IBO) is a not-for-profit organisation that has emerged as a global leader in international curricula over the past few decades. It has developed the International Baccalaureate Career-related Programme (IBCP), the International Baccalaureate Diploma Programme (IBDP), the Middle Years Programme (MYP) and the Primary Years Programme (PYP).

16.6% (1,317) of the world's international schools offer the IBDP, although this figure rises to 29% if only those schools with a sixth form section (age 16 - 18) are counted.

As a general rule, schools that only offer the IBDP in English speaking countries are not covered in this report.

The IBDP is the flagship curriculum offered by the IBO. When the IBO was first established, only private international schools offered the IBDP. However, in recent years, the IBDP has been adopted by a wider range of schools and now over half of the schools offering this programme are state/public schools.

The number of schools offering the IBDP has grown by 330 schools (an increase of 31%) since January 2011. In percentage terms, this is marginally lower than was seen among UK curriculum schools and slightly more than was seen over the same period for US curriculum schools.

The PYP and MYP have also experienced strong growth. The number of international schools offering the PYP has grown by 235 (an increase of 45%) since January 2011. The number offering the MYP has increased by 99 (an increase of 26%) over the same period.

The IBCP curriculum is still in its infancy and is currently offered by only 24 international schools worldwide.

Figure 48 - Proportion of international schools offering the IBDP

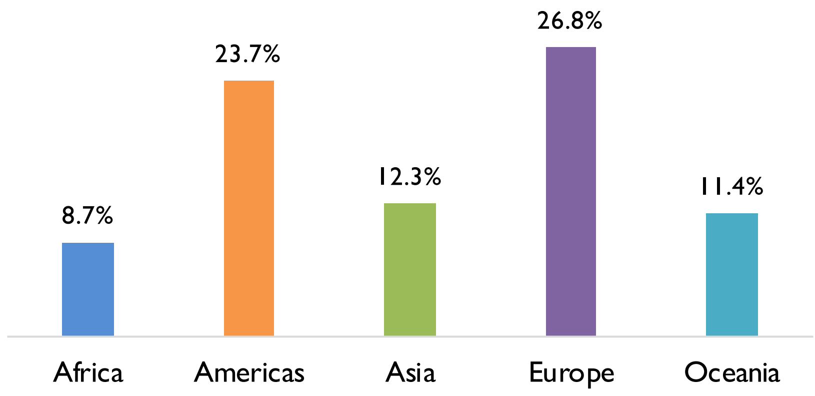


Figure 49 - Proportion of international schools offering the MYP

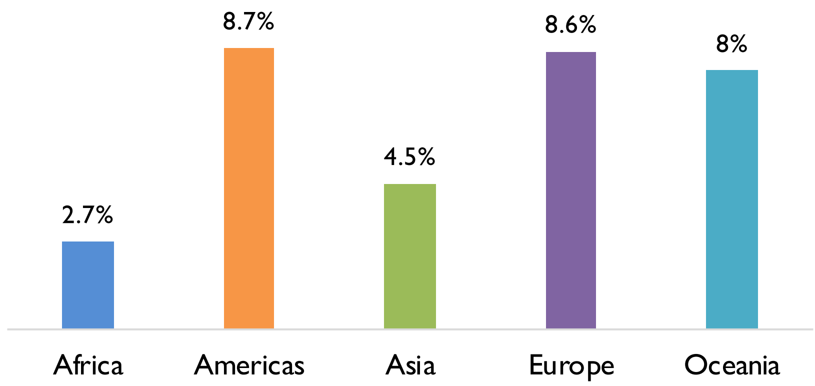
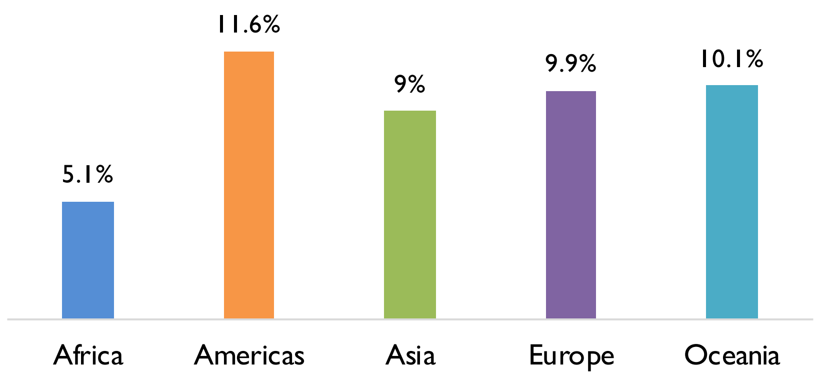
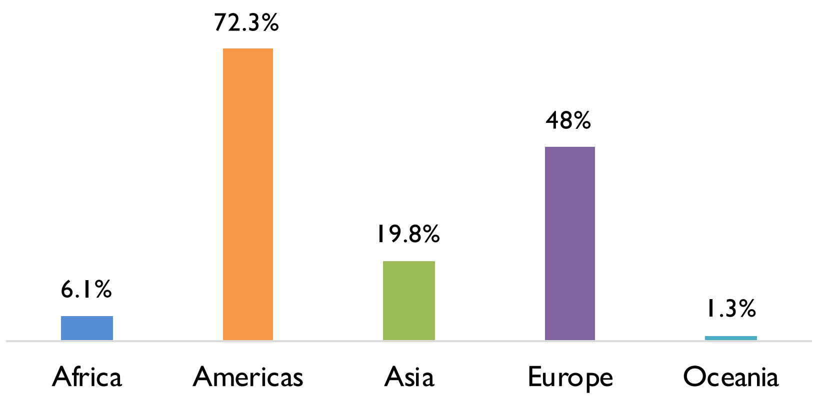


Figure 50 - Proportion of international schools offering the PYP



8.10 Bilingual Programmes

Figure 51 - Proportion of international schools offering bilingual programmes

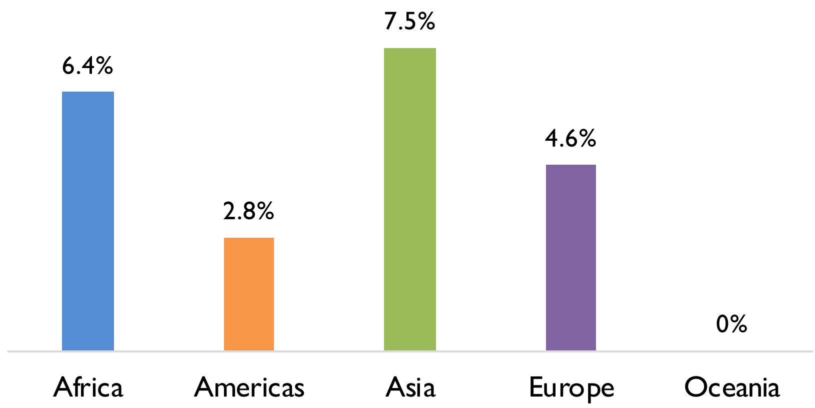


A bilingual programme involves teaching academic content in the national language and one or more secondary languages. For example, in The Netherlands, international schools that offer a bilingual programme use Dutch as the main language of instruction, accompanied by subjects taught in other European languages. For the purposes of this report, bilingual programmes are included only if one of the languages of tuition is English. Bilingual programmes can incorporate any curricula; and they very often include the national curriculum of the host country.

Bilingual programmes are taught at 2,594 international schools. The popularity of bilingual programmes is a result both of parental demand and of legislation which favours bilingual programmes.

8.11 Montessori Method

Figure 52 - Proportion of international schools offering the Montessori method

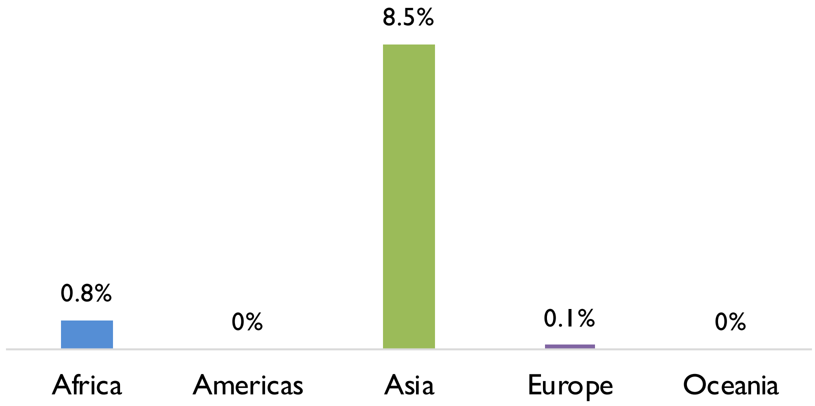


The Montessori method takes a non-traditional approach to education. Classrooms are mixed aged and the curriculum emphasises the child's natural psychological, physical and social development.

There are several organisations that develop the Montessori method, including the International Centre for Montessori Education (ICME) and the American Montessori Society (AMS). Such organisations are generally not-for-profit and supply the method to both public and private schools.

8.12 Indian National Curriculum

Figure 53 - Proportion of international schools offering the Indian national curriculum



The Indian national curriculum follows a national framework developed by the National Council of Educational Research and Training (NCERT). This is a publicly funded organisation that supports and advises on the implementation of the national curriculum framework. It is taught widely in the Middle East, particularly in Saudi Arabia and the UAE.

India is similar to the US in that individual states design and implement their own curricula. For entry into higher education, there are standardised tests that are similar to the SAT and ACT tests in the US. These are the All India Secondary School Certificate Examination (AISSE) and the All India Senior School Certificate Examination (AISSCE).

8.13 Cambridge Primary and Secondary

Figure 54 - Proportion of international schools offering Cambridge Primary

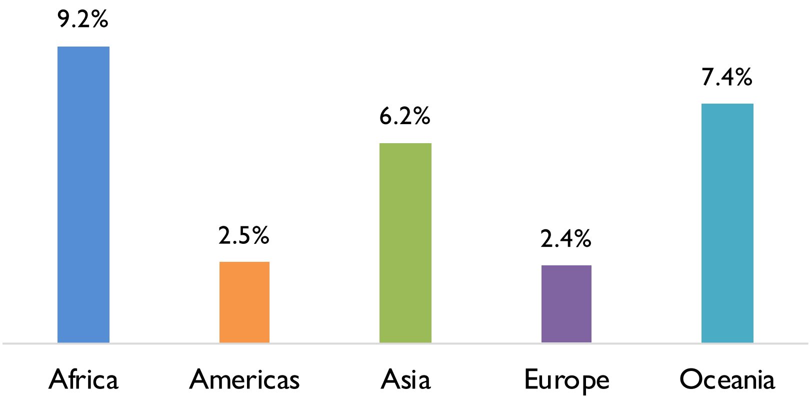
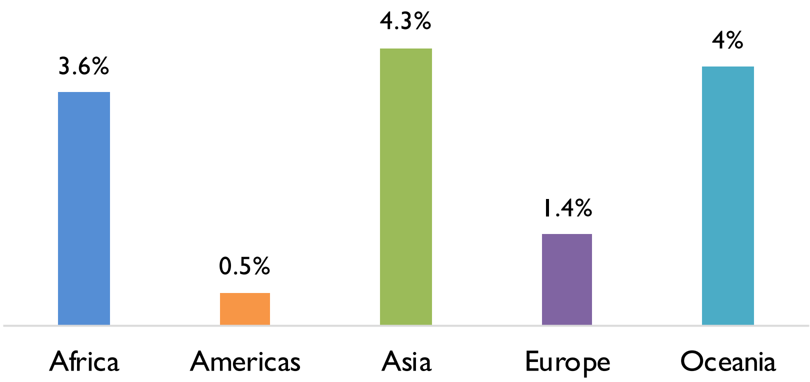


Figure 55 - Proportion of international schools offering Cambridge Secondary

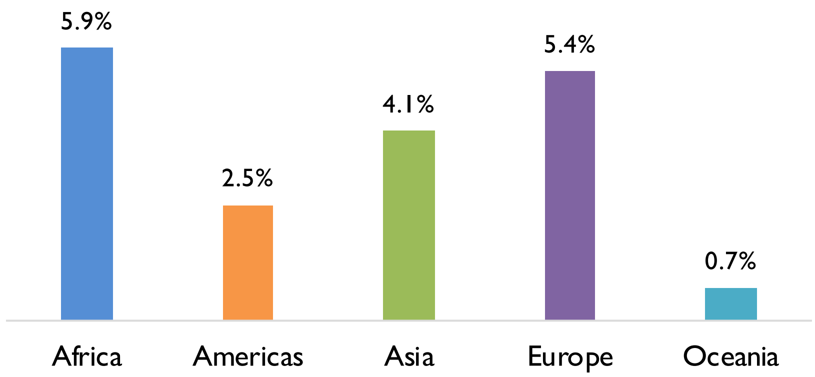


The figures above show the number of schools offering the Cambridge Primary and Secondary curricula, which are provided by Cambridge International Examinations (CIE), one of the largest providers of 5-19 year old educational programmes and qualifications. Both are emerging curricula developed by CIE.

CIE is a division of Cambridge Assessment, a department of the University of Cambridge. It is a UK-based, not-for-profit organisation that operates in all regions of the world. In specific markets, it works with governments to provide national examinations and/or develop and introduce new education systems. The organisation is recognised by the Office of Qualifications and Examinations Regulation (OFQUAL) in England. It is independent of the UK government. As a result, CIE is unaffected by the 2015 reforms to UK GCSEs.

8.14 International Primary Curriculum

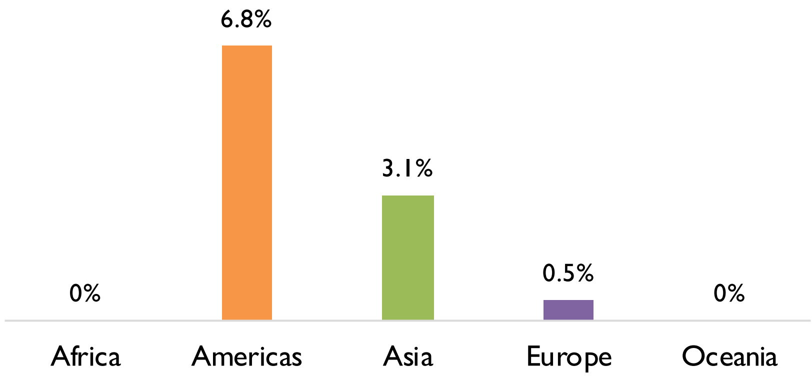
Figure 56 - Proportion of international schools offering the IPC



The International Primary Curriculum, created by Fieldwork Education, initially in collaboration with Shell, is a programme that emerged in the mid-1990s and has become popular among international schools. Fieldwork also developed the International Middle Years Curriculum.

8.15 Canadian Curricula

Figure 57 - Proportion of international schools offering Canadian curricula



In Canada there is no federal department of education or integrated national system. Each jurisdiction (10 provinces and 3 territories) has a department or Ministry of Education responsible for the administration and development of educational programmes. There are many similarities as well as differences between the jurisdictions.

Canada has performed consistently well in the Programme for International Student Assessment (PISA) rankings. In 2012 its average scores for Mathematics, Reading and Science were above those of the US and the UK. It is one of the top performing countries out of the 65 nations tested.

Maple Bear Global Schools Ltd is one of the major groups that offer Canadian curricula internationally. Details of this group can be found in Section 10.4.

8.16 Summary

3,232 schools offer a UK-based curriculum, many more than the number of schools offering any other curriculum. It is the most prevalent curriculum in Africa, Asia and Europe.

US-based curricula are the second most prevalent throughout the world, offered by 1,752 schools.

The International Baccalaureate Diploma Programme is the third most prevalent curriculum among international schools, offered by 1,371 schools. The IBO provides the IBCP and IBDP for senior students and the MYP and PYP for younger students. These curricula have experienced strong growth since their introduction in the 1990s.

Bilingual programmes provide tuition in two languages - usually the national language and (in order to be included in this report) English. They can incorporate any curricula, including the national curriculum of the host country. They are offered at 2,594 international schools, around 638 less than the number of schools offering UK-based curricula. A combination of government education policies and parental demand has increased the uptake of these programmes in the Americas, Asia and Europe. At current rates of growth, the number of schools offering bilingual programmes will exceed the number of schools offering UK curricula at international schools throughout the world within 10 years.

9 Examinations at International Schools

The Most Prevalent Examinations - The Global Picture and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

Review of Key Examinations:

- Cambridge International Examinations
- International Baccalaureate Diploma Programme
- American Examinations

Summary

9

Abbreviations used in Section 9

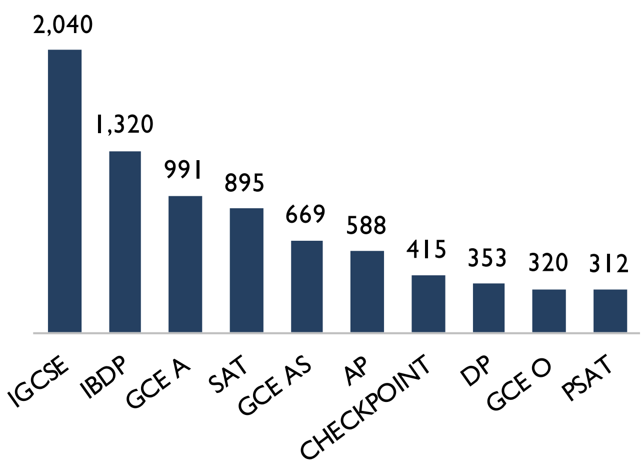
ACT	American College Testing
AICE	Advanced International Certificate of Education
AP	Advanced Placement
CHECKPOINT	Cambridge Checkpoint
DNB	Diplome National du Brevet
DP	Diploma Programme (US)
GCE A	General Certificate of Education - Advanced Level
GCE AS	General Certificate of Education - AS Level
GCE O	General Certificate of Education, O Level
GCSE	General Certificate of Secondary Education
IA-LEVEL	International GCE A-Level
IAS-LEVEL	International GCE AS-Level
IBDP	International Baccalaureate Diploma Programme
ICE	Cambridge International Certificate of Education
IGCSE	International General Certificate of Education
PSAT	Preliminary Scholastic Aptitude Test
SAT	Scholastic Aptitude Test
SATS (UK)	SATs - UK Curriculum tests

9.1 The Global Picture

ISC Research has identified the examinations that are most widely offered at international schools around the world. Abbreviations used in this section are explained in the abbreviations table on the page opposite.

Schools can offer more than one examination and therefore charts in the following sections illustrating the number of schools offering each examination, in the world and each region, may add up to more than the total number of schools in that region

Figure 58 - The ten most prevalent examinations worldwide



Most prevalent examination

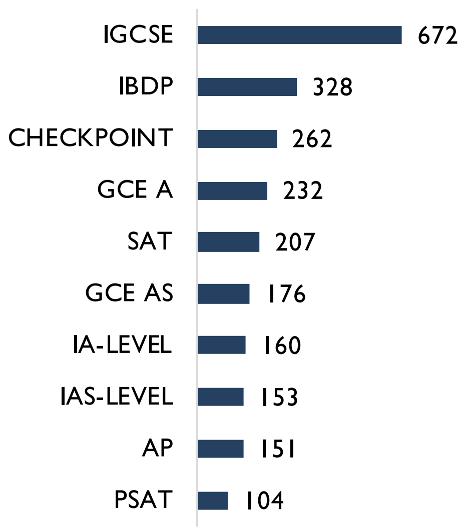
IGCSE

Offered by

25%

of schools

Figure 59 - Examination growth worldwide, 2011 - 2016

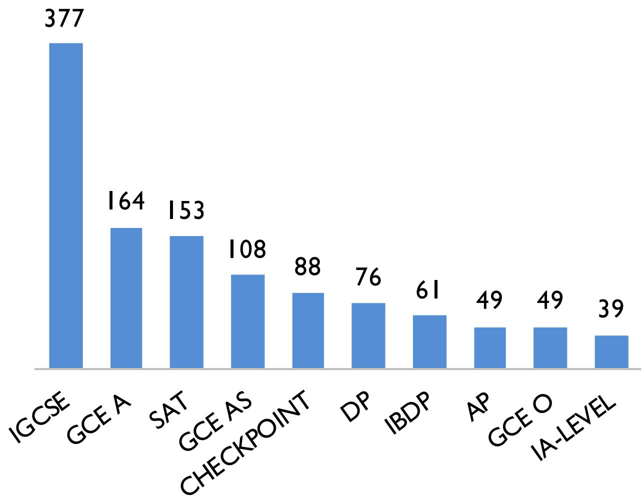


Examination with highest growth measured by number of schools

IGCSE

9.2 Africa

Figure 60 - Top 10 examinations in Africa



Most prevalent examination

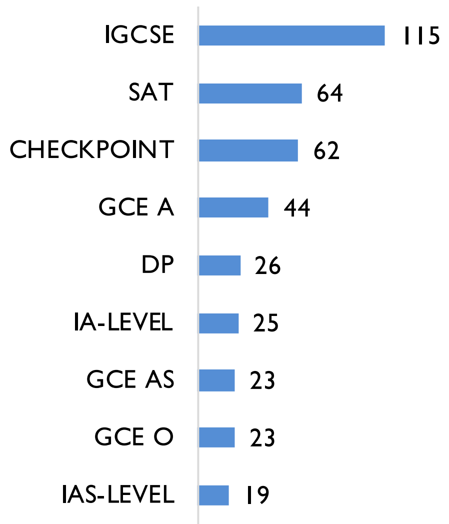
IGCSE

offered by

48%

of schools in Africa

Figure 61 - Examination growth in Africa, 2011 - 2016

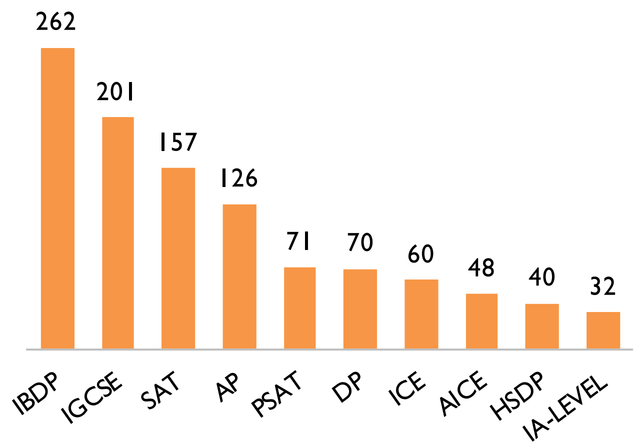


Examination with highest growth measured by number of schools

IGCSE

9.3 The Americas

Figure 62 - Top 10 examination in the Americas



Most prevalent examination

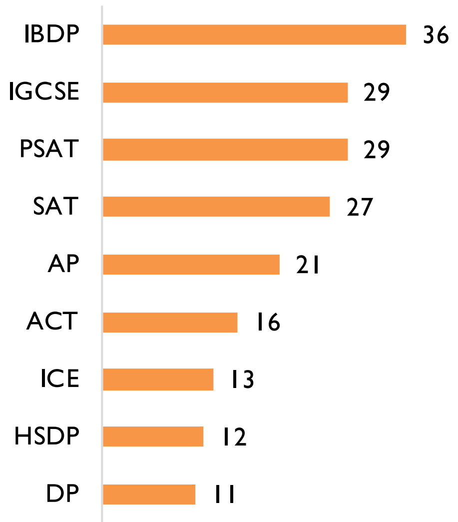
IBDP

offered by

23%

of schools in the Americas

Figure 63 - Examination growth in the Americas, 2011 - 2016

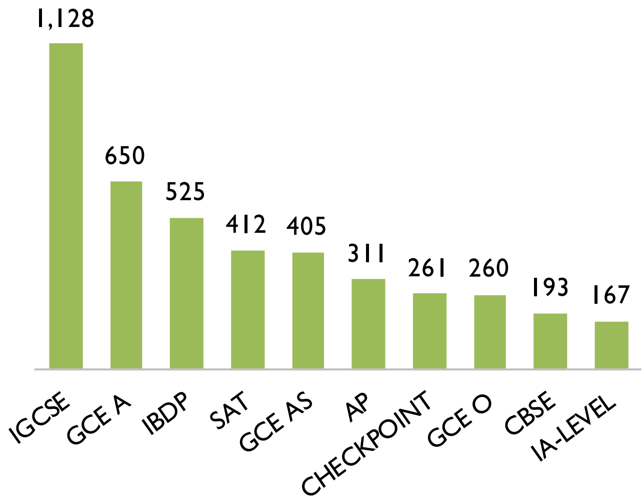


Examination with highest growth measured by number of schools

IBDP

9.4 Asia

Figure 64 - Schools offering each examination



Most prevalent examination

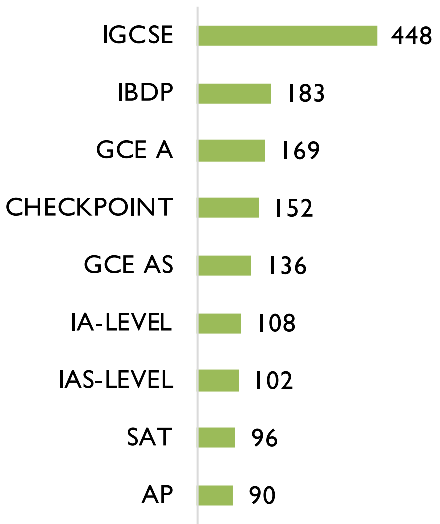
IGCSE

offered by

25%

of schools in Asia

Figure 65 - Examination growth in Asia, 2011 - 2016

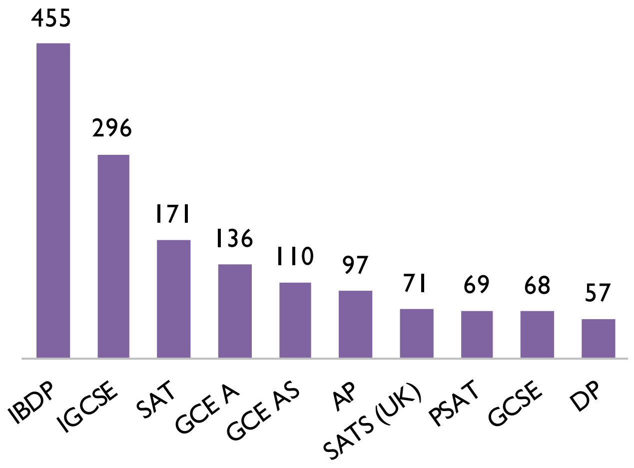


Examination with highest growth measured by number of schools

IGCSE

9.5 Europe

Figure 66 - Schools offering each examination



Most prevalent examination

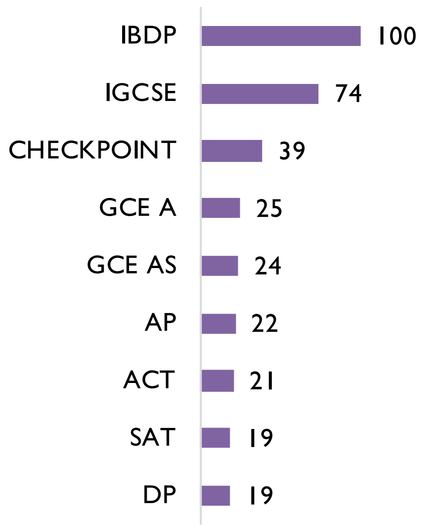
IBDP

offered by

26%

of schools in Europe

Figure 67 - Examination growth in Europe, 2011 - 2016

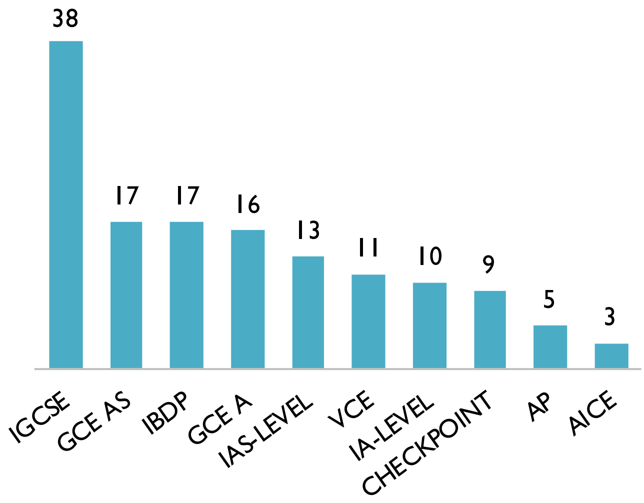


Examination with highest growth measured by number of schools

IBDP

9.6 Oceania

Figure 68 - Schools offering each examination



Most prevalent examination

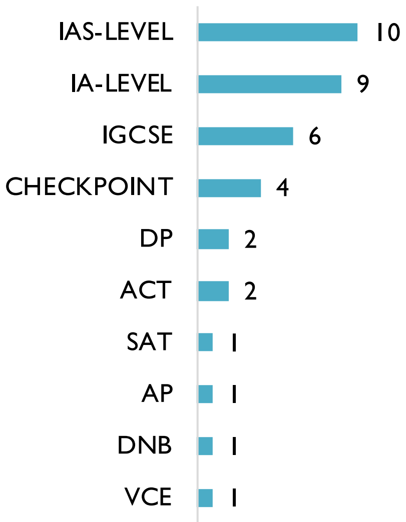
IGCSE

offered by

26%

of schools in Oceania

Figure 69 - Examination growth in Oceania, 2011 - 2016



Examination with highest absolute growth

IAS-LEVEL

9.7 Cambridge International Examinations

Figure 70 - Proportion of international schools offering the IGCSE examination

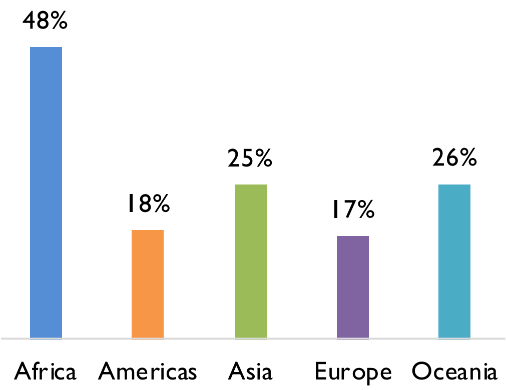
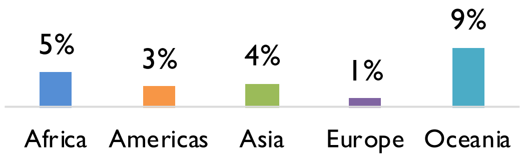


Figure 71 - Proportion of international schools offering the IA-level and/or IAS-Level examination



Three of the top ten examinations at international schools are provided by Cambridge International Examinations (CIE). These are IGCSE, GCE O, and Checkpoint.

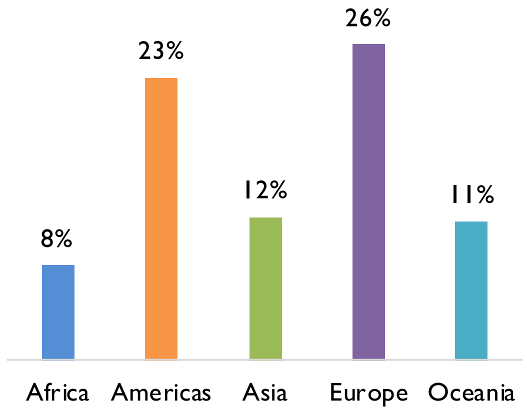
The IGCSE is the most widely offered examination at international schools throughout the world and in three regions: Africa, Asia and Oceania. It is the second most widely offered examination in Europe and the Americas. Although the IGCSE is also run by other examination boards, at least 80% of international schools that are on ISC's database and offer the IGCSE use CIE as their examination board.

CIE also offers International A-level (IA-Level) and International AS Level (IAS-Level). Although these do not feature in the top ten examinations in all regions, they are rapidly gaining in popularity.

CIE is well established and continues to build its brand recognition with both state-operated and private schools.

9.8 International Baccalaureate Diploma Programme

Figure 72 - Proportion of international schools that offer the IBDP examination



The International Baccalaureate Diploma Programme (IBDP) is the International Baccalaureate Organisation's flagship examination, and is offered in 1,371 schools worldwide.

9.9 American Examinations

Figure 73 - Proportion of international schools that offer the SAT examination

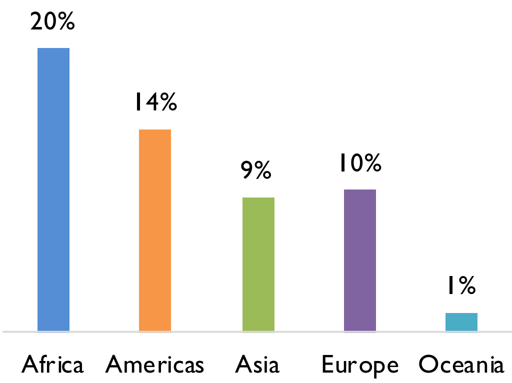
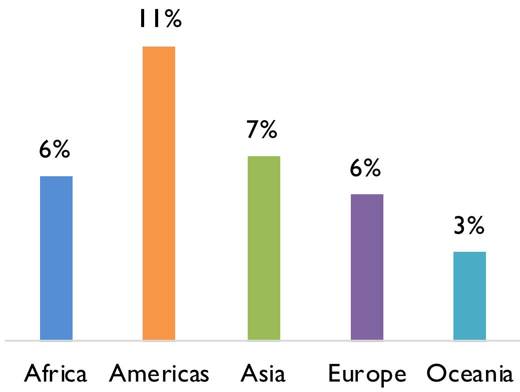


Figure 74 - Proportion of international schools that offer the AP examination



The College Board is a not-for-profit organisation formed in 1900 to increase access to higher education. It develops and oversees standardised tests (including AP, APID, SAT and PSAT) and curricula that are taught at schools with an age range within the 0-18 bracket and higher educational institutions.

ACT inc is a not-for-profit organisation founded in 1959 which provides research and assessments for college and career readiness in the United States and internationally. It provides the ACT (American College Training) test.

9.10 Summary

CIE is highly regarded among international schools. Its examinations are the most prevalent in the market, with few organisations able to challenge its position at the top of the industry. It provides three of the ten most prevalent examinations at the world's international schools.

The IGCSE examination is the most prevalent examination worldwide and is the top examination in three regions: Africa, Asia and Oceania.

The IBDP examination is the second most prevalent globally and is the most prevalent in the Americas and Europe.

Four of the top 10 examinations offered at international schools are American: SAT, AP, DP and PSAT.

10 School Ownership

Type of Business Entity

International School Groups Worldwide and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

10

10.1 Type of Business Entity

Several types of business entities are used as vehicles for ownership of international schools. The most common are listed below, split into for-profit and not-for-profit schools.

Table 23 - International school operational structures

For-Profit	Not-for-Profit
Sole Proprietorship	Foundation
Private Company	Charity
Corporation	Non-governmental Organisation
	State School
	Military School
	Church School

Most early international schools were set up as not-for-profit organisations. There are still many not-for-profit schools in the international education sector, typically operating as charities or foundations. However, the number of schools that are run for profit is increasing and now exceeds the number of not-for-profit schools.

Most for-profit schools are set up as companies or corporations, and are therefore owned by shareholders. Others are owned by individuals or partnerships.

Owners of not-for-profit schools (e.g. those which have been established for humanitarian or philanthropic reasons, such as United World Colleges and YMCA) invest profits into the further development of their schools.

Indonesian legislation makes it illegal to operate schools as profit-making entities. The Hong Kong government allocates land/premises for new international schools on the basis that they will be not-for-profit. Schools in several other countries (e.g. the UAE and Malaysia) can be operated on a for-profit basis. Many large school groups operate both for-profit and not-for-profit schools, allowing them to operate globally.

10.2 International School Groups Worldwide

A school campus can exist as a single entity or as part of a school group. The largest groups own many schools and have many thousands of students enrolled at their schools. In general, a school group will own the schools which are part of the group; however, a group may instead have a financial interest in schools by managing them or by providing key services to them without actually owning them.

The table below lists the largest international school groups, as measured by student enrolment. It should be noted that some groups own national schools in addition to international schools. The school and enrolment numbers in Table 24 (below) and in the regional breakdowns later in this section are for international schools only. The tables do not include non-international schools owned by these groups or the enrolment at these schools.

Table 24 - Top school groups in order of student enrolment

Group name	Schools	Students
GEMS - Global Educational Management Systems	60	113,175
Beaconhouse Group	141	70,133
The SABIS School Network	53	56,687
Indian Schools, Sultanate of Oman	19	35,572
Nord Anglia Education Ltd	44	28,879
The City School	175	27,428
Schola Europaea	14	24,583
New Indian Model School - Group of Institutions	5	19,103
Delhi Public School Society	16	16,261
ESF - English Schools Foundation	19	14,220
Internationella Engelska Skolan	28	14,177
Cognita	20	12,069
The Group of Asian International Education	10	11,252
Innova School	31	11,225
Weiming Education Group	8	9,560
Esol Education FZ LLC	9	9,491
Taaleem	12	9,226
Dutch International Schools	25	9,113
United World Colleges	15	9,012
Innoventure Education	13	7,791

The table above would look very different if it ranked the groups in order of the numbers of school campuses. The City School group would be at the top of the list, but the average enrolment at each of the group's 175 campuses is only 154 - less than 10% of the average enrolment at GEMS's 60 school campuses. Maple Bear Global Schools Ltd would be 3rd on the list with 63 school campuses; however, on average, each of its schools has fewer than 75 students and the group's total enrolment is far too low to appear in this table.

Table 25 (below) ranks school groups in order of total fee income. Groups whose schools charge high fees appear at higher positions in this table than in Table 24. The English Schools Foundation (ESF) provides a good example of this.

Table 25 - Top school groups in order of estimated annual tuition fee income

Group name	School campuses	Students	Fee income (USD millions)
GEMS - Global Educational Management Systems	60	113,175	826.7
The SABIS School Network	53	56,687	659.5
Nord Anglia Education Ltd	44	28,879	629.1
Schola Europaea	14	24,583	253.7
Beaconhouse Group	141	70,133	203.8
ESF - English Schools Foundation	19	14,220	176.5
The City School	175	27,428	80.5
Delhi Public School Society	16	16,261	59.7
Indian Schools, Sultanate of Oman	19	35,572	51.7
New Indian Model School - Group of Institutions	5	19,103	23.3

Brief descriptions of some of these groups are provided on the following two pages. Those groups which have a distinct national or regional focus are described after the regional group tables in Sections 10.3 - 10.7.

Global Education Management Systems Ltd (GEMS)

The first GEMS school, Our Own English High School, opened in Dubai in 1968 for local and expatriate students. GEMS is now the world's largest school group, ranked by enrolment, among international schools. GEMS operates as a for-profit organisation with schools in 11 countries, covering four of the world's five regions.

GEMS offers a range of internationally recognised curricula, including American, UK-based and Indian curricula and the International Baccalaureate Diploma Programme (IBDP), to the 0-18 age range. It also offers the national curriculum of the host country at some of its schools.

GEMS's major focus is in the United Arab Emirates, where it has 43 schools with 105,200 students. This is far greater than its presence in any other country. GEMS is the largest international school group in the UAE.

The SABIS School Network

In the late 19th century Reverend Tanios Saad and Ms. Louisa Proctor established the International School of Choueifat in Beirut, Lebanon, as the first SABIS School. It originally provided Lebanese girls with a basic education, but demand from Lebanese families soon expanded provision to all children. The company currently operates 53 schools in 16 countries across 4 regions.

SABIS educates the full 0-18 age range through the SABIS Educational System which has been developed for over 125 years. The backbone of the system is the SABIS curriculum which prepares students for higher education.

Nord Anglia Education Ltd

Nord Anglia Education was founded in 1972. It expanded substantially when it acquired the World Class Learning Group (WCL) in 2013.

The expanded group has 44 school campuses spread across 15 countries. It has 7 schools in the USA, 6 in both Vietnam and China, 5 in Switzerland, and 4 in Qatar. The group is based in Hong Kong and opened the Nord Anglia International School there in 2014. Almost all Nord Anglia schools offer the National Curriculum in England and most offer the IBDP.

Cognita

Formed in 2004, Cognita is relatively young in comparison to other school groups. Over the past 10 years Cognita has expanded rapidly, in the UK and across Asia and the Americas and now has 20 schools with enrolment totalling 12,000.

Cognita has more schools in Spain (8 schools, 3,190 students) than in any other country and is the second largest group in Spain. It also has three schools in Thailand, the UK and Vietnam. The National Curriculum in England, taught at the 8 schools in Spain and 2 of the schools in Thailand, is the most widely taught curriculum at Cognita schools. The IBDP, offered at 6 schools, is the next most prevalent.

Dulwich College International

Dulwich College International (DCI) opened its first international school campus in Shanghai in 2003, and now operates eight international schools in 4 countries. The international high school programmes operate in partnership with local Chinese high schools and are aimed at providing the Dulwich concept of education to Chinese students wishing to study at overseas universities.

DCI schools offer a programme based on the National Curriculum in England, adapted for international needs. The IGCSE is offered at six of the seven DCI campuses.

United World Colleges

Established in 1962, United World Colleges (UWC) was created to bring together young people who experienced the political conflict of the Cold War era. The group follows 7 basic principles, the most prominent being the selection of students from different social groups and religions.

There are currently 15 UWC schools operating in Africa, the Americas, Asia and Europe. 69% of the group's students are at schools located in Asia. 61% of its students are at the group's two campuses in Singapore. UWC schools teach the IBDP, IPC, MYP, and UK-based curricula.

10.3 Africa

Table 26 - Top school groups in Africa in order of total annual tuition fee income

Group name	School campuses	Students	Fee income (USD millions)
Esol Education FZ LLC	3	3,792	40.5
Braeburn Schools Ltd	9	4,121	38.9
The SABIS School Network	2	3,489	30.2
Corona School Trust	7	2,392	20.5
Aga Khan Development Network	12	4,936	20.2
Talaat Moustafa Group	3	1,644	14.0
Chrisland Education Organisation	9	1,538	13.5
Futures Educational Systems	6	1,446	10.6
Peterhouse Group of Schools	3	1,170	9.2
Cambridge International Sudan	3	1,200	2.2

Aga Khan Development Network (AKDN)

AKDN runs its international schools through its Aga Khan Educational Services (AKES) agency, which operates over 250 schools and advanced educational programmes in Africa and Asia. ISC recognises 16 AKES schools as being international, including 12 in Africa, of which six are in Kenya, three are in Tanzania, two are in Uganda and one is in Mozambique.

Educational Services Overseas Ltd (ESOL)

ESOL was founded in 1990 as a for-profit organisation focused on the delivery of high quality international education. It currently has 9 international schools in Cyprus, Egypt, Lebanon and the UAE. These schools run the IBDP and either US or UK-based curricula.

Braeburn Schools Ltd

Braeburn Schools is a for-profit educational management company that operates 8 schools in Kenya and 1 in Tanzania. All offer UK-based curricula and one also offers the IBDP. Several Braeburn schools are accredited by the CIS.

10.4 The Americas

Table 27 - Top school groups in the Americas in order of total annual tuition fee income

Group name	School campuses	Students	Fee income (USD millions)
The SABIS School Network	13	8,414	233.3
Innova School	31	11,225	103.9
Nord Anglia Education Ltd	9	4,847	85.9
Maple Bear Global Schools Ltd	59	4,600	70.3
Avenues Group of Schools	1	1,300	59.0
SEK International Institution	10	5,135	36.7
Peterson Schools (Mexico)	4	2,600	19.9
Madison Group of Schools	6	2,500	16.9
Dunalastair Group of Schools	3	2,303	14.1
Colegio Williams (Mexico)	3	1,788	8.3

Maple Bear Global Schools Ltd (MBGS)

MBGS specialises in offering Canadian education programmes and curricula around the world. The group owns and operates over 175 schools worldwide, across 10 countries.

ISC recognises 73 MBGS schools as international. Most are kindergartens and/or primary schools. These schools span eight countries in three of the world's regions. 75% of MBGS's international schools are in Brazil; and these campuses enrol over 3,500 students.

SEK International Institution

Established in 1892 by Don José de Olavarrieta y López in Madrid, Spain, SEK International has expanded across Europe, the Americas and also into South Africa. SEK International operates 16 international schools in total, 10 of which are located in the Americas.

In the Americas, SEK operates international schools in Chile, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Mexico, Paraguay and the US. It offers a wide range of curricula, including UK, American and IBDP, as well as the national curricula in some countries. This follows the emerging trend of teaching the national curriculum alongside an English-medium or internationally recognised curriculum at international schools.

10.5 Asia

Table 28 - Top school groups in Asia in order of total annual tuition fee income

Group name	School campuses	Students	Fee income (USD millions)
GEMS - Global Educational Management Systems	53	112,050	805.4
Nord Anglia Education Ltd	24	17,807	396.7
The SABIS School Network	35	43,235	371.1
Beaconhouse Group	141	70,133	203.8
ESF - English Schools Foundation	19	14,220	176.5
The City School	175	27,428	80.5
Delhi Public School Society	14	15,761	55.7
Indian Schools, Sultanate of Oman	19	35,572	51.7
The Group of Asian International Education	10	11,252	33.6
New Indian Model School - Group of Institutions	5	19,103	23.3

English Schools Foundation (ESF)

ESF was founded as a not-for-profit organisation by the Hong Kong government in 1967 in order to provide education to the expatriate community. It operates 19 international schools in Hong Kong.

ESF schools were originally based on the National Curriculum in England, but have since adopted the International Baccalaureate's curricula. For example, in 2007, the Year 12 and 13 programmes changed from GCE-A levels to the International Baccalaureate Diploma Programme.

The ESF previously benefited from government subsidy, which amounted to HKD 283 million per annum. This created an attractive combination of low fees and high standards, resulting in long waiting lists. However, in June 2013 the government announced that 2016 would mark the beginning of a 13-year gradual withdrawal of subsidies, meaning that students enrolling into the first year of primary education in a ESF schools in August 2016 will see a 28% fee increase. Older students will see their fees rise by only 6%.

The City School (TCS)

TCS is the largest for-profit private school network in Pakistan. It also has subsidiaries in Bangladesh, Canada, Malaysia, Philippines, Saudi Arabia and the United Arab Emirates. ISC recognises 175 of TCS's schools as being international, with 172 of these in Pakistan and the other three located in Bangladesh, Saudi Arabia and the United Arab Emirates. It bases its curriculum on the UK and Pakistani national curricula.

Beaconhouse

Beaconhouse was founded as a private company in 1975, with the opening of Les Anges Academy in Lahore, Pakistan. It is heavily focused on the Pakistani market - 92% of its schools and 99% of its students are located there. Beaconhouse also operates international schools in Bangladesh, Malaysia, Oman and the UAE.

Dipont

Although Dipont does not appear in Table 28 (on the previous page), it is worthy of comment because of its business model in China. Dipont manages 22 schools, 19 of which are Chinese state schools with international programmes. Its main functions are the recruitment of teaching staff for the international sections and the delivery of international curricula. Measured by total enrolment and fee income at these 19 schools, Dipont would be in the top 10 groups. However, only a small proportion of students at these schools are on Dipont's international programmes. Children at these schools complete the compulsory period of education (i.e. national curricula up to the age of 15 years) and may then move into the international sections at the same schools.

Foreign-owned international schools in China are not allowed to enrol Chinese citizens. The establishment of international sections within state schools provides a mechanism through which international curricula can be delivered to Chinese children.

10.6 Europe

Table 29 - Top school groups in Europe in order of total annual tuition fee income

Group name	School campuses	Students	Fee income (USD millions)
Schola Europaea	14	24,583	253.7
Nord Anglia Education Ltd	11	6,225	146.5
Internationella Engelska Skolan	28	14,177	98.8
Dutch International Schools	24	9,047	57.6
Cognita	11	3,958	56.6
Institucion Educativa SEK	8	5,102	44.9
International Schools Partnership	10	4,979	43.2
Rijnlands Lyceum	6	4,553	43.2
Laude Colegios	9	4,759	39.3
Stichting Primair en Voortgezet Onderwijs Zuid Nederland	3	3,826	20.2

Internationella Engelska Skolan (IES)

Translated from Swedish as "International English Schools", IES was established in 1993 to provide English-medium education to Swedish children.

Its schools base their curricula on the Swedish national curriculum combined with elements of the IBDP and UK curricula. This follows the emerging trend among international schools to offer the national curriculum alongside an English-medium or internationally recognised curriculum.

Dutch International Schools

Dutch International Schools (DIS) is a not-for-profit organisation that facilitates international education in The Netherlands. It receives funding from the Dutch government which allows DIS to offer relatively low tuition fees in comparison to other international schools in The Netherlands. However, it is subject to the framework of the Dutch educational system.

Enrolment at DIS is restricted by Dutch legislation. There are 3 types of students that they can enrol: expatriates, Dutch nationals with at least 2 years' international education overseas, and Dutch nationals who are planning to be educated overseas.

DIS schools use English as the medium of education for teaching their international curricula. They offer the IPC, PYP, MYP, IBDP and UK-based curricula alongside the Dutch national curriculum.

10.7 Oceania

Table 30 - School groups in Oceania

Group name	School campuses	Students	Fee income (USD millions)
ACG Group	5	2,625	39.6
The International Education Agency of Papua New Guinea	20	5,882	35.5

The International Education Agency of Papua New Guinea (IEA)

IEA owns and operates 22 private schools in Papua New Guinea, of which ISC recognises 20 as international. The curricula at these schools are based on the American, Australian, IBDP, New Zealand and UK-based curricula alongside the Papua New Guinea national curriculum.

Academic Colleges Group (ACG Group)

The ACG Group was founded in Auckland, New Zealand, in 1994. After 10 years the group had expanded into Indonesia and Vietnam, whilst increasing its presence in New Zealand. There are currently four ACG international schools located in Oceania and two in Asia.

ACG schools are internationally oriented and include the IBDP and UK-based curricula alongside the New Zealand national curriculum.

11 Accreditation Bodies

Accreditation Bodies - Worldwide and in the Regions:

- Africa
- The Americas
- Asia
- Europe
- Oceania

Abbreviations used in Section 11

AdvancED	AdvancED
ACSI	Association of Christian Schools International
CIS	Council of International Schools
EDTRUST	Education Development Trust
MSACS	Middle States Association of Colleges and Schools
NEASC	New England Association of Schools and Colleges
WASC	The Western Association of Schools and Colleges

Accreditation Bodies

An accreditation body is an independent organisation responsible for assessing the performance of schools against recognised standards. It formally confirms the status of schools that meet these standards. Accreditation enhances a school's standing in the international schools market by certifying that a school is committed to the delivery of a high quality international education.

Some national governments have introduced legislation to ensure high standards of quality in their international schools markets. For instance, in Thailand an international school must apply for accreditation within its first year of operation and receive accreditation by its seventh year of operation.

Table 31 (below) lists the main globally recognised accreditation bodies, the number of schools which have been fully accredited by each organisation and the total enrolment at these schools.

Table 31 - Accreditation bodies worldwide

Accreditation body	Schools	Students
CIS	748	609,253
AdvancED	593	474,551
MSACS	268	185,704
WASC	239	142,383
NEASC	236	202,136
ACSI	151	38,916
EDTRUST	32	16,905

A brief overview of each accreditation body is presented below, followed by tables of the main accreditation bodies operating in each of the world's regions.

Council of International Schools (CIS)

CIS is a not-for-profit organisation that is not affiliated with any particular country or region. It works with schools and higher education institutions to continually improve the standards of international education.

In order to receive accreditation from CIS a school must be a full member of CIS and have been in operation for at least two academic years.

AdvancED

AdvancED is an American accreditation body that was formed from the union of the North Central Association Commission on Accreditation and School Improvement and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement.

AdvancED bases it accreditation process on five research-based quality standards: purpose and direction, governance and leadership, teaching and assessing for learning, resources and support systems and using results for continuous improvement.

New England Association of Schools and Colleges (NEASC)

NEASC is a US-based, not-for-profit organisation that contributes to public education policy and develops assessment processes for other education providers.

It offers accreditation to K-12 schools as well as higher education institutions. Schools are evaluated through an on-site inspection process that is adapted according to the type of school.

Western Association of Schools and Colleges (WASC)

WASC accreditation recognises schools that meet the established, research-based, WASC standards of quality. It also works with international associations in joint accreditation processes.

WASC is comprised of three separate commissions: the Accrediting Commission for Senior Colleges and Universities, the Accrediting Commission for Community and Junior Colleges and the Accrediting Commission for Schools.

Middle States Association of Colleges and Schools (MSACS)

MSACS is a not-for-profit organisation, based in the US, comprising three different commissions: MSA-Commission for Higher Education (CHE), MSA-Commission for Secondary Schools (CSS) and MSA-Commission for Elementary Schools (CES). It offers accreditation through a peer evaluation process.

Association of Christian Schools International (ACSI)

ACSI is the only religious international accreditation body for international schools. It is based in the US and accredits schools based on the Christian philosophy of education.

Education Development Trust (EDTRUST)

EDTRUST is a not-for-profit organisation that works in both the public and private sectors. In the UK, EDTRUST is responsible for conducting OFSTED (Office for Standards in Education) inspections in Northern England.

In the Middle East, EDTRUST works collaboratively with several governments to improve the quality of state education systems. It has a strategic cooperation agreement with the Knowledge & Human Development Authority in Dubai to conduct British School Overseas (BSO) inspections. These demonstrate that a school that provides a British curriculum has similar characteristics to an independent school in the UK. Only schools that meet the BSO requirements will be classified as British.

CfBT also has a contract to work with the Thai government to conduct inspections at private schools.

Table 32 - Accreditation bodies in Africa

Accreditation body	Schools	Students
AdvancED	107	56,770
MSACS	63	31,840
CIS	54	36,688
ACSI	19	4,528
NEASC	12	7,462
EDTRUST	6	1,853
WASC	1	432

Table 33 - Accreditation bodies in the Americas

Accreditation body	Schools	Students
AdvancED	150	93,548
CIS	73	56,271
NEASC	41	32,480
ACSI	38	9,737
MSACS	37	18,331
WASC	5	2,046

Table 34 - Accreditation bodies in Asia

Accreditation body	Schools	Students
CIS	372	346,432
AdvancED	268	294,695
WASC	226	137,912
MSACS	98	102,699
NEASC	89	100,705
ACSI	74	22,024
EDTRUST	25	14,673

Table 35 - Accreditation bodies in Europe

Accreditation body	Schools	Students
CIS	196	110,448
NEASC	74	46,045
MSACS	71	32,636
AdvancED	69	31,980
ACSI	18	2,327
EDTRUST	1	379

Table 36 - Accreditation bodies in Oceania

Accreditation body	Schools	Students
CIS	53	59,410
WASC	7	1,960
ACSI	2	307
AdvancED	1	100

12 Membership of Associations

Global Associations

Regional and National Associations:

- Africa
- The Americas
- Asia
- Europe
- Oceania

12

Abbreviations used in Section 12

AAAIS	Arabic Association of Accredited International Schools	COBIS	Council of British International Schools
AAICS	The African Association of International Christian Schools	EARCOS	East Asia Regional Council of Schools
AAIE	Association for the Advancement of International Education	ELMLE	European League for Middle Level Education
AASCA	Association of American Schools in Central America	ELSA	English Language Schools Association in France
AASSA	Association of American Schools in South America	ESSARP	English Speaking Scholastic Association of the River Plate
ABSCH	Association of British Schools in Chile	FOBISIA	Federation of British International Schools in Asia
ACAMIS	Association of China and Mongolia International Schools	HMC	Head Masters Conference
ACCAS	Association of Colombian-Caribbean American Schools	IAMSCU	International Association of Methodist Schools, Colleges, and Universities
ACESA	Association of Cambridge Educators in Southern Africa	IAPS	Independent Association of Prep Schools
ACSNZ	Association of Cambridge Schools in New Zealand Inc	IBSA	The IB Schools Association of Commonwealth of Independent States
AGIS	Association of German International Schools	IBSCA	International Baccalaureate Schools and Colleges Association
AIMS	Association of International Malaysian Schools	ISA	International Schools Association
AISA	Association of International Schools in Africa	ISAT	International Schools Association of Thailand
AISEN	Association of International School Educators of Nigeria	JASIS	Java Association of Small International Schools
AISH	Academy for International School Heads	JCIS	Japan Council of International Schools
ASEICA	Association pour le soutien de l'Education Internationale sur la Côte d'Azur	KORCOS	Korea Council of Overseas Schools
ASOMEX	Association of American Schools in the Republic of Mexico	LAHC	Latin American Heads Conference
BSME	British Schools in the Middle East	LISA	London International Schools Association
CEESA	Central and Eastern European Schools Association	MAIS	Mediterranean Association of International Schools

MEIBA	Middle East IB World Schools	SEBIQ	Society of IB World Schools of Quebec and French Speaking World
MRISA	Mekong River International Schools	SGIS	Swiss Group of International Schools
NABSS	National Association of British Schools in Spain	TAIP	Tokyo Association of International Preschools
NAIS	National Association of Independent Schools	TAISI	The Association of International Schools of India
NESA	Near East South Asia Council of International Schools	TRI	Tri Association (South America, US)
RISA	Rome International Schools Association	VANAS	Venezuelan Association of North American Schools

Associations and their Memberships

A school association provides a forum for schools who wish to benefit from sharing opinions and experiences with other schools for their mutual benefit. Although there are no formal qualifications conferred by membership of an association, membership of the more prestigious associations creates a perception of high standing within the international schools market.

The purposes of school associations are generally the same, but associations can often be differentiated by their geographic focus. For example, the Department of Defence US Schools (DoD) is a global association, the Tri Association (TRI) works solely in the Caribbean and Central and South America and the Swiss Group of International Schools (SGIS) operates specifically in Switzerland.

There are other associations that serve particular school types, faculties or positions at international schools. For example, the Headmasters' Conference (HMC) is a professional association that supports and represents heads of independent schools.

Certain associations have different categories of membership. These generally range from affiliate or associate membership to full membership.

Global and Regional Data

Global school associations throughout the world, listed by total enrolment at their member schools, are shown in Table 37 (below). This is followed by a list of professional and curriculum-specific associations in Table 38.

Tables 39 - 48 show the most prevalent global, regional and national school associations operating in the world's five regions. Associations are listed in order of the total enrolment of students in their member schools.

These tables do not provide a complete list of associations. They show associations throughout the world and in each region, as measured by enrolment at the associations' international schools.

Although membership of some school associations includes both national and international schools, the data presented in this report, on school numbers and student enrolment, are for the associations' international schools only.

Brief notes are provided on many of the associations listed in this section.

Table 37 - Major global school associations

Association	Schools	Students
ECIS	361	238,447
COBIS	259	135,075
AAIE	179	152,831
ROUND SQUARE	63	64,533
IAPS	41	34,456
ISA	33	22,692
IAMSCU	9	12,248

Note: this table shows **global** associations only; it does not include major regional associations such as the East Asia Regional Council of Schools and British Schools in the Middle East.

ECIS

In terms of the number of members, ECI Schools (ECIS) is the most prominent international school association. 70% of member schools are located in Europe, 19% in Asia, 7% in Africa and 4% in the Americas.

AAIE

The Association for the Advancement of International Education (AAIE) is an international association present in all the world's regions. 45% of member schools are located in Asia, 26% in the Americas and 17% in Europe.

COBIS

The Council of British International Schools (COBIS) has three levels of membership: accredited members, members and candidate members. Accredited members are schools that have satisfied the UK government standard for British Schools Overseas (BSO). Members have either successfully completed inspection of school development by a body recognised by COBIS or have committed to a BSO inspection within three years. Candidate schools are schools that have only recently opened, or schools that will be opening in the near future.

ROUND SQUARE

Round Square is a UK based charity that has 150 member schools in 38 countries. Of these schools, 60 are recognised by ISC as being international schools.

IAPS

The Independent Association of Prep Schools (IAPS) was established over 100 years ago and was originally an organisation for heads of schools. The organisation now inspects and accredits preparatory schools to ensure that they offer high quality education. It has 30 members recognised by ISC as being international schools

ISA

The International Schools Association (ISA) has been, and continues to be, an instrumental organisation in the international schools market. It played an integral part in the establishment of the IB during the 1960s and created an international programme for middle schools that was further developed by the IB, now known as the MYP (Middle Years Programme).

IAMSCU

International Association of Methodist Schools, Colleges and Universities (IAMSCU) was founded in 1991. It works to ensure that its member schools receive good quality education accompanied by Methodist values and teachings. There are over 775 Methodist institutions worldwide, nine of which are recognised by ISC as being international schools.

DOD

The American Department of Defense Education Activity (DODEA) is a specialist organisation that serves the children of US military personnel and Department of Defence (DoD) civilian employees around the world. It offers schools comprehensive educational programmes and conducts on-site visits to ensure continuous improvement. All DoD schools are accredited by a regional accreditation body. There are 123 member schools that are international, spread across 14 different countries. These schools are prevalent in countries with US military bases. Germany has the largest number of member schools (37), followed by Japan (33) and South Korea (12).

SCE

Service Children's Education (SCE) is an agency of the British Ministry of Defence (MoD) and provides schools and educational support for the children of Her Majesty's Armed Forces, MoD personnel and MoD-sponsored organisations stationed overseas. ISC's database includes 26 school campuses operated by SCE. The British Army has begun to reduce its presence in Germany and, according to current plans, will have withdrawn completely by 2020. This will result in the closure of all SCE schools in Germany.

Schools operated by the American Department of Defense and the British Ministry of Defence are not included in this analysis. Enrolment at these schools is not open to the general public and the fees at these schools are often subsidised.

Table 38 - Other professional associations

Association	Schools	Students
AISH	350	262,196
AISEN	45	19,365
LAHC	45	42,717
HMC	40	44,567
IBSCA	25	15,220
IBSA	18	9,593
SEBIQ	14	10,264

AISH

The Association of International School Heads (AISH) is an organisation dedicated to the support and professional development of current and former school heads and deputy or assistant heads. 46% of members are heads, or former heads, of international schools in Asia and 22% from schools in Europe.

IBSCA, IBSA, MEIBA & SEBIQ

There are several associations that act as intermediaries between International Baccalaureate World Schools and the International Baccalaureate Organisation (IBO). They act as a forum identifying common concerns among member schools to be communicated to the IBO. The following associations are differentiated by the region/country they operate:

- IBSCA: International Baccalaureate Schools Association of Commonwealth of Independent States
- IBSA: International Baccalaureate Schools and Colleges Association of the UK and Ireland
- MEIBA: Middle East International Baccalaureate Association
- SEBIQ: Society of International Baccalaureate World Schools of Quebec and the French Speaking World

HMC

The Headmasters' and Headmistresses' Conference (HMC) is a professional association that provides support and advice to the heads of the world's leading independent schools. It has over 330 member schools, of which 40 are recognised by ISC as being English-medium international schools. The majority of these international schools are in either Asia (38%) or Europe (35%).

LAHC

The Latin American Heads Conference (LAHC) represents the leaders of schools in Latin America that have an international orientation based on British educational principles. LAHC intends to expand its operations in Central America and the Caribbean.

NAIS

The National Association of Independent Schools (NAIS) provides services to 1,500 independent schools in the US and 300 overseas. 7% of its members are recognised by ISC as international schools.

AISEN

The Association of International Educators in Nigeria (AISEN) provides a forum for international school heads in Nigeria to interact and develop professionally.

Table 39 - Global associations in Africa

Association	Schools	Students
COBIS	73	26,491
AAIE	23	13,130
ECIS	28	13,624
IAPS	16	7,808
ROUND SQUARE	7	5,552
ISA	6	1,984

Table 40 - Regional and national associations in Africa

Association	Schools	Students
AISA	91	38,781
AAAIS	60	34,966
ACESA	23	6,928
MAIS	9	8,757
BSME	8	8,618
NESA	7	7,937
AAICS	2	1,255
ELMLE	2	1,356

AAAIS

The Arabic Association of Accredited International Schools (AAAIS) is a regional association serving the Middle East and North African markets.

AISA

The Association of International Schools in Africa (AISA) is a regional association dedicated to the development of international schools in Africa. It has member schools across Africa, except for countries in North Africa. More than one third of its members are Nigerian international schools.

Table 41 - Global associations in the Americas

Association	Schools	Students
AAIE	46	34,537
ECIS	19	13,036
COBIS	11	4,058
ISA	9	6,103
IAMSCU	8	6,248
ROUND SQUARE	6	7,531
IAPS	3	3,342

Table 42 - Regional and national associations in the Americas

Association	Schools	Students
ESSARP	120	59,781
TRI	102	79,175
AASSA	81	56,522
ASOMEX	30	28,710
ACCAS	27	19,623
AASCA	25	20,752
ABSCH	19	19,664
VANAS	10	2,679
ELMLE	1	1,636

TRI (AASCA, ACCAS and ASOMEX)

The TRI-association was established to provide services and information to the following three regional educational associations:

- AASCA - Association of American Schools of Central America
- ACCAS - Association of Colombian-Caribbean American Schools
- ASOMEX - Association of American Schools in Mexico

AASSA

The Association of American Schools in South America (AASSA) promotes programmes and services to member schools in order to improve the quality of American education in South America. Brazil has the highest proportion of members; almost a quarter are located in Brazil.

Table 43 - Global associations in Asia

Association	Schools	Students
ECIS	86	89,969
AAIE	79	80,416
COBIS	71	61,662
ROUND SQUARE	40	44,060
IAPS	14	17,262
ISA	9	10,394
IAMSCU	1	3,000

Table 44 - Regional and national associations in Asia

Association	Schools	Students
EARCOS	165	114,435
AAAIS	112	155,438
ISAT	111	44,156
NESA	92	115,482
BSME	80	95,300
ACAMIS	73	59,246
FOBISIA	58	51,851
TAISI	48	27,701
TAIP	47	6,114
JCIS	31	10,543
AIMS	30	23,879
KORCOS	26	10,358
CEESA	16	7,339
JASIS	16	4,223
MRISA	8	5,366
MAIS	6	4,248
ELMLE	2	1,271

ACAMIS

Association of China and Mongolia International Schools (ACAMIS) facilitates communication between, and the development of, international schools in China and Mongolia. It has member schools in Hong Kong, Macau and Taiwan.

BSME

British Schools in the Middle East (BSME) is an association of UK curriculum schools, most of which are based in the Middle East. Although not an accreditation body itself, it provides its members with an accreditation service carried out by Penta International.

EARCOS

The East Asia Regional Council of Schools (EARCOS) consists of elementary and secondary schools in Asia and Oceania that use English as the primary language of instruction.

FOBISIA

The Federation of British International Schools in Asia (FOBISIA) is a membership association of British International Schools in Asia. 23% of FOBISIA member schools, with 20% of FOBISIA's total enrolment, are in Thailand. 17% of member schools, with 20% of FOBISIA's total enrolment, are in China.

Table 45 - Global associations in Europe

Association	Schools	Students
ECIS	238	121,818
COBIS	104	42,904
AAIE	31	24,748
ISA	9	4,211
IAPS	8	6,044
ROUND SQUARE	8	4,775

Table 46 - Regional and national associations in Europe

Association	Schools	Students
NABSS	73	33,281
SGIS	52	22,826
ELMLE	36	31,356
CEESA	34	14,665
ELSA	32	18,428
MAIS	32	20,229
AGIS	26	15,994
LISA	17	8,036
RISA	17	4,882
ASEICA	6	1,336
NESA	3	2,240

NABSS

National Association of British Schools in Spain (NABSS) helps to maintain the standard of British education in Spain. It is recognised by the British Council and its inspection process forms part of the British Overseas school inspections within Spain.

ELMLE

European League of Middle Level Education (ELMLE) is an affiliate organisation of the Association for Middle Level Education (AMLE).

Table 47 - Global associations in Oceania

Association	Schools	Students
ROUND SQUARE	2	2,615

Table 48 - Regional and national associations in Oceania

Association	Schools	Students
ACSNZ	39	33,118
EARCOS	2	982

ACSNZ

Association of Cambridge Schools in New Zealand (ACSNZ) consists of schools registered to offer the University of Cambridge International Examinations. These schools offer IGCSE and/or AS and A Level qualifications.

13 Forecasts for the International Schools Market

Introduction

- Global Forecasts
- Africa
- The Americas
- Asia
- Europe
- Oceania

13

13.1 Introduction

The international schools market will continue to prosper. There will be ups and downs, but the trends which have become established and driven growth during the past 10 - 15 years will continue to influence the market, and new trends may emerge.

The factors which are expected to drive further expansion include:

1. Continuing economic growth;
2. Increasing affluence among families with above average incomes; leading to
3. An increasing number of families that can afford international education; leading to
4. Increasing demand from local families for international education.
5. Continuing population growth in rapidly expanding economies;
6. The continuing movement of labour between countries; leading to
7. Expansion of expatriate communities;
8. The increasing prevalence of English as the language of business;
9. The increasing number of students aiming for higher education institutions abroad - specifically those offering high quality, English-medium degrees;
10. Establishment of more Special Economic Zones (areas in which business is attracted by tax breaks and other commercial incentives); and
11. Changes in education policy and legislation.

During the past decade, substantial differences in growth between the major regions of the world and between individual countries have emerged. This position will continue. Such differences can almost always be explained by the presence or absence of the factors listed above.

Examples of differences between countries are highlighted in the following paragraphs:

Most international schools in **Singapore** are not allowed to enrol Singaporean passport holders who live in Singapore. International schools are therefore heavily dependent on expatriates.

In neighbouring **Malaysia**, all limits on enrolment of its citizens at international schools have been removed. This change in policy allowed schools to satisfy the significant demand from local families for international education. Enrolment of expatriate students will increase at some schools; although some have lost students as a result of oil and gas companies reducing their costs. However, the main driver of growth in Malaysia is the increasing demand from local families. The proportion of local students at Malaysia's international schools has already risen to more than 50%, and this trend is likely to continue.

In **South Korea**, enrolment of local students is tightly restricted at most international schools. However, the restrictions do not apply to schools in Jeju Global Education City (JGEC). The prospects for schools in JGEC are better than for schools in other parts of the country.

In **Dubai** and **Abu Dhabi** (two emirates of the UAE), there are no limits on the enrolment of local students at international schools. The combination of large expatriate communities and strong demand from the local population has propelled the UAE to top position in the list of national markets measured by enrolment and the number of international school.

The governments of Vietnam, Malaysia and South Korea have changed their policies on the enrolment of local students during the past few years. These policy changes have had significant effects on the international schools markets in these countries. It is likely that policies affecting international education in other national markets will be amended over the next few years and that these changes will have significant effects on those markets.

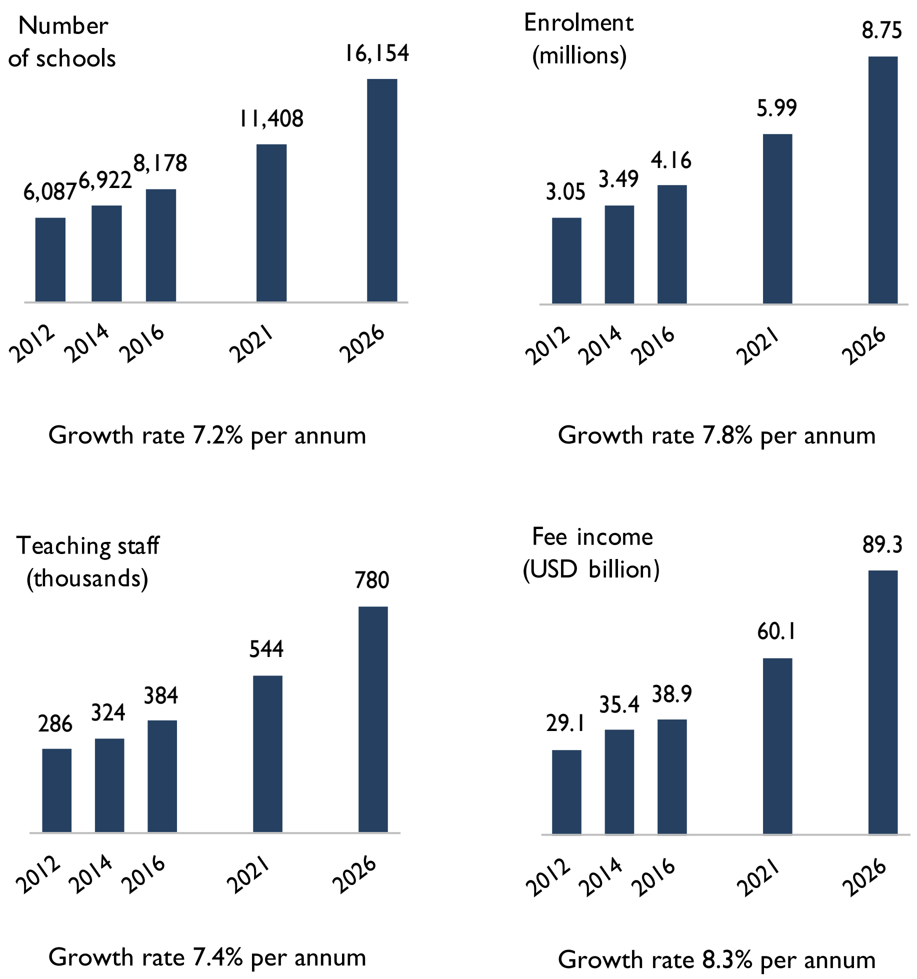
This section of the report presents ISC's forecasts for numbers of schools, students and teaching staff and for annual tuition fee income globally and in each region over the next 10 years. The data on which these forecasts are based (numbers of schools, students and teaching staff and annual tuition fee income from 2012 to 2016) are shown in Sections 3 - 5 of the report. ISC's forecasts are based on purely mathematical extrapolations of the 2011-2016 data; and they are based on the assumption that growth will continue at a similar rate.

Growth of international schools markets in individual countries can be affected by many variables; and these cannot be predicted accurately. These variables include the factors mentioned on the previous page. They also include exchange rate fluctuations, which directly influence the expression of fee income in terms of USD.

13.2 Global Forecasts

The following graphs show the trends of the past few years (2012, 2014 and 2016 data, as in Section 3) and ISC's forecasts for 2021 and 2026.

Figure 75 - Global growth and forecasts



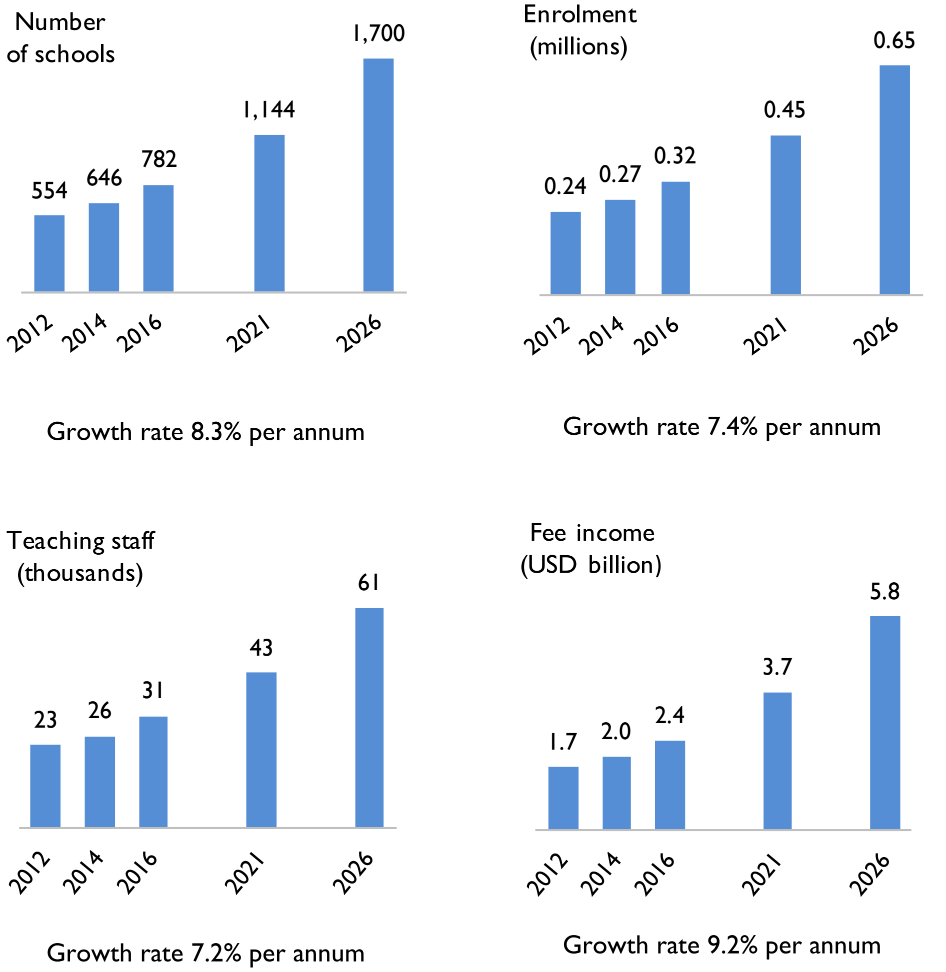
Note: fee income is total annual tuition fee income

The strong growth in the global market is almost certain to continue. There are no signs of a fall in the global rate of growth.

It is important to recognise that the global forecasts mask the large differences between regions, which are shown in the regional forecast on the next few pages (Sections 13.3 - 13.7).

13.3 Africa

Figure 76 - Growth and forecasts in Africa

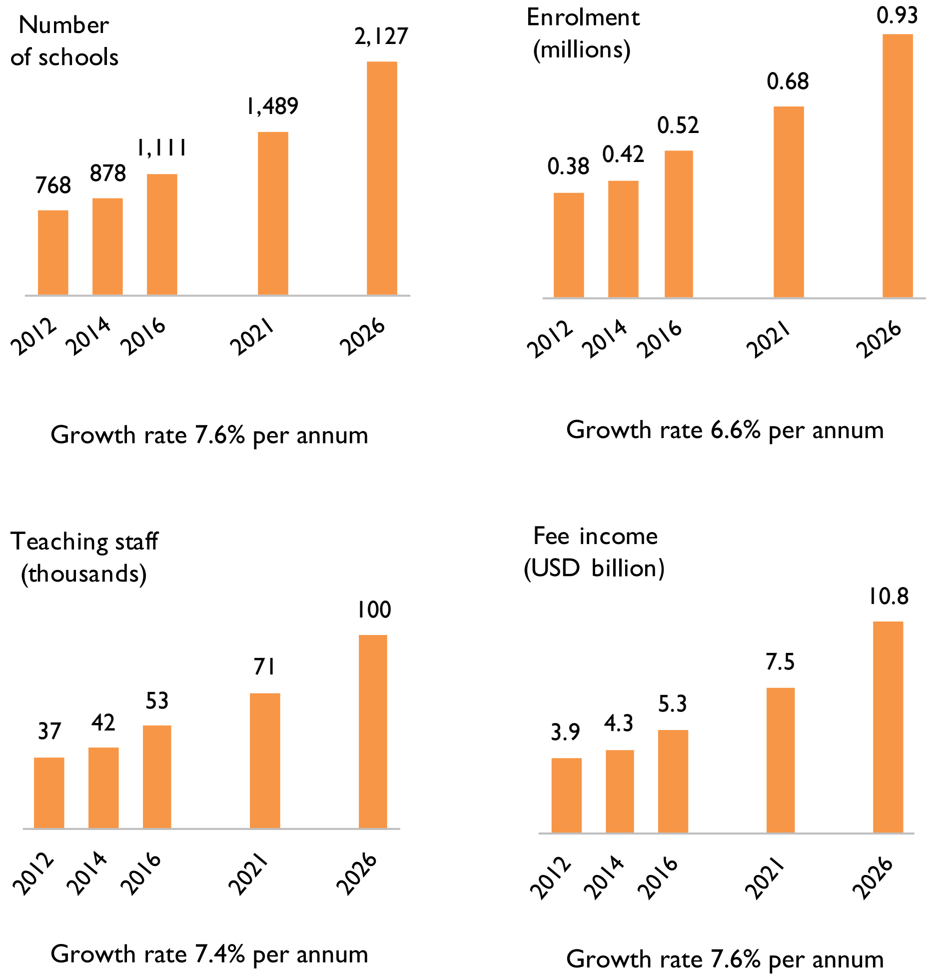


Note: fee income is total annual tuition fee income

Student enrolment has grown at a rate of 7.4% p.a. since 2011 and is likely to continue growing at a similar rate. However, the relatively low fees charged at schools in Africa make this market a less exciting commercial proposition for the establishment of new for-profit schools.

13.4 The Americas

Figure 77 - Growth and forecasts in the Americas



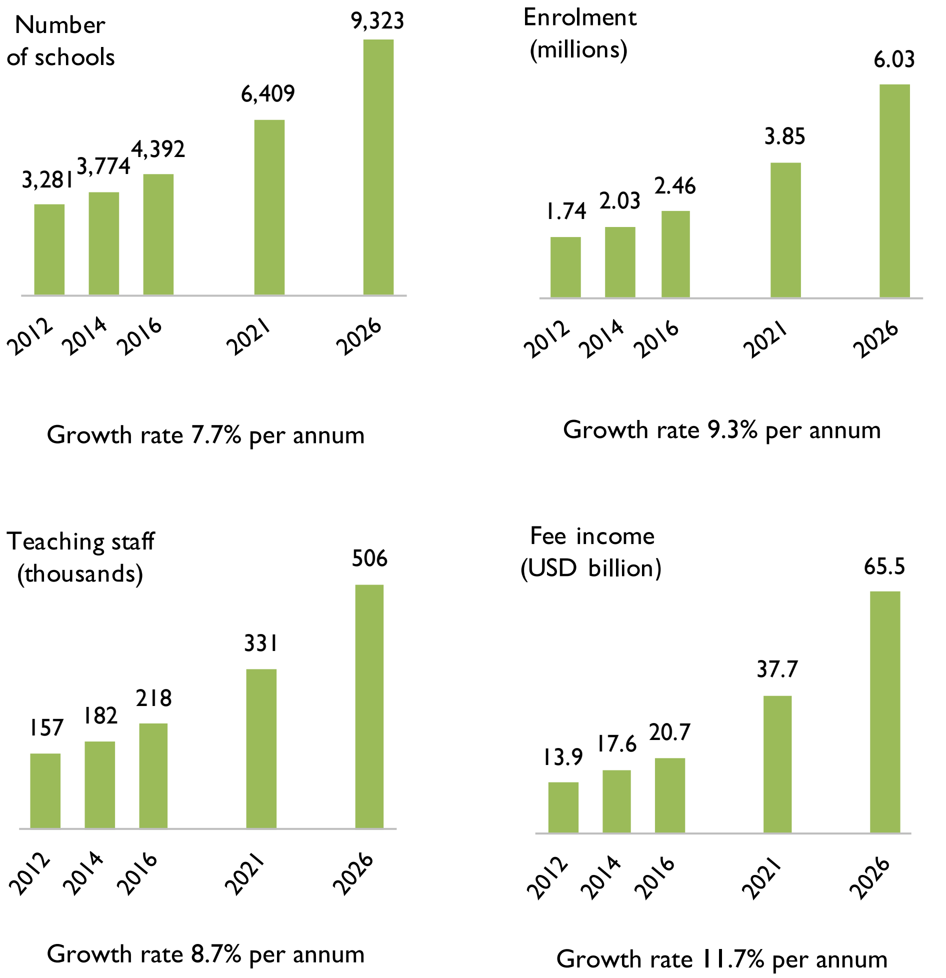
Note: fee income is total annual tuition fee income

The combination of demographic factors and the opinions obtained during ISC's interviews with school heads, indicate that some countries in Central and South America may be at the same stage of development as the fast growing Asian countries were at the turn of the century.

Most of the growth in the Americas has been in Central and South America. Growth in these sub-regions looks likely to continue, driven by strong economic performance and by the increasing demand for international education from local families. Demand for schools offering bilingual programmes has grown strongly, and this looks likely to present the best opportunity for new entrants to the market.

13.5 Asia

Figure 78 - Growth and forecasts in Asia



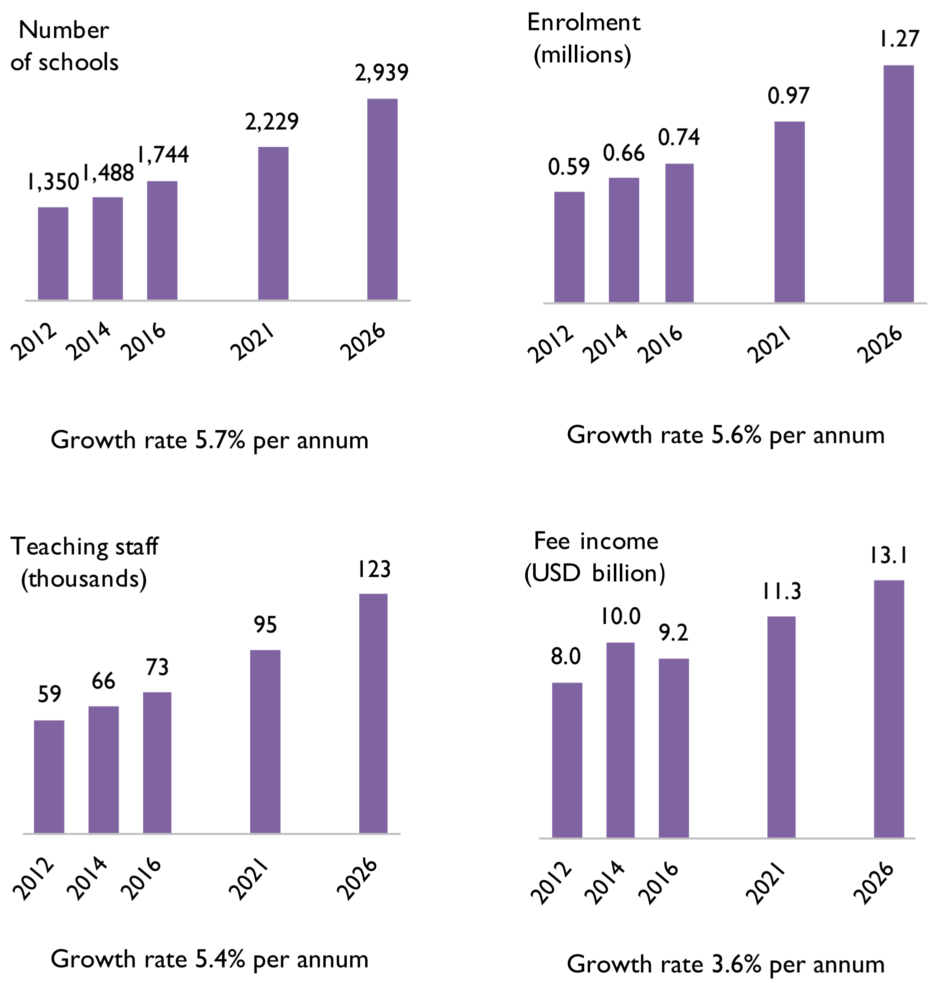
Note: fee income is total annual tuition fee income

Student enrolment has grown at a rate of 9.3% p.a. since 2011, faster than in any other region.

Factors which have driven growth in the past 5 to 10 years are still prevalent in many Asian countries and are just starting to operate in others. Strong growth in this region is expected to continue. With 200 million school-aged children and an increasingly wealthy population (including 2.5 million USD-millionaires), China has enormous potential and is likely to be a major factor in the continuing growth in Asia and throughout the world.

13.6 Europe

Figure 79 - Growth and forecasts in Europe

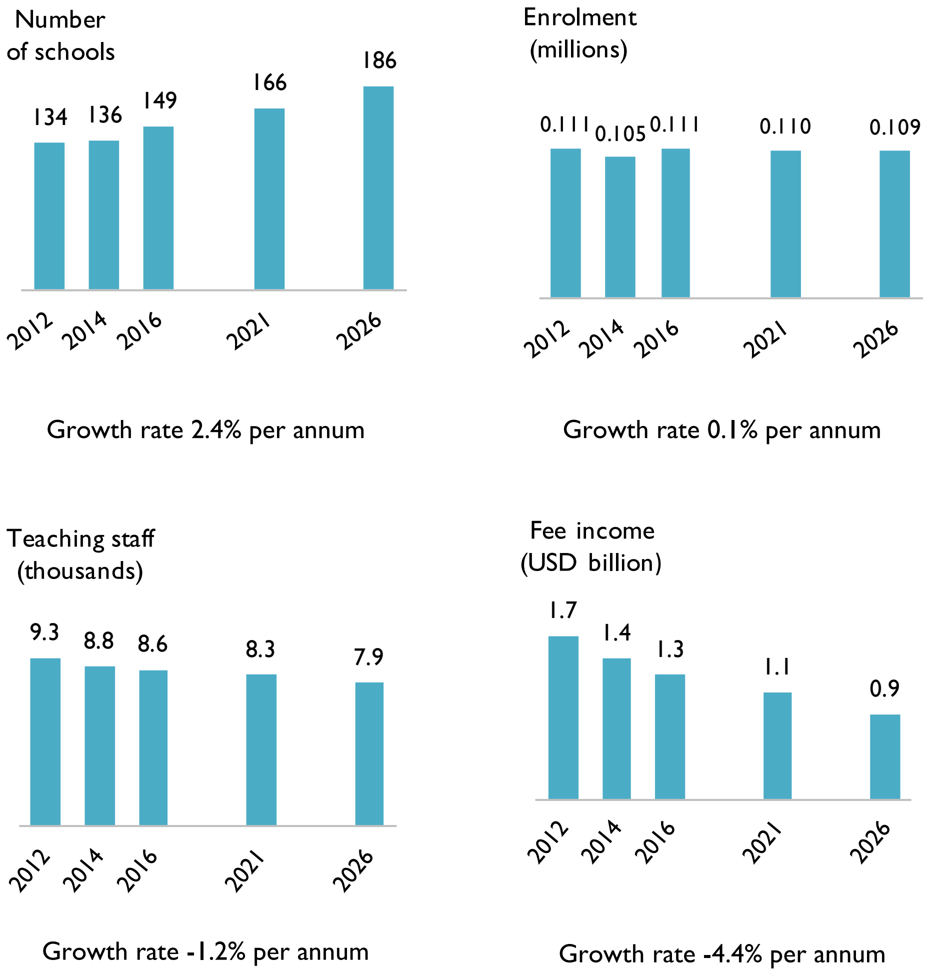


Note: fee income is total annual tuition fee income

Student enrolment has grown at a rate of 5.6% p.a. since 2011, more slowly than in Asia or the Americas. As a broad generalisation, the European market is relatively mature. The factors which have driven the recent fast growth in many Asian countries are not operating widely in Europe, and growth in the European market is likely to continue at a lower rate than in Asia. On balance, it is likely that growth in Europe as a whole will continue at a rate similar to the past 5 years.

13.7 Oceania

Figure 80 - Growth and forecasts in Oceania



Note: fee income is total annual tuition fee income

Student enrolment has grown at a rate of 0.1% p.a. since 2011, slower than in any other region. New Zealand accounted for most of the region's growth, with no net growth in Australia. Because Oceania is a predominantly English-speaking region with a high standard of national education, the factors which drive its international schools market are different from those which have driven growth in many Asian countries.

Figures

Tables

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