

# **EDUFINANCE MARKET KNOWLEDGE:**

# Financing the Affordable Private School Sector in Haiti

This market summary presents the results of the education finance market assessment in Haiti. The objective of this work is to obtain an overview of the size and nature of the EduFinance market for low-income areas to understand the challenging affecting schools, teachers and parents and to propose financial solutions that meet the needs of these potential clients.

Non-state schools in Haiti represent 80% of the market. Opportunity EduFinance interviewed 153 schools from pre-primary to tertiary, 85 teachers and 99 parents.

Interviewed areas: Cap-Haitien, Cayes and Port-au-Prince

# School Improvement Loans (SIL)

### **Profile of schools interviewed**



153 schools ∩ □ interviewed



**246** students 





Annual Preschool: USD \$52 – \$1,613 Primary: USD \$8 – \$1,613 Secondary: USD \$8 - \$2,621 **Range:** Tertiary: USD \$645 – \$4,704

#### **Interest in Loans**



of schools have improvement plans



of schools need funding

### **Demand for Infrastructure Loans**



of schools are interested in a loan for infrastructure



72% of which would use it to build extra classrooms



average amount required

#### **Demand for Fixed Asset Loans**



of schools are interested in a loan for fixed assets



37% of which would use it to purchase lab equipment



33% would use it to purchase furniture



21% would use it to purchase ICT equipment



average amount required

## **Demand for Working Capital**



of schools are interested in a cash flow loan



average amount required



average tenure: 6–12 months

# **Demand for School Fee Collection Service**



of schools are interested in a school fee collection service



fees for service

# **Estimated market size**



SIL construction	\$75m
SIL – Fixed Assets	
SIL Cash Flow	\$1m
School Fee Collection Service	

The estimated potential market for School Fee Loans is: USD \$82.13mn



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# School Fee Loans (SFL) -

# Profile of parents interviewed -



99 parents interviewed



**2** children in education



Employment: **18%** formal / **26%** informal



23% have an unstable income



**21%** are micro entrepreneurs

#### School fees



average monthly spend on school fees



have borrowed to pay school fees

#### **Interest in School Fee Loans**



of parents are interested in a school fee loan



average amount required



average tenure: 12 months

**EduSave** 



of parents interested in EduSave



average monthly amount able to save

#### **Estimated market size**



The estimated potential market for **School Fee Loans** is:

USD \$58mn

# Teacher Loans -

### Profile of teachers interviewed



**85** teachers interviewed



**76%** have a formal job



37% work full-time and 39% work part-time



USD \$317 Average monthly income

### **Savings**



of teachers are informally saving

# **Demand for Teacher Loans**



of teachers would borrow to finance their professional development



average loan size



average tenure: 6–24 months

### **Estimated market size**



The estimated potential market for **Teacher Loans** is:

USD \$8mn

The total estimated potential market size for Haiti is: USD \$148.13mn