

# EDUFINANCE MARKET KNOWLEDGE: Financing the Affordable Private School Sector in Honduras



Opportunity EduFinance conducted market research to analyse the needs of affordable private schools in Honduras. The intention of the research was to gain insight into the size and nature of the private education market in low- and middle-income areas in different regions, in order to understand the problems that affect affordable private schools and show financial solutions that are likely to best serve them.

Regions part of the study: Choluteca, San Marcos de Colon, Comayagua, Danli, Santa Rosa de Copan, Gracias.

## School Improvement Loans (SIL)

### Profile



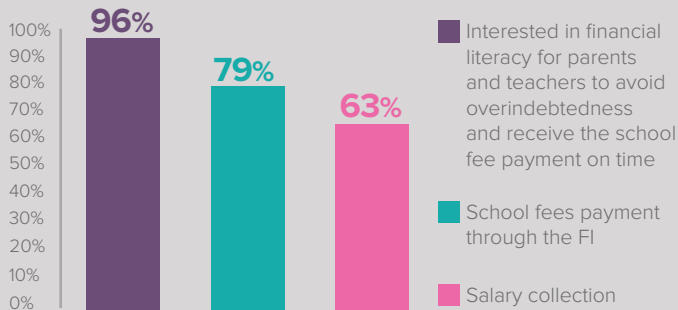
### Demand for School Improvement Loans



### Average Budget Required



### Other Financial Services



### Estimated market size



The estimated market size for School Improvement Loans is:

**HNL 146mn**  
(USD \$6mn)

## School Fee Loans (SFL)

### Profile



### Demand for School Fee Loans



### Estimated market size



The estimated market size for School Fee Loans is: **HNL 134mn** (USD \$5.5mn)

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## Teacher Loans

85 teachers interviewed

### Demand for Teacher Loans



Interested in a loan



Average loan size

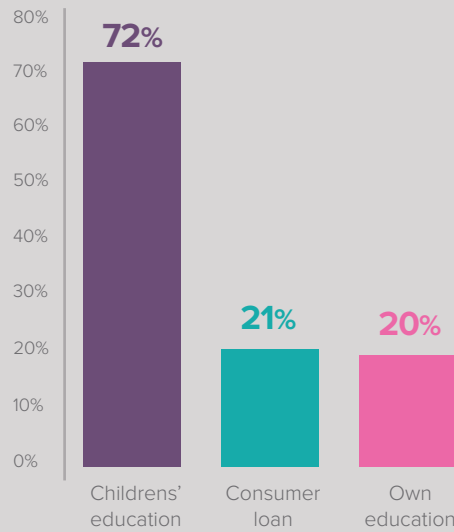


Average loan tenure  
36 months



77% would offer personal guarantee

### Uses of Teacher Loans



### Estimated market size



The estimated market size for Teacher Loans is:

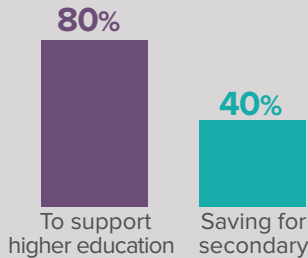
**HNL 13mn**  
(USD \$500k)

## EduSave

### Parents



### Reasons for loan



Interested in saving products for education for min 2 years



Monthly saving  
**HNL 600**  
(USD \$25)



>75% would prefer an automatic transfer from the bank account to the saving account

### Schools



Monthly saving  
**HNL 4.5k** (USD \$190)



Average saving goal  
**HNL 150k** (US\$ 6k)

### Teachers



Interested in saving for **2 years**



Mainly to support the higher education studies of their children



Saving goal  
**HNL 30k-100k**  
(US\$ 1.2-4k) yearly



Monthly saving  
**HNL 200-1k**  
(US\$ 8-40)

### Estimated market size



The estimated market size for EduSave is:

**HNL 395mn**  
(USD \$16m)