LATAM Session
Brazil, Mexico and Argentina
BRAZIL
Patricia Monteiro, Education Manager
KEY MARKET HIGHLIGHTS

- 209 million people (8,516,000 km²)
- 9th largest economy in the world (IMF)
- GDP USD 1.8 trillion (6% to Education in 2018)

**Education**

- School: 49 million students
- Higher Education: 8 million students
- 2 million teachers
- 200 thousand researchers
- 186 thousand schools (80% public / 20% private)
- 2,407 HE institutions (12% public / 88% private)
- Low English Proficiency Index #53 (out of 88)
Improving the quality of school is a national goal

- To improve country’s position in the PISA ranking (60 out of 76).
- To provide adequate infrastructure for learning is a big challenge.

Basic education is going through a major transformation due to the implementation of National Curriculum Standards (BNCC), based on:

- Focus on skills instead of content.
- Mandatory English Language Training for students and teachers.
- Teacher training and high quality content.
- New methodologies to promote student learning and reduce dependency on teacher knowledge (blended / online learning).

Connected Innovation Education program

- To support the universalization of high-speed internet access in schools.
- To promote the use of basic education technologies.
Aiming to expand the offer of courses and number of students

- No need to have face-to-face courses to be accredited by the Ministry of Education.
- Growing distance education.

Improving learning quality and efficiency are key to private education institutions

- New systems to lower costs and retain students
- Data security
- Education content
- Teacher training
- Internationalisation (partnerships with other institutions)
• Potential for Corporate Education in Brazil.

• Agribusiness, IT and Telecommunication companies, Retail, Franchises, Banks, Professional Associations, healthcare and Pharmaceutical industries.

• Virtual courses are an efficient way to qualify their personnel.

• Most of the corporate courses in the market, according to the Brazilian Market Association (ABEMD) are professional initiation, improvement, operational training and languages.
EDTECH IN BRAZIL

• **139 million** internet users (88% are social media users).
• There are more cell phones than people in Brazil (**114%**).
• **364+** Edtechs companies.
• Sao Paulo is the leading city for the Brazilian Edtech industry, with a focus on serving the large domestic market (**43% based in SP**).
• Key player: **Future Education** (the first Edtech accelerator in Brazil).
• Growing interactions between Edtech startups and traditional schools/universities in Brazil.

**Focus**

• 47% work in the basic education segment (primary and secondary education).
• 8% work exclusively for higher education institutions.
• 49% work with Content Manager System solutions.
• 19% work with Educational Manager System solutions.
• Most products offered: Content Production (61%) and Data Collection and Processes (19%).
• 70% use SAAS (Software as a service) to generate revenue.
• Brazil’s business culture is largely based upon personal relationships.
• Companies will need a strong presence and must invest time in developing relationships in Brazil.
• Face-to-face meetings are important.
• Attending local trade shows (Bett Educar Brasil May 2019).
• Consider establishing an office in Brazil.
• Educational technologies Guide (Connected Innovation Education program), but you have to have a National Company Registration Number (CNPJ).
• Working with private sector is easier.
MEXICO
Edgar Sanchez, Education Manager
KEY MARKET HIGHLIGHTS

- 1,964,375 km²
- 124 million inhabitants
- 14th. largest economy
- GDP 233,429 million USD (5.2% to education)

Education

- 95% Literacy
- Schools (K12): 31 million students
- 1.515 teachers
- 243,480 schools (85.8% public / 14.2% private)
- Higher Education: 4.1 million students
- 27,188 researchers across all disciplines according to CONACYT (2017)
- 5,343 HE institutions (41% public / 59% private)
- English Proficiency Index #57 out of 88 (LOW)
Improving the quality of education

• Mexico’s performance in the Programme for International Student Assessment (PISA) (science, reading and mathematics) is the worst among OECD members. Mexico’s education model was not based in academic merit and it is not focused in specific outcomes.

• A significant part of GDP’s share for education goes to salaries of teachers and administration.

• An education reform was implemented in 2013 to address the situation.

• The new administration/regime (2018-2024) has a nationalistic view and is in the process of abolishing the previous reform. The future of education is uncertain at this moment.

• The implementation and use of education technologies is on hold at the moment in public schools.
DIGITAL STATISTICS

- over 79.1 million internet users (67% of the population)
- 89% smartphone users
- 73% lap top users
- 57% tablet users
- 50% desk top users

• Mexican Government created Punto México Conectado (dot Mexico conected) which is a network of 32 community centres for digital education 32 Puntos (one per State). Its goal is to provide digital literacy to the public.

• The Ministry of Education created @prendeMX (learn MX) which offers digital training and information for School (K12) teachers.

• According to OECD’s PISA, only 60% of students in Mexico have used a computer as part of their education process.
KEY PLAYERS

• According to the National Chamber of Telecom, Electronics and IT Industries, there are 1000 active organisations.

• The largest payers in the industry include Google, Apple, ENOVA and EduTech.

• 80% of the e-Learning Market is served by Mexican business organisations.

• TEC de Monterrey, the most important private university in Mexico created TECLabs, an initiative about educational innovation that includes training, start ups, research, etc. TECLabs is active not only in Mexico but in Latin America and USA.
OPPORTUNITIES AND ADVICE

• Mexico’s business culture is largely based upon personal relationships.
• Companies will need a strong presence and must invest time in developing relationships in Mexico.
• Attending local trade shows (Bett Mexico is the most important) and academic forums.
• Consider sponsoring or participating in the forums organized by TecLabs and similar organisations in order to have greater exposure and get market insights.
• At this stage, consider working with private sector. There might be some opportunities in the public sector (federal level). There might be opportunities in public sector at State level.
• 80% of the e-Learning Market is served by Mexican business organisations; consider working/associating with local companies.
KEY MARKET HIGHLIGHTS

- 21st largest economy in the world (IFM April 2018)
- 44 million inhabitants
- GDP: US$ 614 billion (Current US$, IFM)
- Main Industries (% of GDP):
  - Manufacturing (31.8%)
  - Transport (11.4%)
  - Agriculture (8.1%)
- Digital Economy: 4 of LATAM’s 6 “unicorns”

Education

- Literacy 98%.
- Schools 63,012 (March 2019)
- Total students: 12,735,800 million (2017)
- Technical-Studies students: 961,048 (2017)
- Scientific community of at least 23,700 researchers across all industries
- The highest English language proficiency in Latam
- Over 34 million internet users - 78% population
Regulatory Framework

• 24,195 Law (1993): EdTech was included as a compulsory subject at primary schools.

• 26,206 Law (2006): EdTech was included as a compulsory subject for primary, secondary and special Education schools. Also the Federal Government became responsible for providing the necessary tech-based resources and infrastructure for students.

• MoU signed between Argentina & Australia in Education (2017).

Main Market Segments

• EdTech for Schools Management;

• EdTech to improve syllabus;

• EdTech as online platforms for teaching solutions.
DIGITAL LITERACY: 40% of argentinians who have internet access do not know how to use it. *Related measures:* Federal Government launched a National Plan on Digital Inclusion.

E-learning PLATFORMS FOR INDUCTION COURSES: Mining corp. currently seeking this solution for employees’ onboarding.

**Successful Case**

- Australian EdTech focused on math now well-established in Argentina and Brazil. It held an online competition in 2018 with more than 150 schools.