



COLEGIOS PERUANOS: *Quality Private Education for
Emerging Social Classes in Peru*

PE-L1120 (ABSTRACT)

The Opportunities for the Majority Initiative (OMJ) seeks to provide a loan of up to US\$15 million to increase access to affordable high-quality primary and secondary education for emerging social classes in Peru, through the expansion of the “Innova Schools” (IS) network in Lima and throughout Peru. *Colegios Peruanos* (CP) is a Peruvian company that runs IS, offering students aged 3-16 years of age an educational value proposition focused on high quality standards and modern infrastructure at a price point that is accessible for its target population. CP began operations in 2006 with the opening of a first school in the district of *Los Olivos* (Lima), later expanding in 2010 to five schools operating in emerging Lima districts including Villa El Salvador, Chorrillos, San Miguel, and Surco. Through the OMJ financing, the IDB will help CP to undertake the expansion of two of its existing schools and to build 21 additional schools in Lima and other cities of Peru, bringing the total number of schools managed to 26 (the “project”); as part of the project, the IDB seeks to involve the participation of international lenders under the “B Loan” Syndication and parallel financing programs, raising additional loan amounts of up to US\$25 million towards CP’s overall US\$74.7 million expansion program.

Peru’s sustained economic expansion has led to increased demand for quality private education from upwardly mobile social classes with a desire to invest in educational opportunities for their children. However, the provision of quality education remains one of the biggest challenges for this country, whose student performance as measured by the standardized PISA test (Program for International Student Assessment) ranks Peru in 63rd place of 65 countries surveyed globally—and last out of 9 in Latin America. CP seeks to contribute to the improvement of primary and secondary school educational outcomes in Peru by delivering a competency-based learning model designed to attain international accreditation standards and centered on inquiry, collaboration, use of technology, reinforcement of character, as well as intensive use of English. Through a network of long term relationships developed with top Peruvian teaching faculties, CP also strives to recruit the best and brightest teachers, ensuring that they receive bilingual training and learn the teaching methods that characterize the CP academic curriculum. The project will increase CP’s total student capacity by 23,000+ students and will help the company further scale its school offering into neighborhoods with a high deficit of quality and affordable education, thus also reaching economies of scale in its business model.

By participating in this project, the IDB will help: (i) address the market’s failure to supply quality private education for emerging middle class families in Peru; (ii) support the use of innovative teaching and educational methodologies and an efficient business model to provide a sustainable market-based solution; and (iii) demonstrate that the project, if successful, can be further replicated in Peru and potentially in other countries in the region by the private or public sector. In conjunction with the project loan, the IDB will conduct an impact evaluation of the CP academic model performing a comprehensive qualitative and quantitative evaluation of student performance, in order to identify key factors that may affect improved student outcomes, and support the model’s potential for scalability and replicability.