Nepal
Private Sector Engagement in School Education
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Outline

• Definitions and typology
• Expansion of private schools—trends
• Organizations of private schools
• Issues of concern
• Future prospects
Definitions

• Private schools:
  – For profit
  – Do not receive any funding from the state
  – Instead pay both income and service taxes

• Community (public) schools:
  – Not for profit
  – Receive at least some government support
  – OR will eventually receive government support
Typology of private schools

Private Schools

Registered as Company

Registered as Trust

Private Trust

Public Trust
Private schools by registration types in 9 key districts, 2011

Vast majority: company
Driver: profit motive
No. of pvt. schools of different categories

Category A: best infrastructure ➔ highest fees allowed by gov
Category D: worst infrastructure ➔ lowest fees allowed by gov
Expansion of private schools—trends

Key transitions:

• Pre 1951: schools mainly run by communities; no clear public-private distinction
• 1951: more state support; but still no “private school” concept
• 1971: all schools nationalized by state
• 1980: start of for-profit schools
• 1990: start of rapid expansion
Expansion of pvt. Schools, 1990-2013

Multiparty democracy  Maoist insurgency  Peace accord
% students in pvt schools: < 7% in 2005 ➔ 16% in 2013
Organizations of private schools

- Private and boarding schools organization of Nepal (PABSON)—estb. 1991
- National PABSON (N-PABSON)—estb. later
- Higher secondary schools association of Nepal (HISSAN)—estb. 1996
Issues of concern

• Regulatory framework: weak
  – No separate framework for private schools
  – No external monitoring and QA
  – Concern over excessive commercialization

• Equity: adverse impact
  – inaccessible to the poor
  – Limited private schools in rural areas

• Quality: good
  – overall much better performance than public schools
  – but non-uniform

• Impact on public schools: hurting public schools
  – pulling students away
Future of private schools

• Demand: strong from parents
• Political support: good
  – Even the Maoists have shifted from calling for complete closure to better regulation
• Support from bureaucracy: practically good
  – Public officials prefer private schools for their kids
• Conclusion: future looks bright!!