www.pwc.com/me

Understanding the GCC Education Sector – a country by country guide

Country Profile: KSA

This series of infographics provides a country by country overview of the education sector in the GCC.

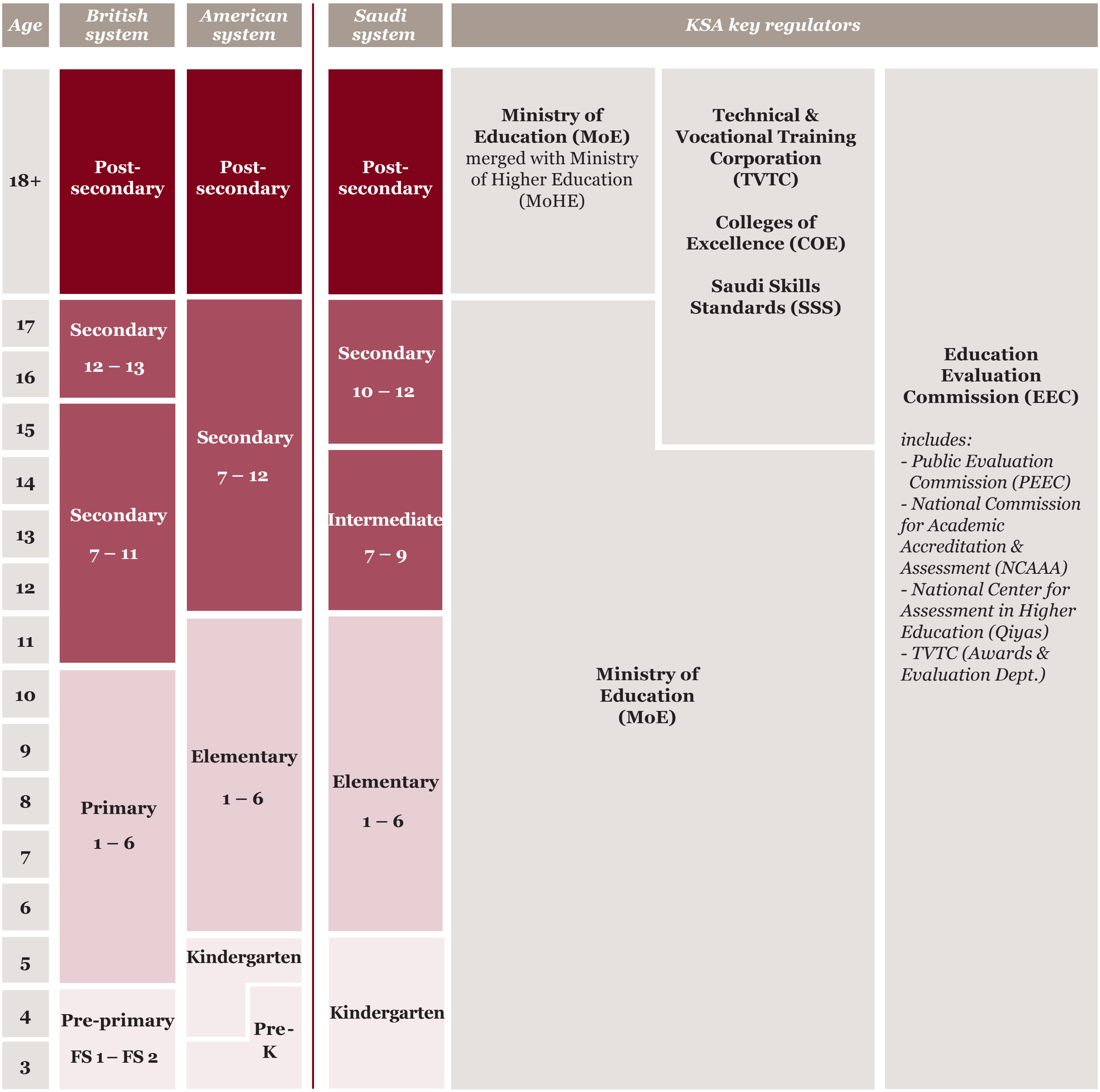
The current nature of policy review and strategic overhaul in Saudi Arabia mean that the mechanisms for delivering education in the coming years are in flux. The initial education related objectives laid out in Vision 2030 challenge all elements of the system to improve on historical performance and prepare the country's workforce for a diversified and knowledge-based economy. How will the Kingdom's providers, regulators and funders respond? Can an environment be created that will attract the private sector, seen as being key to funding capacity and raising quality?

pwc

March 2017

Overview of the education sector

Figure 1: Structure of Saudi Arabia's education system (as of autumn 2016)[1]



[1]UNESCO; PwC analysis

Figure 2: Population growth in the Kingdom is forecast to accelerate over the next decade, and this, alongside increasing participation, will put pressure on provision[2]

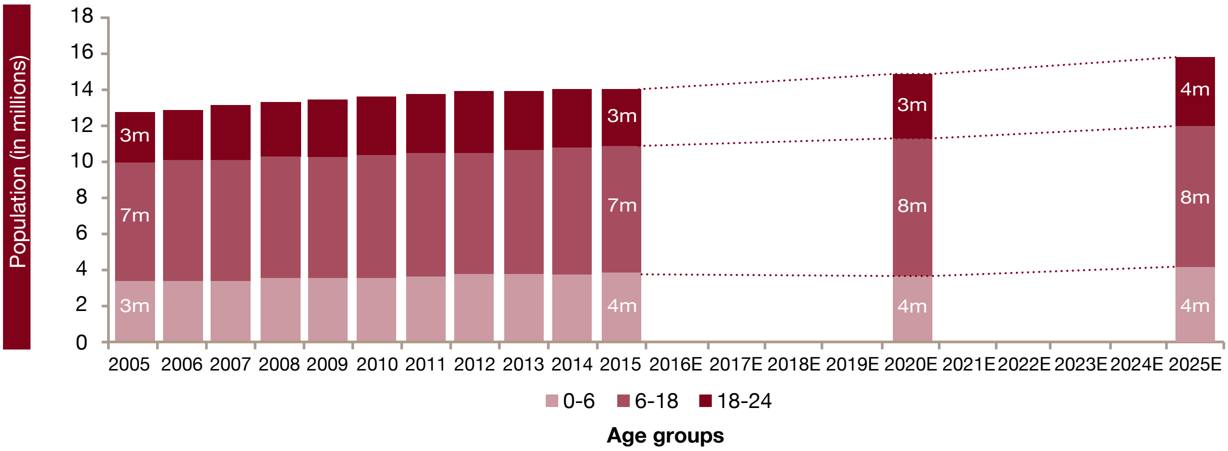


Figure 3: While annual disposable income grew at 3% between 2009 and 2015, its growth is expected to slow to 2% between 2016 and 2030. Despite this slowdown, even the poorest residents will have 25% more disposable income in 2030 than they have today in real terms

Forecast real growth in annual disposable income by decile, 2016-2030[3]

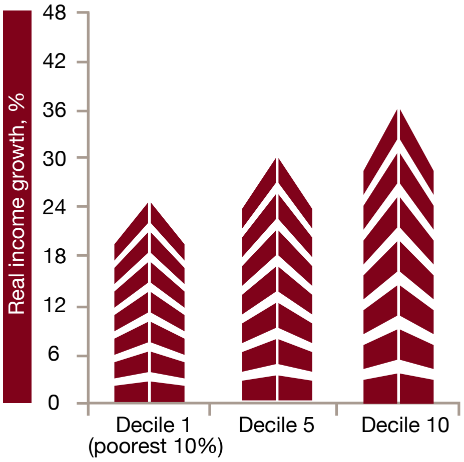
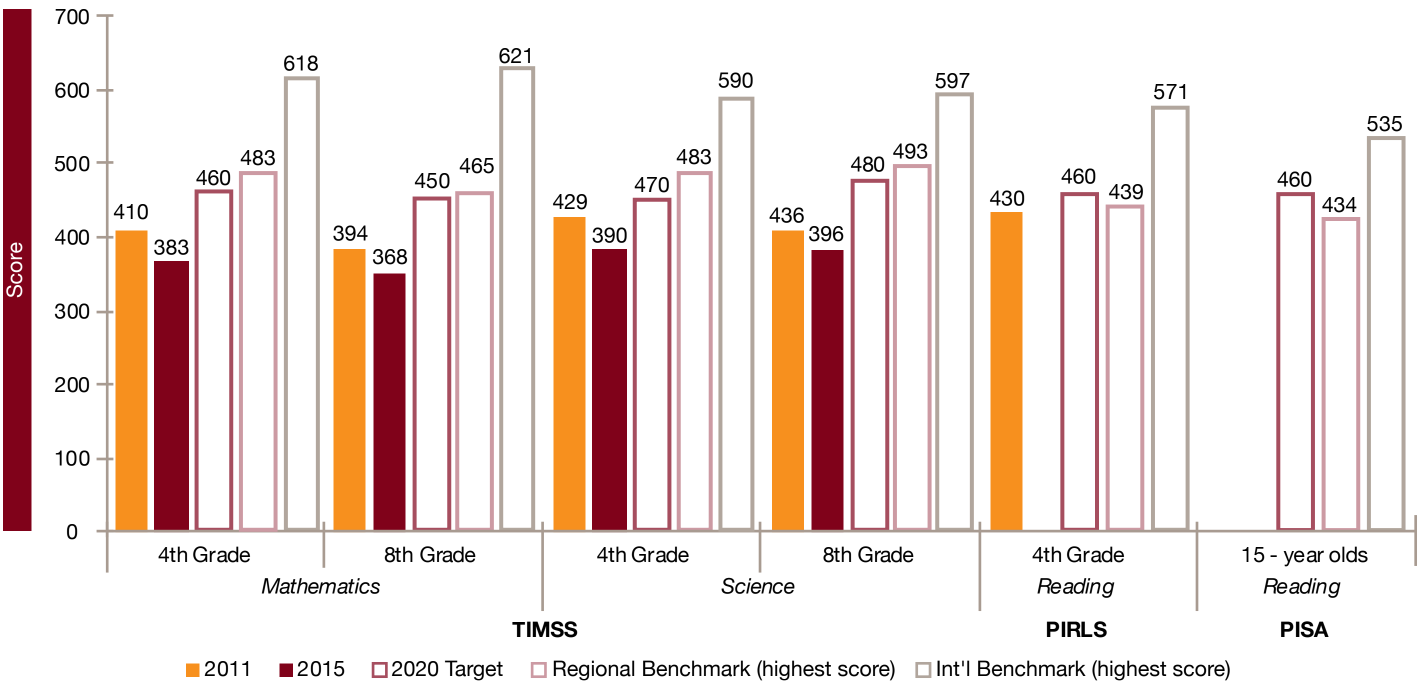


Figure 4: The Kingdom's primary education has slightly improved its position in global competitiveness rankings, but can other education indicators follow in order to improve overall long-term competitiveness and quality?

Global Competitiveness Index rankings comparison, 2015-16 vs. 2016-17[4]

	2015-16	*2016-17*	*Change*
Overall	25th	29th	↓
Quality of primary education	72th	64th	↑
Quality of higher education	47th	48th	↓
Primary education enrolment	35th	52th	↓
Secondary education enrolment	7th	24th	↓
Tertiary education enrolment	44th	44th	↔

Figure 5: KSA has seen a decline in its international testing results and a major effort is needed to reach National Transformation Program (NTP) 2020 targets[5]



[2]UN ; PwC analysis
[3]Euromonitor; PwC analysis
[4]WEF (2016-17 (rank/138 countries) and 2015-16 (rank/140)); PwC analysis
[5]TIMSS; PIRLS; OECD (2016 PIRLS results forthcoming; 15-year olds did not participate in previous PISA assessments); PwC analysis

Higher Education

Figure 6: Despite a recent dip, the 18-24 Saudi population is set to increase. If enrolment rates follow, around 125,000 additional seats will be required by 2020. Initial indications on policy direction for the already high enrolment rate combined with budgetary caution on capital expenditure suggest that any growth in capacity is most likely to come from the private sector

18-24 Saudi population & higher education enrolment by year and school type[6]

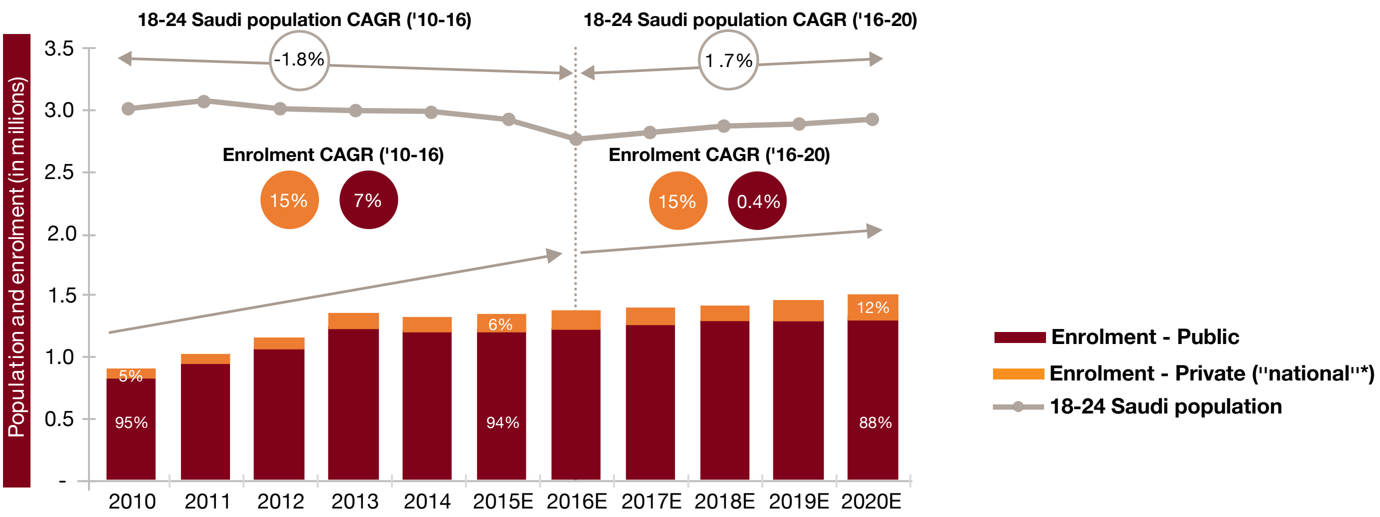


Figure 7: Public higher education institutions still dominate enrolment, however for KSA to reach its NTP target of 15% of students in non-government higher education by 2020 (from 6% today), the private sector will need to increase both capacity and quality to attract students

Top-5 private and public higher education institutions by enrolment, 2014[7]

Institution (private)	Enrolment
1 Arab Open University	14,921
2 Al-Ghad Int'l Health Sci. Colleges	5,874
3 Dar Al-Uloom Univ.	4,769
4 Prince Moh. Bin Fahd Univ.	4,493
5 Prince Sultan University	4,348
Total private enrolment (top 5)	**34,405**
Total private enrolment (KSA)	**78,798**
Top-5 private / KSA private enrolment (%)	**44%**

Institution (public)	Enrolment
1 King Faisal University	186,821
2 King Abdulaziz University	167,627
3 Al-Imam Islamic University	117,077
4 Umm Al-Qura University	93,740
5 Qassim University	67,574
Total public enrolment (top 5)	**632,839**
Total public enrolment (KSA)	**1,323,692**
Top-5 public / KSA public enrolment (%)	**48%**

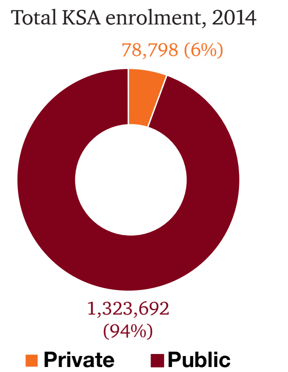


Figure 8: There is significant work to be done, particularly in research, for the Kingdom to reach its Vision 2030 commitment to have at least five Saudi Universities among the top 200 universities in international rankings

Number of KSA institutions and ranking in the top 200 universities, 2012 & 2016[8]

Organisation	*2012*	*2016*
Academic Ranking of World Universities (ARWU)	0	2 King Abdulaziz Univ. (101-150) King Saud Univ. (101-150)
Quacquarelli Symonds (QS) World University Rankings	1 King Saud Univ. (197)	1 King Fahd Univ. of P&M (189)
Times Higher Education (THE) World University Rankings	0	0

[6] *MoE; UN; PwC analysis (2016-20 seat estimate; 18-24 population calculations only;*
**private HEIs are classified as "national" HEIs by MoE)*
[7] *MoE; PwC analysis*
[8] *KSA 'Vision 2030'; ARWU; QS; THE; PwC analysis*

Figure 9: 12% (190,000+) of all students enrolled in university in 2014 went abroad to study, with the US being the destination of choice. However with tightening restrictions on visa and scholarship qualification, could there be additional demand for domestic private provision?

Number of Saudi students studying abroad by country, 2014[9]

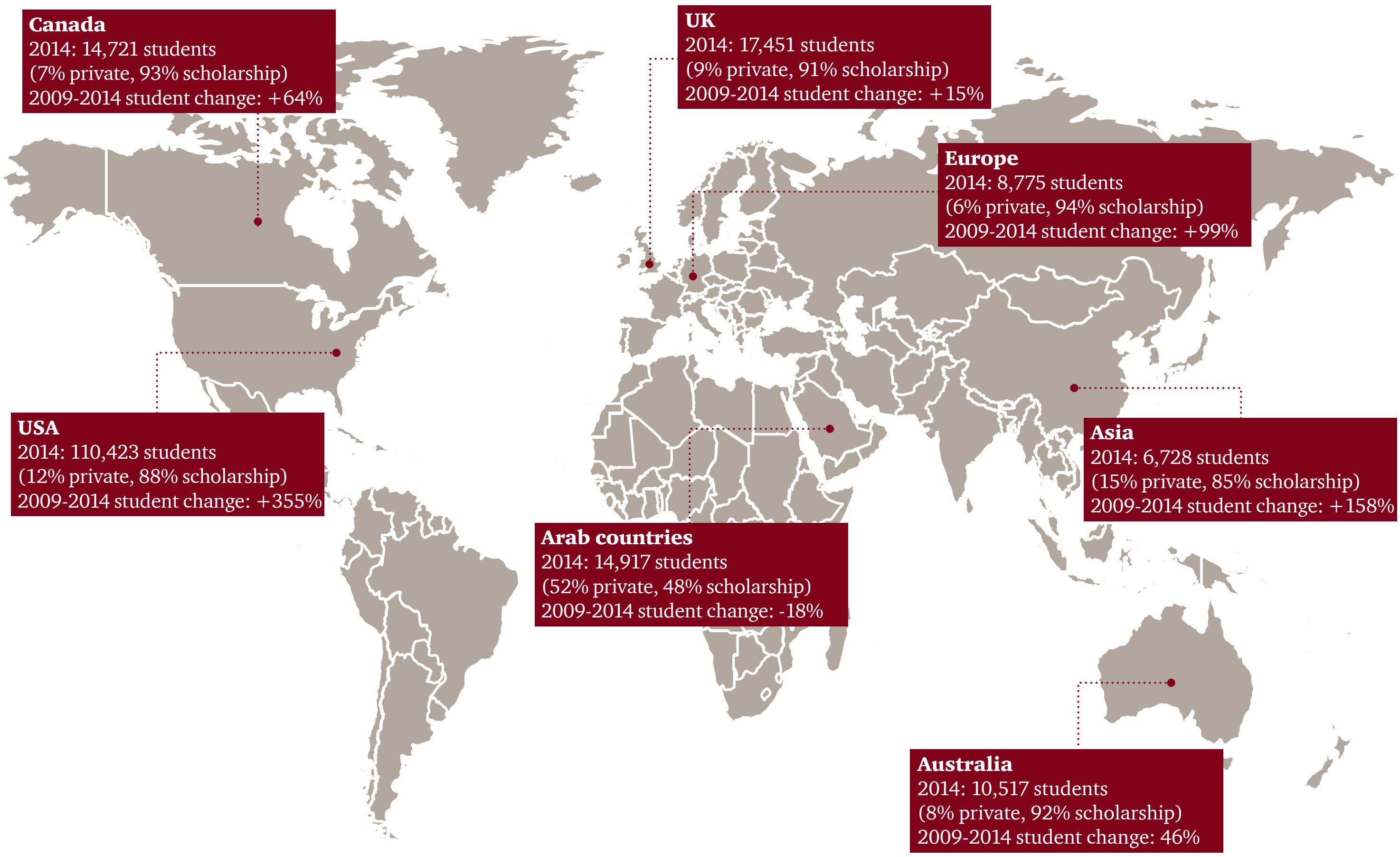
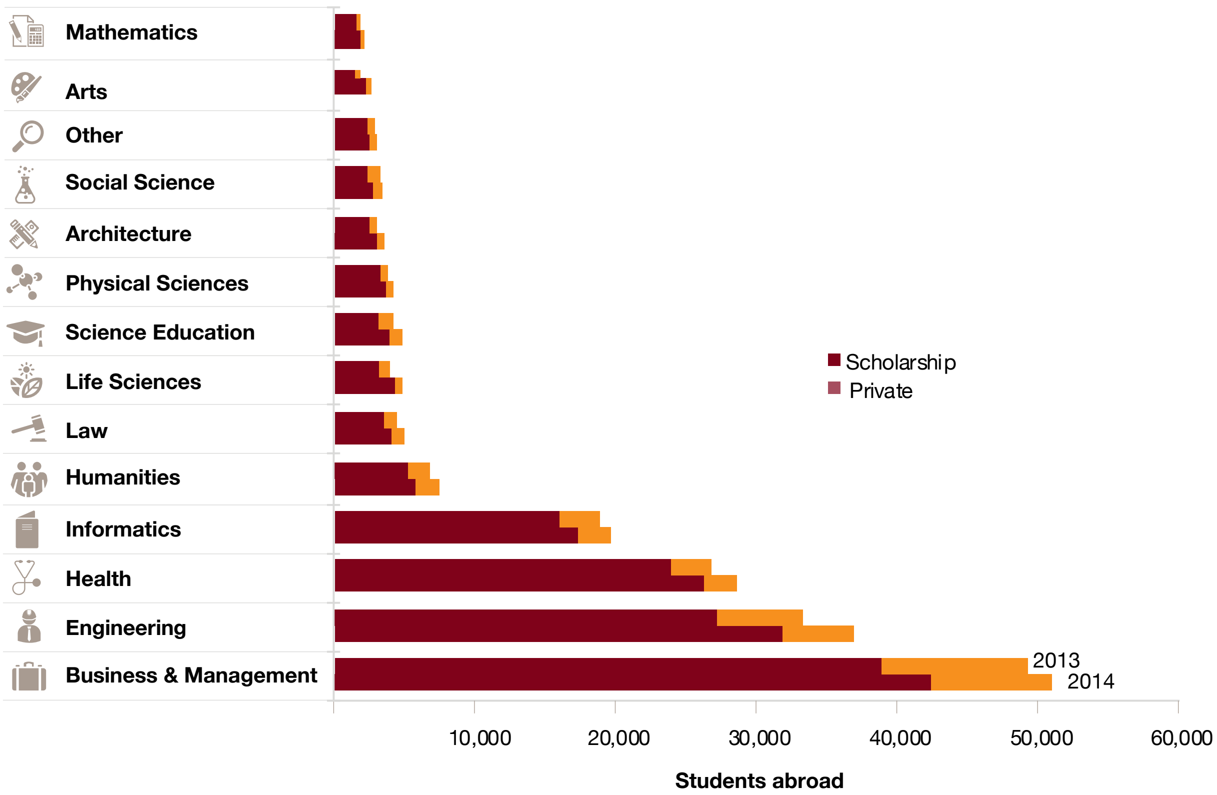


Figure 10: For those Saudi students studying abroad, the fields of business, engineering and health remain the top choices

Number of Saudi students studying abroad by field of study, 2014[10]



[9] MoE; PwC analysis
[10] MoE; PwC analysis

Grade 1-12 Education

Figure 11: Unless a significant shift occurs, private sector enrolment is unlikely to exceed 12% of students by 2020 despite the government's longstanding aspiration for private provision to rise to 25%

6-18 population & grade 1-12 enrolment by school type[11]

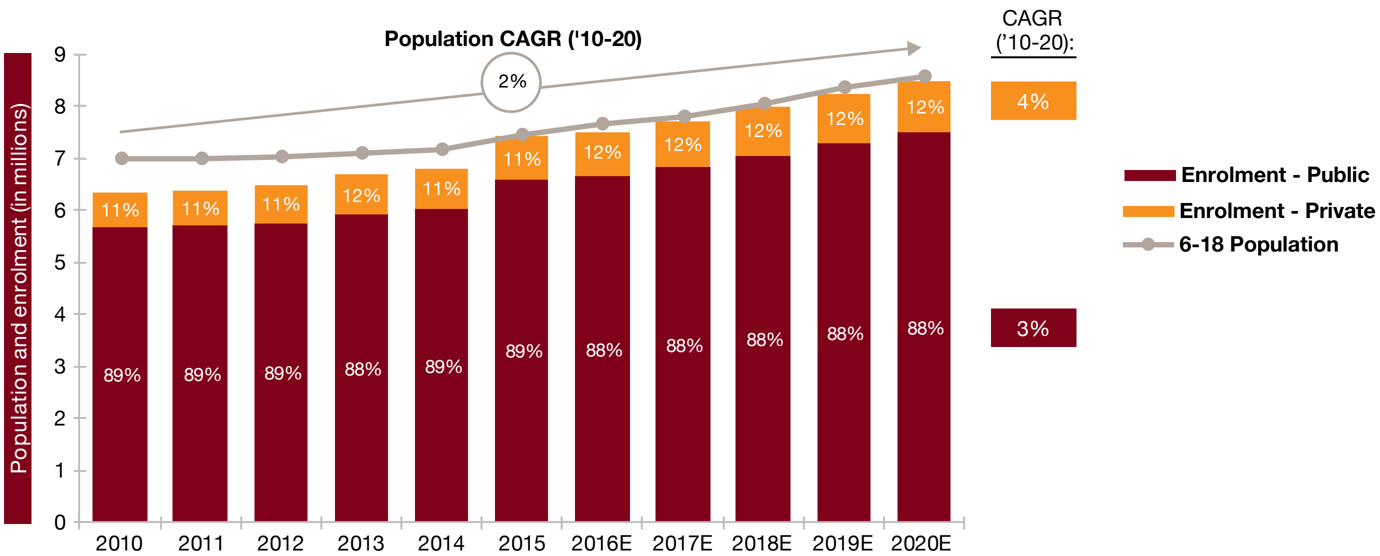
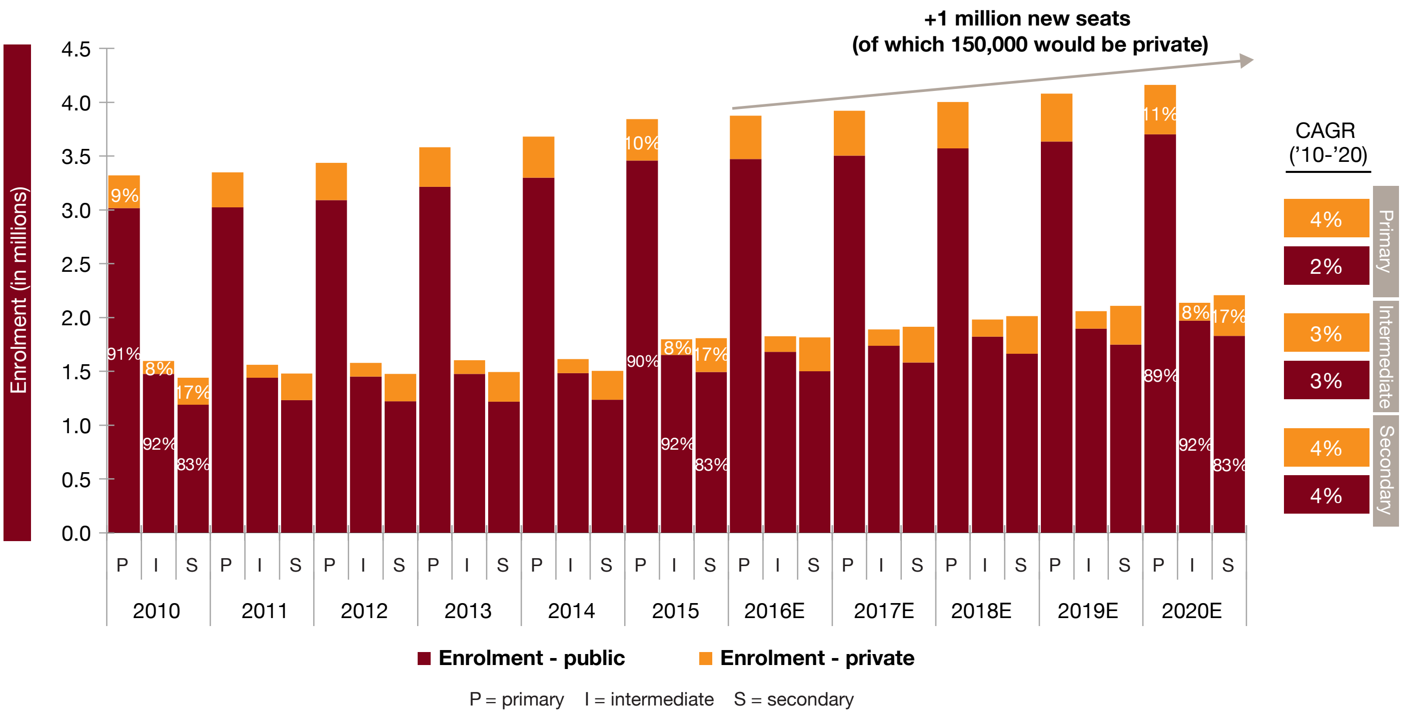


Figure 12: At current growth rates, over a million additional seats in grades 1-12 will be needed by 2020, of which 150,000 should come from around 800 new private schools

Grade 1-12 enrolment by school type and level[12]

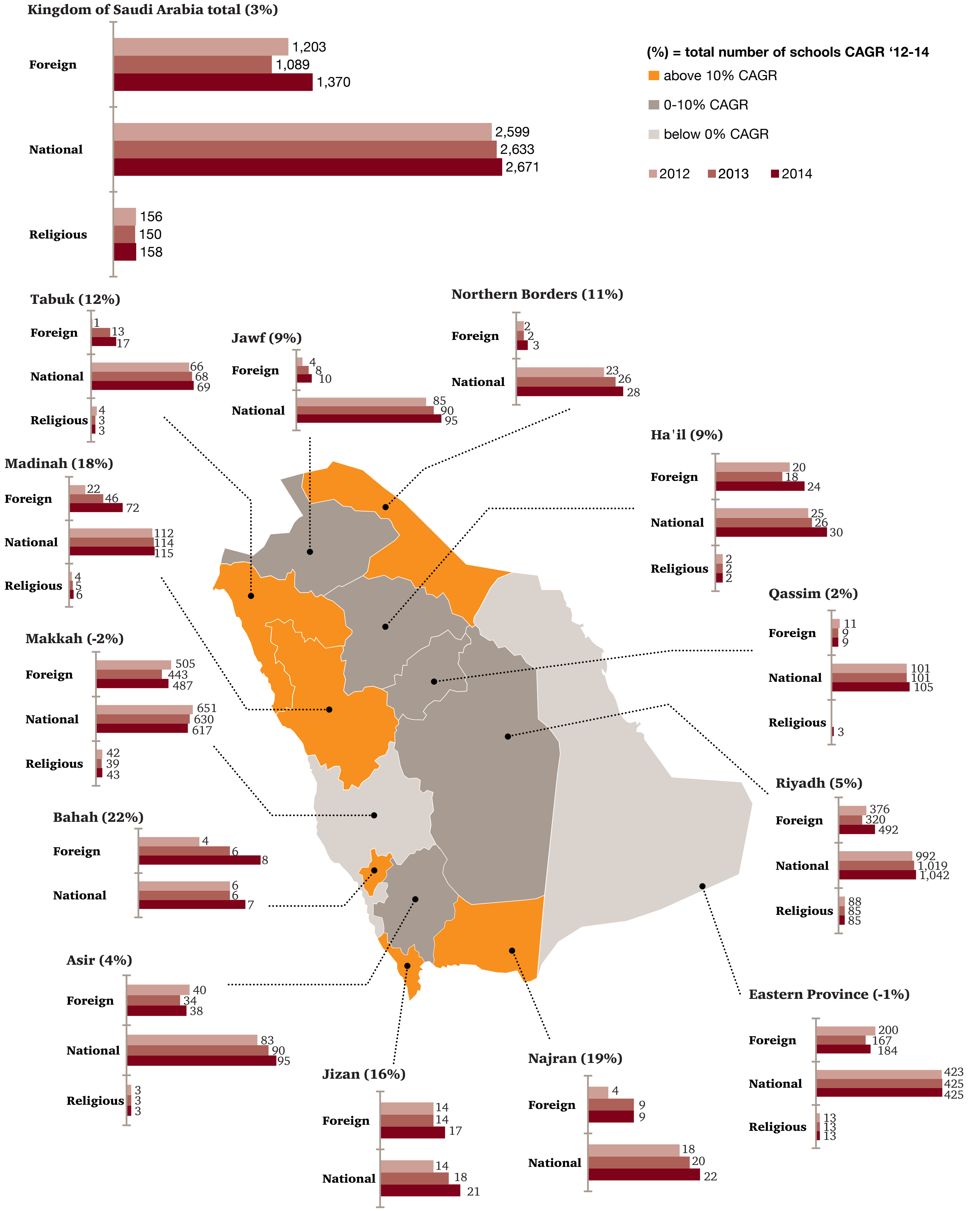


Grade level	Total seats required by 2020 (public + private)	Total seats in private schools	Average private school size, 2014	Total private schools required*
Primary (grade 1- 6)	~300,000	~70,000	~200	~350
Intermediate (grade 7 - 9)	~300,000	~20,000	~100	~200
Secondary (10 - 12)	~400,000	~60,000	~240	~250

[11] MoE; UN; PwC analysis
[12] MoE; PwC analysis (2016-20 seat estimate; *based on 2014 average private school size per grade level)

Figure 13: The total number of private schools in the Kingdom grew 3% between 2012 and 2014 with the northwest regions (Tabuk, Jawf, Madinah) leading the way in foreign-curriculum school growth rates and the southern regions (Asir, Jizan, Najran) in national-curriculum schools. Riyadh has the most private schools and has overtaken Makkah in terms of the number of its foreign-curriculum schools

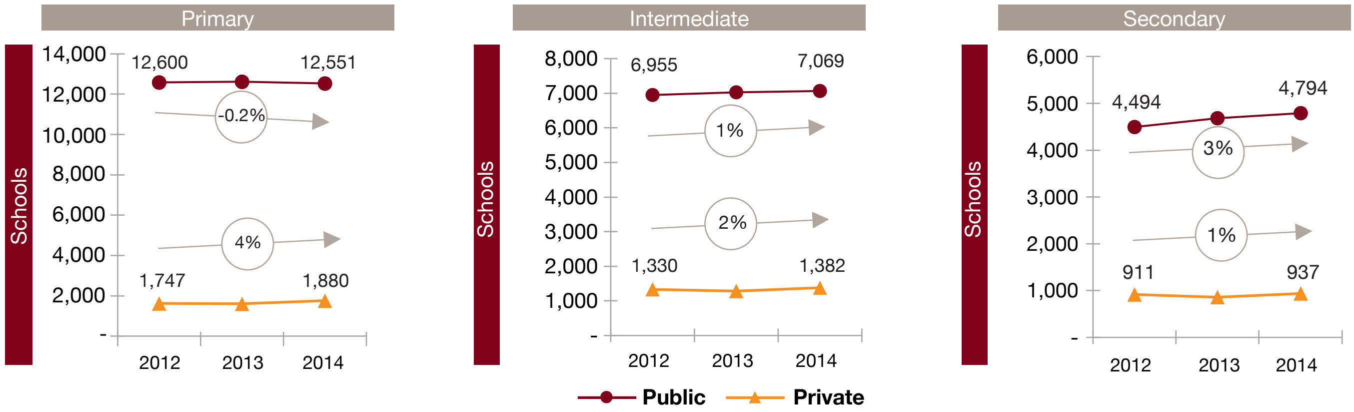
Grade 1-12 number of private schools by curriculum and region, 2012-14[13] (N.B.: x-axis scale varies)



[13] MoE; PwC analysis (data is based on currently available information; excludes special, adult, and non-traditional "mukararat" secondary education schools)

Figure 14: The strongest growth in school numbers is coming from the private sector at the primary level where public provision has declined. Government support for increased private sector participation needs to have an impact across age ranges to meet its targets

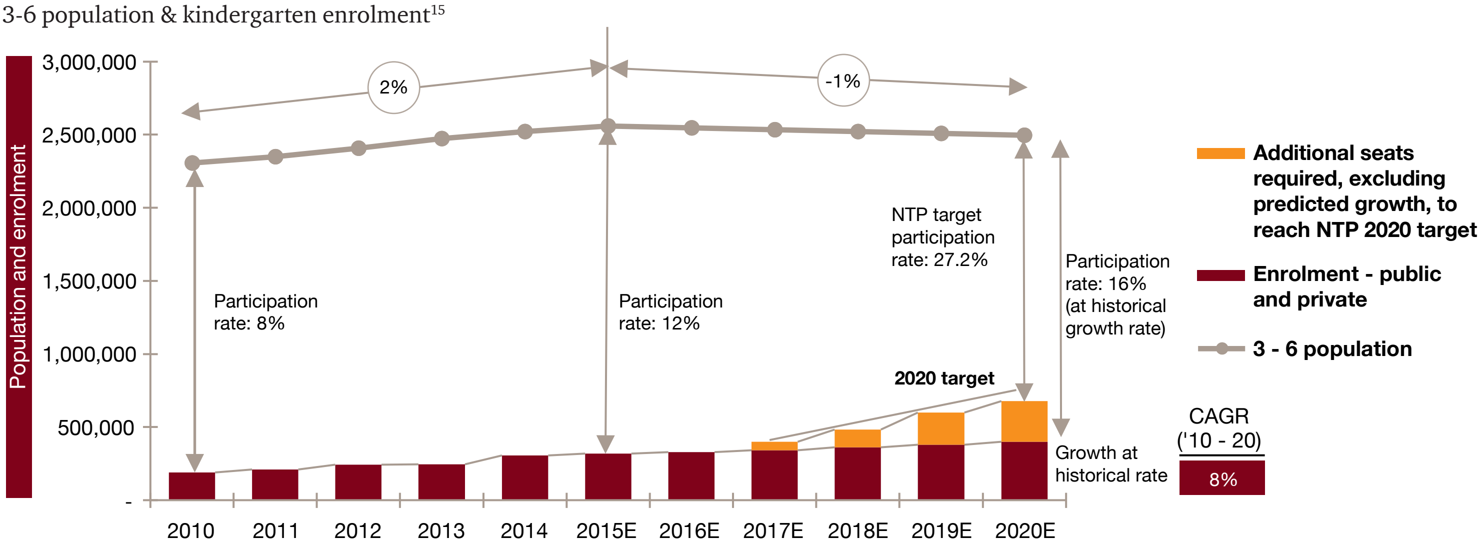
Grade 1-12 number of schools by school type and level, 2012-14[14]



Kindergarten

Figure 15: Nearly 80,000 additional seats are expected by 2020 based on current growth rates. However, to reach its NTP 2020 target of 27.2% enrolment in kindergarten (3-6 year olds), a total of about 430,000 additional seats will be required

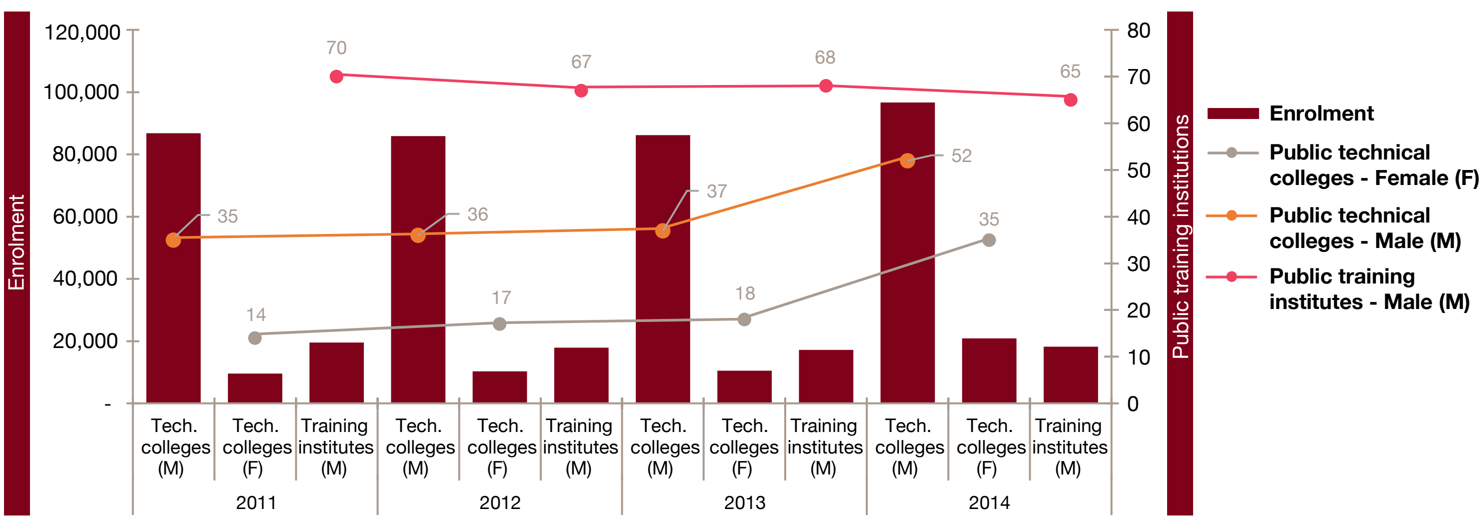
3-6 population & kindergarten enrolment[15]



Technical and Vocational Education & Training (TVET)

Figure 16: The Kingdom is aiming to equip more Saudi youth with advanced technical skills at public technical colleges, evident in the growth in the number of both male and female colleges

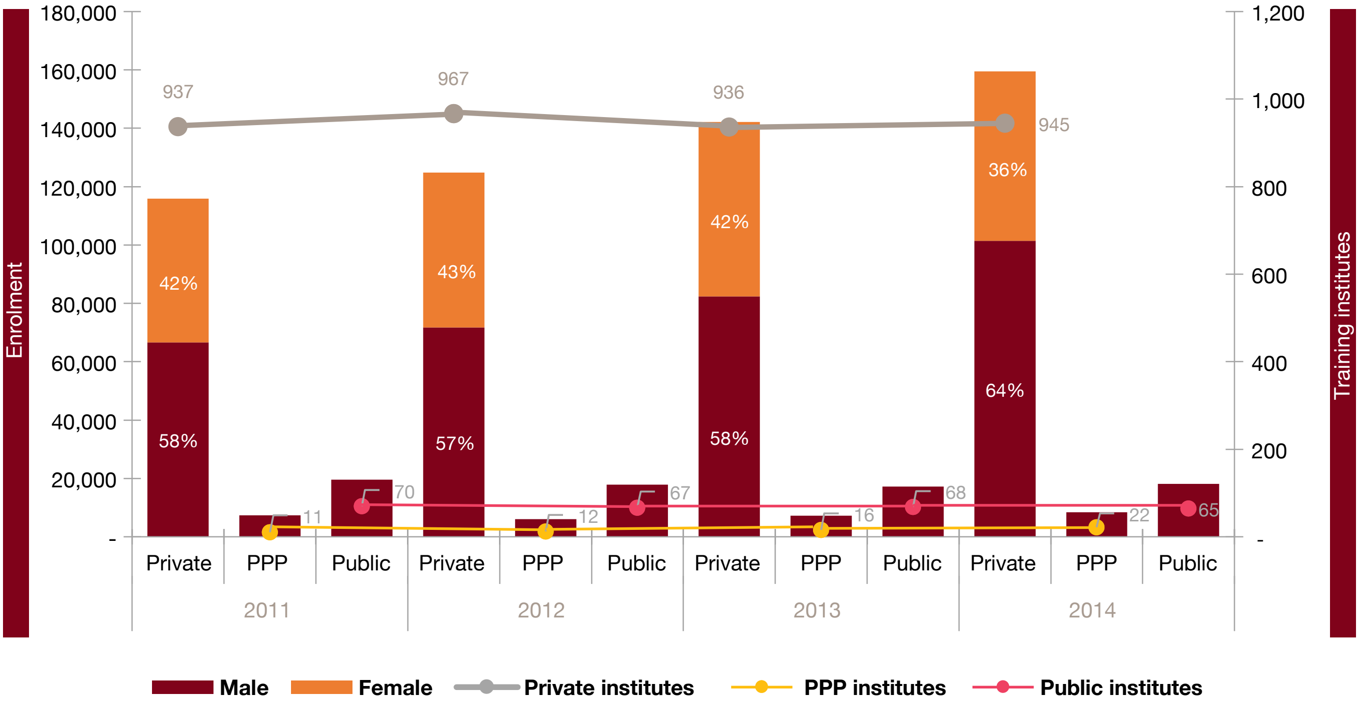
Enrolment and number of public training institutions by type, 2011-14[16]



[14]MoE; PwC analysis
[15]MoE; UN; UNESCO; PwC analysis (2016-20 seat estimate)
[16]TVTC; PwC analysis

Figure 17: Male enrolment in private training institutes has witnessed continuous growth at a rate of 15% per annum since 2011 while female enrolment has been stable during the same period

Enrolment and number of training institutes by type, 2011-14[17]



Key players

Figure 18: KSA key players in private education[18]

Key national entities

- Ministry of Education (MoE)
- Technical & Vocational Training Corporation (TVTC)
- Colleges of Excellence (COE)
- Saudi Skills Standards (SSS)
- Education Evaluation Commission (EEC)
- Ministry of Commerce & Investment (MoCI)

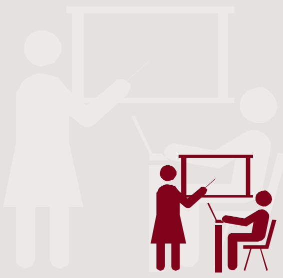
Key players (higher education & TVET)

Higher Education Institutions
- Al-Faisal University
- Dar Al-Uloom University
- Dar Al-Hekma University
- Effat University
- Prince Mohammad Bin Fahd University
- Prince Sultan University

Technical and Vocational Education & Training (TVET)
- International Technical Colleges
- National Industrial Training Institute
- Saudi Petroleum Services Polytechnic

Key players (K-12)

- Al-Hussan Education & Training
- International Schools Group
- Ma'arif for Education & Training
- Arrowad Group
- Al-Khaleej Training & Education
- Tadrees Holding
- Kingdom Schools Company



[17]TVTC; PwC analysis
[18]PwC analysis (list is not exhaustive)

Contacts

PwC works nationally and internationally in the education sector with governments, agencies and private sector organisations.
If you want to talk to our Middle East team of dedicated specialists who focus exclusively on the education sector, please get in touch.

Riyadh Al Najjar
Country Senior Leader
E: *riyadh.alnajjar@pwc.com*

David Chang
Assistant Manager
E: *david.chang@pwc.com*

Sally Jeffery
Partner
E: *sally.jeffery@pwc.com*

Roland Hancock
Director
E: *roland.hancock@pwc.com*

Correct at time of publication (20 February 2017)

© 2017 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity.
Please see www.pwc.com/structure for further details.

Creative Design Centre 1066 (02/17).