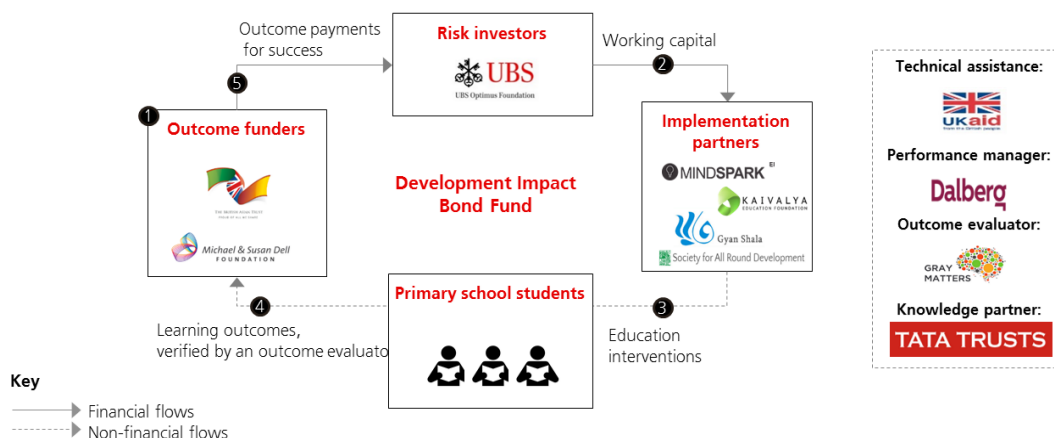


Quality Education India, DIB

A social finance solution for quality education in India



The context

While India has made progress towards achieving universal primary school enrolment, quality of education remains a key challenge. Many children still lack basic literacy and numeracy skills, and a typical Indian student is at least two grades behind the level expected for their age in these subjects. With a focus on improving and measuring outcomes, Development Impact Bonds (DIBs) are ideally suited to drive improvement in quality of education. An innovative way to finance development, they can leverage private investments to address social issues.

Proven models need financing to scale

NGOs face barriers to significantly scale such as lack of financing, inadequate performance systems and poor coordination with government and private sector that hinders financial flows and information exchange.

The Quality Education India DIB (QEI DIB)

Supports education providers to improve learning outcomes of 200,000 primary school students. Designed as a mini-fund it was developed by UBS Optimus Foundation, British Asian Trust and Michael and Susan Dell Foundation.

A first of its kind, aggregating impact capital to scale effective interventions and creating a paradigm shift in education financing. The QEI DIB leverages the successful precedent of the Educate Girls DIB launched by UBS Optimus Foundation in 2014, and builds on the proof-of-concept.

Education providers are funded over four years to implement a range of programs across India including community-based

classrooms, supplementary programs, education technology and principal and teacher training. Each service provider has a proven track record for improving quality of learning in India.



Key terms

Outcome funds	USD 9.2 million
Tenure	4 years
Payment schedule	Annual
Interest rate	8% p.a. on invested amount
Service providers	Gyan Shala, Pratham Infotech Foundation (with Educational Initiative's Mindspark), SARD and Kaivalya Education Foundation

UBS Optimus Foundation
Augustinerhof 1
Postfach
8098 Zurich
Switzerland

Tel. +41-44-237 27 87
Sh-ubs-optimus-foundation@ubs.com

This document was created by UBS Optimus Foundation. It has no regard to the specific objectives, financial situation or particular needs of any specific recipient and is provided solely for information purposes. It does not constitute an offer to sell or a solicitation of an offer to buy any product or other specific service. UBS Optimus Foundation does not provide investment, legal or tax advice and this document does not constitute such advice. UBS Optimus Foundation strongly recommends to all persons considering the information herein to obtain appropriate independent legal, tax and other professional advice. Certain products and services are subject to legal restrictions and cannot be offered worldwide on an unrestricted basis. Although all information and opinions herein were obtained from sources believed to be reliable and in good faith, neither representation nor warranty, express or implied, is made as to their accuracy, completeness or reliability, and they are subject to change at any time without notice. UBS Optimus Foundation expressly prohibits the redistribution or reproduction of this document in whole or in part without its prior written permission and accepts no liability whatsoever for the actions of third parties in this respect. Neither UBS Optimus Foundation nor any of its directors, representatives or agents accepts any liability for any loss or damage arising out of the use of all or any part of this document.