FROST & SULLIVAN

DUBAI ECONOMY

Education and Training

Industry in Dubai, UAE

Dubai Economy in collaboration with Frost & Sullivan have undertaken detailed studies of key industry and business segments in Dubai with a focus on trends and opportunities

Contents

- Education and Training industry in Dubai
- School Education
- Tertiary Education
- Special Education
- Technical and Vocational Training
- Key Governing Bodies, and Pertinent Government Initiatives in Dubai
- Outlook for Education and Training industry in Dubai, and Pertinent Key Investments
- Appendix

Education and Training Industry in Dubai, UAE

Dubai has seen a paradigm shift in education sector from the traditional "Mutawwa" system to the present day International system

UAE ranked **34th** in the world for **Higher Education and Training and 40th** for **Primary Education**

UAE ranked **1st in the world** on **Enrolment in Secondary Education Index –** Global Gender Gap Index

~55% of the enrolled students **in Dubai's tertiary education** were **female students** (2015)

- Before the formation of the UAE, there was huge reluctance about educating female children, but has increased over the years due to Government' initiatives.
- Over the years, due to Government's initiatives, there has been a significant increase in education facilities and enrolment of students in the Emirate.
- Education is also free at all stages for the UAE citizens (in public schools and institutions).
- The UAE had allocated 20.5% of its AED 48.7 budget towards education (AED 10.2 Billion) in 2017.

Education and Training Industry in Dubai, UAE

Dubai's education and training sector is expected to grow, led by the private sector

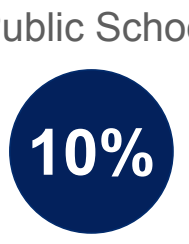
- **Education and Training**
  - **School Education**
  - **Tertiary Education**
  - **Special Education**
  - **Technical and Vocational Training**

Source: Government of Dubai; Frost & Sullivan

School Education

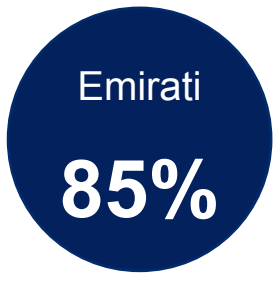
Primary and Secondary Education (1/2)
High preference towards private education and steady growth in private school enrolment rate to attract more private players to Dubai

Share of Students in Public and Private Schools in Dubai, 2016



Private Schools

Public Schools



- Dubai had 185 private schools and 78 public schools that offer primary and secondary education - Primary and Secondary education in Dubai are free for UAE nationals in public schools; however expatriate students are charged fees in public schools.
- High preference towards private schools is mainly due to the high quality education, better infrastructural facilities and international curriculums offered.
- Capacity Utilization Rate* of private schools in Dubai was 89% in 2016.
- The KHDA aims to increase the student seat capacity in private schools to 360,000 by 2020 to meet the growing demand, which is expected to lead to addition of new schools and capacity addition in existing schools.
- It is expected that there will be an addition of ~120 private schools by 2025 to cater to the estimated demand of 4.7 lakhs by 2025.

Source: KHDA; Frost & Sullivan

School Education

Primary and Secondary Education (2/2)
Large multicultural student community in Dubai is expected to result in more schools adopting international curriculums

Curriculums offered by private schools in Dubai

Curriculum	Private Schools
International Baccalaureate	11
Indian	33
UAE Ministry of Education	11
UK	73
US	34
Others	23

- Private schools offer 16 different curriculums, while the public schools offer only Arabic curriculum.
- Wide range of curriculums offered by the private schools enable them to cater the large multi-cultural population in the Emirate (85% of Dubai's population comprises of expatriates from more than 180 countries).
- The main advantage of international curriculums is that they are globally approved and helps in easy transferability for expatriate students in the future to pursue higher education in their home country.
- Indian nationality students (93,013) were the highest in private schools followed by UAE students (32,103) and Pakistani students (22,754).
- GEMS Education is the largest school education provider in the Emirate and has 30 schools.

Source: KHDA; Frost & Sullivan

School Education

Pre schools

Despite the fact that pre-school is not mandatory in Dubai, there is high demand for pre-schools due to large number of working parents in the Emirate.

Pre Schools

- Pre-schools help the working mothers' community by taking care of their children and also help children to adapt into the school system with ease.
- Dubai had 205 pre-schools with ~14,000 children in 2015 - Despite the fact that pre-school is not mandatory in Dubai, there is high demand for pre-schools due to large number of working parents in the Emirate.
- The enrolment in pre-schools had grown at a CAGR of 34% between 2013 and 2015.
- The population of the **age group between 0-4 years** in Dubai has **doubled in the last five years** and is expected to add to the demand for pre-schools.
- Existing K-12 institutions in Dubai are planning to set-up pre-schools to boost the enrolment rate in its primary and secondary education schools.

Major Pre Schools in Dubai

British Orchard NURSERY

Emerald City NURSERY
love, learn, nurture

alph bet street nursery

Children's Oasis Nursery

Yellow Brick Road Nursery

Source: KHDA; Frost & Sullivan

School Education

School Regulations
Fee and Health regulations by the Government are expected to ensure the high quality education standard of the Emirate

Dubai School Inspection Bureau Rating (DSIB)

- It is responsible for establishing the education quality standards through inspection of schools and institutions, both public and private.
- DSIB rates the schools under “outstanding”, “good”, “acceptable” or “unsatisfactory” categories based on the assessment of the educational standards.
- These ratings are then made public on online forums, news, and KHDA apps and gives clarity to all stakeholders about the education system.
- Schools are allowed to increase their fees only on the basis of their ratings.

School Fees

- Average cost of school education in the UAE was the 2nd highest in the world (next to Hong Kong).
- The average fees in private schools in Dubai for the year 2016 was ~AED 25,000.
- More than 57.5% of the students were paying less than AED 20,000 in school fees.

Health Regulations in Schools

- The Dubai health Authority has established regulation that applies to both public and private schools in Dubai.
- The objective of the regulation is to provide high quality healthcare.
- According to the regulations:
- Schools are required to maintain health records for 5 years after the student leaves the school or turns 18 years.
- Health records must highlight critical information about the students health such as allergies.
- Clinics in schools must have adequate medical equipment and other emergency services.
- There are approximately 180 doctors and 360 nurses in Dubai’s schools.

Source: KHDA; Frost & Sullivan

Tertiary Education

Presence of international branch campuses and high quality education helps Dubai position itself as one of the top destinations for higher education in the world

Type of Institution	No. of Institutions
International Branch Campus	27
Vocational Universities	3
Federal Universities	3
Local Universities	25
Total Institutions	58

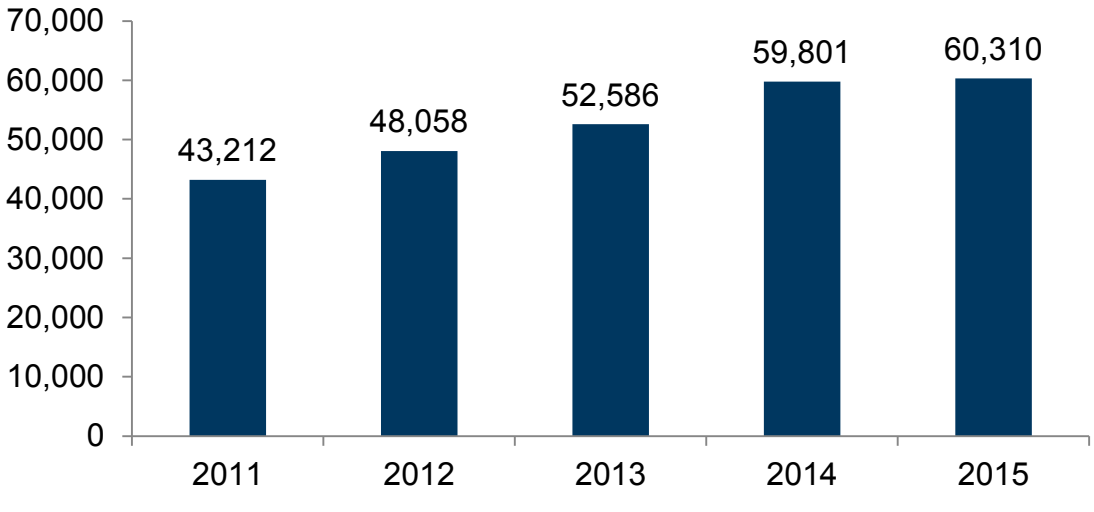
- The presence of world-class universities, and post-study job opportunities drive the enrollment rate in Dubai's tertiary institutions.
- The UAE ranked 34th in Global Competitiveness Index (2016) for Higher education and training.
- The UAE tops the list of Arab nations in net flow ratio of inbound and outbound students with a score of 30, while most of the Arab nations have a negative ratio.
- This is due to Dubai's large expatriate population, world-class infrastructure facilities, strategic location, connectivity and business friendly environment.
- Dubai had 58 higher education institutions offering more than 400 courses.
- The city has 27 international university branch campuses, which is the maximum number for a city in the world.
- The total number of students in the Emirate was 28,972 (of which 23% of the students are international students) in 2016.
- International students seeking tertiary education in the UAE mainly come from India, Syria, Jordan, Palestine, Egypt and Pakistan.
- The University Quality Assurance International Board ensures if the quality of education provided by the tertiary institutions in the Free Zones was of international standards.

Source: KHDA; Frost & Sullivan

Tertiary Education

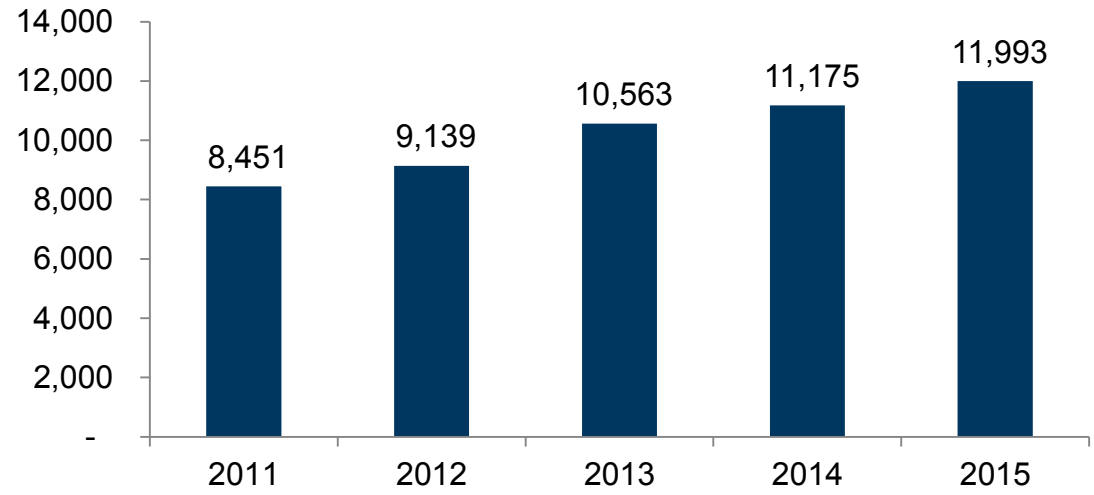
Increasing job opportunities in the Emirate as a result of the economic development is expected to attract international students and boost the enrolment rate

Total number of students enrolled in Tertiary institutions in Dubai (2011-2015)



- Enrolment in Dubai's tertiary institutions had grown at a CAGR of 8.7% between 2011 and 2015.
- Dubai's multicultural population, high standard of living and world-class facilities attract international students from world-over.
- Post-study job opportunities as a result of economic growth are expected to increase the credibility of Dubai's education sector and boost the enrolment rate.

Number of Graduates from Tertiary institutions in Dubai (2011-2015)



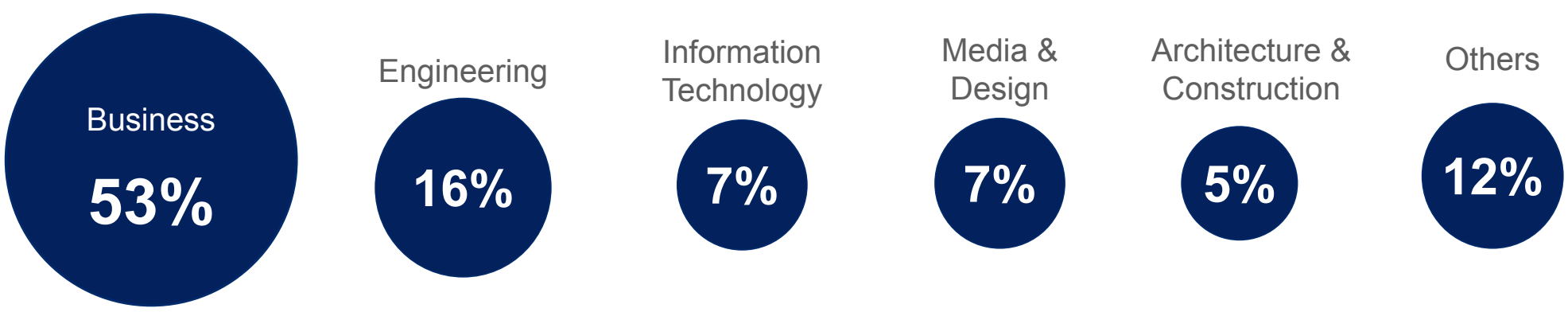
- Dubai has a diversified economy, which has a high demand for skilled workforce.
- Demand for skilled workforce in the Emirate and Government's sponsorship programmes in education sector are expected to increase the demand for graduates.
- Dubai EXPO 2020 alone is expected to create 270,000 job opportunities across different sectors in the Emirate.
- Total students graduating from Dubai's tertiary institutions had grown at a CAGR of 9.1% between 2011 and 2015.

Source: KHDA; Frost & Sullivan

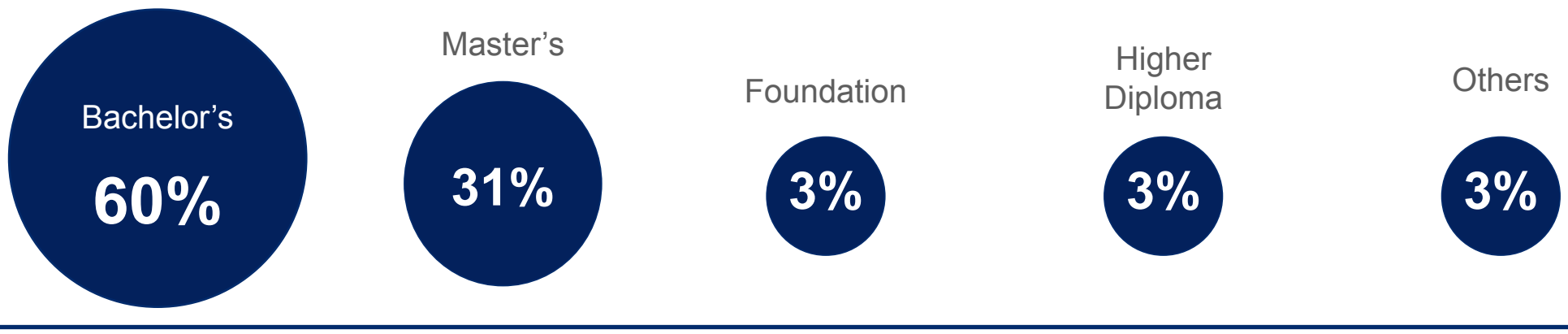
Tertiary Education

Dubai's diversified economy is expected to create new job avenues, which is expected to lead to development of new courses that cater the evolving job market

Distribution of students enrolled in different fields of tertiary education in Dubai, 2016



Enrolment by Type of Degree in Dubai, 2016



- Business degrees had the highest demand in Dubai with a 53% share in student enrolment (2016) followed by engineering courses (16%).
- This is mainly due to the business environment of Dubai – Fast growing sector such as the healthcare, Information technology, Retail, Trade and Logistics are expected to increase the demand for related courses.
- The range of courses offered are still limited compared to other developed education hubs and it needs to invest in R&D in order to keep pace with the international education standards and requirements of the evolving job market.

Source: KHDA; Frost & Sullivan

Special Education

Large multi-cultural population and Government's inclusive policies for all sections of the society to support special education providers in Dubai

Sports Academies

- The Dubai Sports Council works with the objective to develop sports in the Emirate.
- Increasing interest towards a wide range of sports by Dubai's young cosmopolitan population presents significant opportunities for different sports academies to set up in the Emirate.

Special Needs School

- The objective of the Dubai Disability Strategy 2020 is to make Dubai the most disabled-friendly city by 2020.
- Education and employment are two main pillars of the strategy and is expected to lead to inclusion of disabled at all stages of education.
- In 2016, there were 12,000 people with disabilities in Dubai of which about 40% came under the school or college going age group.
- Currently, Dubai has 11 registered special need centers and approximately 50-60 private schools that admits students with special needs.
- The number of children with disabilities in Dubai is increasing but there are only limited seats allocated for them in the schools.
- The Government's initiatives are expected to attract investors to open more special needs schools to meet the future demand in Dubai.

Source: KHDA; Frost & Sullivan

Technical and Vocational Training

Recognition of vocational training qualifications through QFEmirates is expected to boost enrolment and increase the skilled workforce in Dubai

QFEmirates

- The Qualifications Framework for the Emirates (QFEmirates) is the single structure and reference point and recognises all forms of education in the UAE.
- QFEmirates also enables UAE qualifications to be compared with foreign qualifications.

- In Dubai, there are 1,249 training institutes that offer more than 45,000 courses.
- The courses provided by the training institutes vary in length and are mostly short-term (less than 1 year).
- These courses are designed to equip the students/ professionals with skills in different fields and are expected to increase the employment chances and proficiency of individuals by adding new skills or improving the existing skills.
- Vocational training in Dubai has very low enrolment compared to other developed countries, but is seen as the missing piece in the puzzle to solve the skills gap and manpower gap in the regions job market.

Source: KHDA; Frost & Sullivan

Technical and Vocational Training

Massive Open Online Courses (MOOC's) to help education providers to explore new markets and increase their revenues using digital platform

- MOOC's is still an emerging market in the Middle East region.
- These are interactive courses that are offered online, for free or at a cost, to a wide range of age groups; Participants are only charged for certificates.
- Several world-renowned universities such as the Harvard, Stanford are offering MOOC's.
- MOOC's are cheaper compared to offline courses and provide time flexibility.
- The UAE's high mobile penetration rate and competitive job market are expected to drive the demand for MOOC's in Dubai - Dubai Knowledge Park's objective is to promote online learning, which is expected to encourages online learning through MOOC's.
- MOOC's are also expected to play a key role in the skill development of the workforce as companies are encouraging their employees to take courses to sharpen their skills.
- Despite high enrolment rate for MOOC's, the course completion rate has been low as students are interested only in specific modules or there has not been enough emphasis on course completion.
- edX plans to partner with GEMS Education group in the UAE to provide courses in the edX platform, targeting the pre-university students.

Source: KHDA; Frost & Sullivan

Current Transition in Dubai's Education and Training sector

Dedicated Free Zones for Education and Training sector in Dubai
World-class infrastructure and a business-friendly environment make Dubai a viable option for private education providers

DUBAI INTERNATIONAL ACADEMIC CITY

Dubai International Academic City (DIAC)

The University of Manchester Manchester Business School
Michigan State University Dubai
University of Wollongong in Dubai
Amity University Dubai
BITS Pilani University, Dubai

- Dubai International Academic City (DIAC) is the largest free zone in the world, solely dedicated to higher education.
- DIAC has 23 universities (regional and international) offering more than 450 undergraduate and post-graduate courses – more than 25,000 students in DIAC's universities from 150 different nationalities.
- Academic institutions in DIAC follow the Incubator model.

DUBAI KNOWLEDGE PARK

Dubai Knowledge Park (DKP)

- Dubai Knowledge Park (DKP) is the only free zone in the world dedicated to Human Resource Management and learning excellence.
- DKP has more than 500 business partners, which offer diplomas and certification programmes on HRM, personal training, etc.
- DKP also follows the Incubator model.

Source: DIAC; DKP; Frost & Sullivan

Education and Training Outlook and Mega Trends for Dubai

Dubai's goal to become a knowledge based economy has increased the demand for world-class education facilities and is expected to drive the growth of the industry

- The Dubai Government aims to become a knowledge based economy, which is expected to result in more focus on the quality of education and support infrastructure.
- Steady growth in school enrolment is expected to increase the demand for student seats and result in ~120 more schools by 2025.
- Increasing demand for skilled workforce is expected to increase the demand for graduates and tertiary education facilities in the Emirate.
- Dubai's status as an emerging business hub and multicultural population are expected to attract education investors and students from world-over.
- Also, universities and training institutes are expected to invest in R&D to develop courses that cater the requirements of the evolving job market and satisfy the students.
- Digital transformation in the sector is expected to change the way of teaching and learning in schools, while also opening new markets and adding revenues to education providers.
- Dedicated free zones for education and training sector in Dubai to stress the significance of education sector to Dubai's economy and attract more investments in the future.
- However, high cost of education in the Emirate, which is 2nd only to Hong Kong in the world and the lack of Emirati participation in private sector education are some challenges faced by the sector.
- Demand for world-class education facilities, and increasing post-study job opportunities are expected to drive the growth of the sector in the future.

Image Source: Frost & Sullivan Source: KHDA; Frost & Sullivan

Education and Training Outlook and Mega Trends for Dubai

Dubai becomes the first Internet of Things network city in GCC.

Digital Initiatives in Dubai

Education

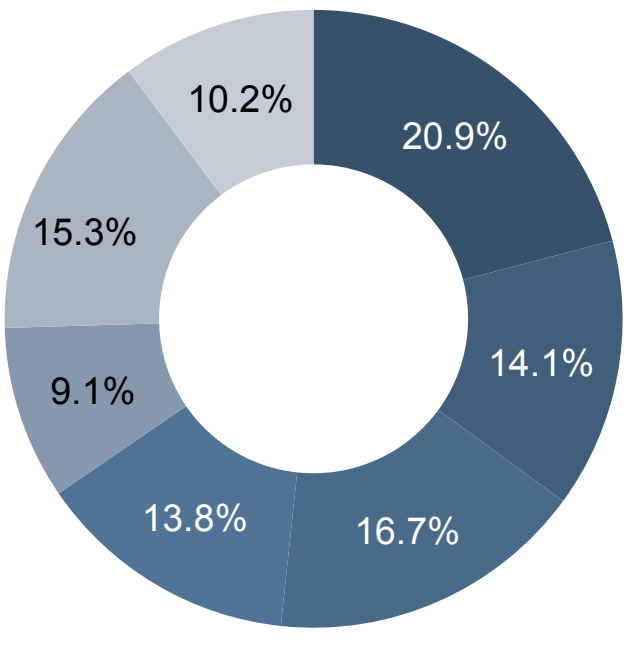
Connected Classroom and Dubai Digital Library initiatives

Technology

Free Wi-Fi zones in more than 200 locations around Dubai

Smart education is one of the 8 smart parameters that a smart city can be built upon.

Smart City Market by Segments*, Global, 2020



The connected city segment leads with an estimated market potential of $392.20 billion by 2020; smart governance and education services will contribute 50% of growth in this segment.

*Smart education includes eLearning services for schools, universities, enterprises, and government entities.

Appendix

Glossary & Definitions

Abbreviation	Expansion
AED	United Arab Emirates Dirham
DEA	Dubai Entrepreneurs Academy
DHCC	Dubai Healthcare City
GDP	Gross Domestic Product
GPS	Global Positioning System
ICT	Information and Communication Technology
KHDA	Knowledge and Human Development Authority
MOE	Ministry of Education
MOHESR	Ministry of Higher Education and Scientific Research
NQA	National Qualifications Authority
UAE	United Arab Emirates
UK	United Kingdom
UQAIB	University Quality Assurance International Board
US	United States
USD	United States Dollar
VETAC	Vocational Education and Training Awards Council

Definition	
Middle East	Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, the United Arab Emirates and Yemen
Gulf Cooperation Council	Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates
United Arab Emirates	Emirate of Abu Dhabi, Emirate of Ajman, Emirate of Dubai, Emirate of Fujairah, Emirate of Ras al-Khaimah, Emirate of Sharjah, and Emirate of Umm al-Quwain

Appendix

KHDA strives to make Dubai a global education hub in the Middle East with increasing emphasis on Emiratisation and digital technology to transform Dubai into a knowledge based economy

Emiratisation

- The Government of the UAE aims to increase the number of Emiratis employed in both the public and private sector across different industries, which is expected to boost the demand for education & training services.
- In Dubai, despite the high teacher-student ratio of 1:16, there is very low participation rate from the Emirati nationals, especially in the private sector.
- The MoE is planning to train 10,000 teachers within the next five years for its public schools, while also following its goal of achieving 90% Emiratisation of its staff by 2020.

Mohammed bin Rashid Smart Learning Program

- It is in line with the UAE's vision to become a knowledge-based economy through the incorporation of technology in education and create an advanced learning environment in the Government schools.
- It is estimated to cost ~AED 1 Billion and is being implemented by the MoE and the Telecommunications Regulatory Authority in four phases over a period of five years.
- The goal of the programme is to provide all the students with smart tablets and 4G connectivity by 2017.

School of Hearts Initiative

- The initiative was launched by the KHDA and focuses on happiness and well-being of students in Dubai.
- It is a survey and mainly involves children aged between 10 years and 14 years.
- In the survey, the students are asked questions related to the following
  - Safety - School environment
  - Health – Personal Wellness
  - Interactions at school – Peer Support
- The initiative is expected to help schools in understanding whether the students are engaged both academically and socially.

Dubai Entrepreneurs Academy (DEA)

- The DEA's main objective is to develop small and medium businesses by training entrepreneurs with the skills and knowledge required for them to become future business leaders.
- It is accredited by the KHDA and provides vocational training for both Emirati students and expatriate students.
- The fee for the courses offered is only AED 2,500 and is expected to benefit individuals who want to succeed as entrepreneurs.

Source: Government of Dubai; Frost & Sullivan