OPPORTUNITY
EduFinance

SUMMARY

EduFinance School Leadership Academy

UNLOCKING SCHOOL VALUE IN SCHOOL FINANCE IN NIGERIA

Nigeria's affordable private school sector continues to expand, creating a significant opportunity for financial institutions to increase education lending. Drawing on evidence from **43 School Leadership Academy workshops** conducted across **20 states** between **2023 and 2026**, this report examines the profile of affordable private schools, their financing needs, barriers to credit, and implications for financial institutions.

Key Findings

Growing market opportunity

51% GROWTH IN PRIVATE SCHOOLS between 2019–2025

50% OF BASIC EDUCATION SCHOOLS are private

71% OF SENIOR SECONDARY SCHOOLS are private

98 % OF PRIVATE SCHOOLS are affordable

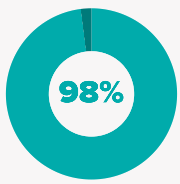
Affordable education finance opportunity

POTENTIAL MARKET SIZE

NGN 71.9B

(104,350 private schools out of 107,017 are affordable

Affordable private schools dominate the sample



of participating schools are affordable

schools vary in size and age, and need differentiated lending products

Schools demonstrate readiness to engage with formal finance

99% Maintain bookkeeping records

40% collect fees through bank deposits

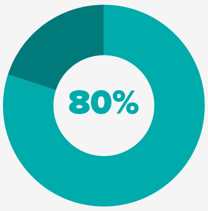
22% collect fees digitally

34% have a bank account*

*this represents an opportunity to strengthen financial inclusion

Demand for finance is investment-led

DEMAND FOR LOANS

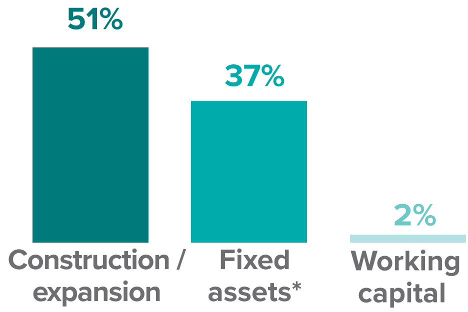


of interviewed schools are interested in a loan

Construction

Highest demand

LOAN PURPOSE



*eg. computers, furniture, and school buses

Successful loans

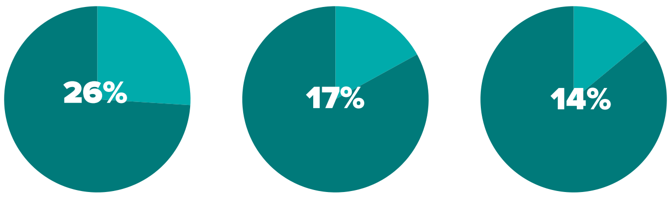
AVERAGE LOAN SIZE

NGN 860k

Average loan value among schools that successfully secured financing from School Leadership Academy (SLA).

Access barriers remain significant

BARRIERS TO FINANCE



Collateral requirements

Limited loan product knowledge

Cash flow constraints

SCHOOL LEADERSHIP ACADEMY

Following School Leadership Academy participation, the proportion of school owners planning to apply for a School Improvement Loan increased by 20 percentage points, demonstrating the value of financial education and direct engagement with financial institutions.

Implications for financial insitutions

THERE IS SIGNIFICANT POTENTIAL TO EXPAND EDUCATION LENDING BY:

Flexible collateral

adopting more flexible collateral approaches required

Repayment schedule alignment

align payments to school cash flow

Borrower education

strengthen knowledge of products

Tailored products

to the varying needs of private schoools