

Public Private Partnership  
Honduran Diaspora Outreach for Honduran  
Education Concept Paper

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“The purpose of foreign assistance must be to end the need for its existence ... our assistance must be designed to empower people, communities, and economies to self-reliance. And because of that, I also believe the future of international development is, indeed, enterprise driven.”<sup>1</sup>

USAID Administrator Mark Green  
January 25, 2018  
Davos, Switzerland

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<sup>1</sup> See <https://www.usaid.gov/news-information/press-releases/jan-25-2018-usaid-administrator-mark-greens-remarks-unlocking-potential>.

The critical question is how to make USAID Administrator Mark Green’s vision a reality in the education sector in the developing world. We know that significant investments are already being made by the private sector in education in Latin America. A Brookings Institution study found that between \$224 to \$569 million is invested annually by Latin American multi-national companies (MultiLatinas).<sup>2</sup> The majority of this support is provided through cash donations targeting local schools and NGOs with a focus on adolescent students and teachers. In Honduras, the private sector is already investing up to \$20 million annually in the education sector – this is roughly equivalent to annual expenditures by the USAID Honduras Education Development Office (EDO) portfolio of activities.

In terms of USAID’s experience in leveraging private donations to education activities around the world, approximately 8 percent of all Public Private Partnerships (PPPs) established by USAID between 2001 – 2014 were focused on education. This amounted to 113 PPPs valued at \$1.2 billion and representing 7.2 percent of the total amount invested. The average leverage was 4.03 (\$4.03 came from private entities for every \$1 invested by USAID). The region that established the most education related PPPs was Asia. The majority of these investments were focused on philanthropic outcomes rather commercial benefit or strategic benefit. The emphasis appeared to be significantly slanted to the philanthropic spectrum of the “shared value” continuum.<sup>3</sup>

The challenge for the education sector was in developing and promoting shared value partnerships that helped companies become more competitive while promoting activities to improve access to education and increase the quality of the education services provided, all with the goal of improving human capital, increasing labor productivity, and promoting sustained and equitable economic growth. Business depends on purchasing power of consumers, poorly educated citizens not only decrease overall productivity but also have less purchasing power. Finding ways to increase high quality education outcomes not only increases Foreign Direct Investment, it promotes higher family income, increases consumer purchasing power, and promotes equitable, broad-based social and economic growth. That type of growth creates a virtuous cycle which promotes stability, reduces the potential for violence and increases the potential for greater investment. Education is the key ingredient needed to make this engine for

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<sup>2</sup> Van Fleet, J.W., Zinny,G.S., “Corporate Social Investments in Education in Latin America and the Caribbean: Mapping the Magnitude of MultiLatinas’ Private Dollars for Public Good.” Center for Universal Education at Brookings. August 2012. See <https://www.brookings.edu/wp-content/uploads/2016/06/08-investment-latin-america-van-fleet.pdf>.

<sup>3</sup> Shared Value is defined by Michael Porter and Mark Kramer as “Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.” There are purely philanthropic approaches and efforts that are more closely linked to commercial and strategic benefits – competitive advantage comes from finding ways to link these areas for a win/win approach. See Porter, Michael E., and Mark R. Kramer. "Creating Shared Value." Harvard Business Review 89, nos. 1-2 (January–February 2011): 62–77.

sustainable development run effectively. Ignoring education outcomes is, in short, bad for business.

**But what if we could harness the power of “doing business” to fund critical education activities in Honduras and do so in a way that is sustainable and eliminates the need for continued foreign assistance?**

This concept paper presents an idea that focuses on leveraging the purchasing power of the Honduran diaspora in the United States to mobilize resources for the Honduran education sector. It proposes Public Private Partnerships (PPPs) that would involve an entity coordinating education sector activities in Honduras by partnering with the Government of Honduras, Amazon and International NGOs ( Save the Children, CARE, World Vision, Catholic Relief Services, etc. along with their Honduran NGOs) to use the AmazonSmile shopping platform to raise money for education activities in Honduras.

The AmazonSmile shopping platform is easy to sign up for and once registered with the platform, one can identify their charity and a portion of their purchase will go to that charity. A flat rate of 0.5% of each purchase is provided to a customer's designated charity and almost everything sold on Amazon's regular shopping platform is available at the same price at AmazonSmile (see <https://org.amazon.com>). Theoretically, if one could mobilize the power of AmazonSmile, the potential is there for over \$800 million in charitable contributions per year (that is, multiplying Amazon's total annual sales for 2017 -- \$177 billion by 0.5% gives you \$885

The image shows a screenshot of the Amazon Smile website and a social media post. The website header reads "Fundacion Amazon Smile" and "amazon smile OrgCentral". Navigation links include "Shop AmazonSmile", "Contact Us", "Welcome, Andrew", and "Sign Out". The main content area features the headline "Customers shop. Amazon gives." and a sub-headline "Amazon donates 0.5% of the price of eligible AmazonSmile purchases to the charitable organizations selected by our customers." Below this is a "Register Now" button. A navigation menu includes "Get Started", "About AmazonSmile", "Receive Donations", "Spread the Word", and "Privacy". The "Get Started" section is active, with the sub-heading "How do I register and receive donations for my charitable organization?". It lists five steps: 1. Search for your charitable organization by name or EIN number... 2. Create an organization administrator account... 3. Verify your email address... 4. Submit your organization's bank account information. 5. Upload a copy of a voided check or bank statement... The social media post on the right is from "Amazon Smile" dated December 28, 2017, featuring a photo of a smiling boy in a classroom and text about Pencils Of Promise.

million -- that is equivalent to all the non-USG leveraged funding for education PPPs enacted by USAID from 2001 - 2015).

The role of Amazon, the international NGOs and the Government of Honduras would be to design and implement a publicity campaign aimed at the Honduran diaspora communities in the US asking them to (1) use Amazon Smile for their purchases on Amazon, (2) designate one of the NGOs and a specific education activity they wish to support in Honduras, and (3) spread the word among other members of the Honduran diaspora and their local communities.

The Honduran diaspora purchasing power in the US is conservatively estimated at between \$8 to \$10 billion (based on a working population of 500,000 earning \$16,000 to \$20,000 per year). As their purchases are made on the AmazonSmile shopping platform, the Amazon Smile Foundation would provide the funding to the designated NGO in Honduras for one or more activities (1) purchase of textbooks, (2) school renovation, (3) nutrition programs, (4) adopt a school initiative, etc. USAID Honduras would coordinate with the designated NGOs through ongoing EDO supported activities with the goal of having their actions financed after 2022 by Amazon Smile Foundation support to NGOs and the Ministry of Education. This type of initiative would help move toward the vision put forward by Administrator Green in the Davos Economic Summit in December 2017 of finding ways to end the need for foreign assistance.

For example, if an entity could partner with NGOs on provision of textbooks and have that be part of the Amazon Smile fund-raising campaign, we would need approximately \$5 million a year raised by the campaign to cover the textbook needs of Honduras. We could negotiate with the GOH that as their part of the PPP, the GOH funding that would have gone to text book purchases would instead be instead dedicated to Teacher Professional Development (where there would probably be less chance for "leakage"). That would end the need for USAID support in these two areas and make these activities sustainable after USAID is gone. I believe this is the type of big picture thinking that Administrator Green is trying to promote.

The "win" for Amazon is that we would be encouraging the growth of the national NGO sector which would in turn increase the need for and sales of Amazon Web Services. We have the potential for creating a virtuous cycle that is powered by the good will of the Honduran diaspora and others in the US.

#### Challenges for Education in Honduras

This type of PPP could go a long way in addressing some of the systemic problems facing the Honduran education sector. With 60 percent of the country's population living in poverty and 16 percent in extreme poverty, finding ways to permanently engage with the Honduran diaspora and others in the US could provide a platform for concerned citizens to support efforts in the country to mitigate social and economic problems that research has linked to an increased tendency for irregular migration.

Finding ways to support improvements in Honduras' 25,000 schools and 2 million students (of which 1.7 million attend public schools) could help create more skilled workers with higher productivity and more readily able to compete in a global market place. See Attachment One for a graphic on education efficiency and quality in Honduras. The situation is dire with only about half of the public school students successfully finish 6th grade and for those that do, learning outcomes are relatively low with recent achievement tests in reading and math indicating that only 50 percent of 6th grade students are reading proficiently and 25 percent are at grade level for math. Even though Honduras provides one of the highest levels of funding for education in Central America, the efficiency and quality of education are relatively low and limit the development of a globally competitive workforce. This constraints Foreign Direct Investment creating a vicious cycle of low productivity, low investment and fewer jobs.

An example of the impact of an under-performing job market and a growing youth population is illustrated in the table below which highlights the economic and demographic issues impacting Honduras and driving irregular migration: (1) the Economically Active Population increased from 1.9 million in 1995 to almost 4 million in 2015; and (2) Unemployment and under-employment went up from a combined 30 percent in 1995 to 59 percent in 2015.<sup>4</sup> **As youth have little hope for a future in Honduras, the growing youth population is creating a tsunami of potential migrants.**

Population Changes and the Labor Market

Year	Total Population	Economically Active Population (%)*	Employed (%)	Unemployed	Underemployed**
1995	5,436,818	1,881,982 (35%)	1,803,508 (33%)	78,474 (4.2%)	487,764 (25.9%)
1999	6,009,080	2,348,778 (38%)	2,274,113 (38%)	76,723 (3.3%)	611,030 (26.0%)
2001	6,530,331	2,437,997 (37%)	2,334,596 (36%)	103,404 (4.2%)	643,631 (26.4%)
2005	7,197,303	2,759,409 (38%)	2,627,088 (36%)	132,321 (4.8%)	1,084,987 (39.3%)
2009	7,876,662	3,236,860 (41%)	3,135,564 (40%)	101,296 (3.1%)	1,262,028 (39.0%)
2013	8,535,692	3,628,733 (43%)	3,487,009 (41%)	141,724 (3.9%)	1,831,085 (50.5%)
2016	8,714,641	3,944,836 (45%)	3,653,787 (42%)	291,048 (7.4%)	2,035,603 (51.6%)

<sup>4</sup> Van Steenwyck, N. "Changes in the Distribution of Honduran Population with a Growing Young Work Force." Unpublished paper. Ned Van Steenwyk - [nedstn@gmail.com](mailto:nedstn@gmail.com).

We can help the Honduran people change this situation by providing support for their efforts to make schools more effective, education outcomes more positive, and youth better prepared for high demand jobs.

### Partnering for Honduran Self Reliance

USAID Honduras is helping to address critical issues in the education sector, by implementing activities to improve reading outcomes, increase teacher professionalism, and help youth gain critical job skills and employment. See Attachment Two – USAID Honduras EDO Portfolio.

USAID can leverage greater impact if an entity could bring the power of the Honduran diaspora’s purchasing power to support education along with our activities. By partnering together we can create a situation where Hondurans both at home and abroad support a more dynamic education sector and one that is increasingly supported with national resources and less with support from foreign assistance.

There are many areas where we could work together. For example, we already seeing an impact on reading improvement through USAID activities in Honduras. A recent report on the Honduran education system based on a statistically representative national survey of Honduran primary education outcomes (represented by 2,637 schools with a student population of 322,109) found significant gains in reading comprehension, with sixth grade students showing an increase in satisfactory and advanced reading levels from 22 percent in 2007 to 38% in 2015. A critical limitation on expanding this impact is the lack of an effective book supply chain within the Ministry of Education. Working together with one or more NGOs to support this sector with funding via purchases of the Honduran diaspora, we could create an independent but parallel book purchasing and distribution system that is fully funded outside the Government of Honduras.

Workforce development efforts are yielding impressive results as well with work readiness training and certification activities providing 17,552 at-risk youth with internationally certified workforce competencies including math and reading, which are proven to increase youth employability. A new initiative was started in 2017 aimed at training and mentoring 7,500 more youth and helping 3,750 youth gain employment or start their own micro-enterprises. Higher level education is being supported by a regional workforce development activity. If we could leverage support for national NGOs to coordinate more effectively and on a wider scale with the National Institute for Professional Development (INFOP) we could create a sustainable counterpart that is assessing private sector demand for skilled labor and helping national universities, INFOP and others create the training classes and soft skill development that is needed to succeed in the private sector. USAID could, for example, partner with COHEP (Consejo Hondureña de Empresa Privada) through a Amazon Smile campaign to support their taking over the activities currently being implemented by the USAID’s Empleado Futuros.

A school-based violence prevention program started in 2017 to help high violence urban areas identify and address issues required to improve security and make schools and their communities safer is another important part of the Mission's overall strategic focus. The key focus with this activity is to increase access to education for children in areas that have registered high out migration over the last five years. Efforts are aimed not only at helping schools reduce violence but also engage the community in adopting practices that increase security. There are national NGOs involved in school violence prevention and the promotion of a culture of peace. An entity could support working with these NGOs to take over the activities of Asegurando la Educacion as the activity comes to a close in 2022.

Given that good teachers have a significant impact on learning outcomes, the Mission is working closely with the Ministry of Education to make operational five teacher training centers in Honduras aimed at increasing overall professionalism and teaching practices. USAID funding amounts to \$4 million over a two year period. If we could create an Amazon Smile campaign to finance future teacher professional development that would be a major support to a better education system in Honduras. Another option would be to negotiate with the Government of Honduras to dedicate part of the budget that, under the PPP, is covered by private donations, such as textbook purchasing and distribution, to this area to ensure future is available.

The goal would be to make USAID supported initiatives sustainable that includes the entire Education Development Office (EDO) portfolio is comprised of six activities valued at \$123 million aimed at addressing low levels of achievement and insufficient educational material, lack of access to education due to increased violence in and around schools, lack of teacher professional development, low skill levels and youth unemployment. See Attachment Three for a description of the EDO portfolio of education activities.

### Next Steps

While there would be an overarching PPP with Amazon, Major NGOs and the Government of Honduras, there may be a need for specific PPPs aligned with one or more NGOs for a specific activity. The following would actions would be taken to identify the specific NGOs for inclusion in the Amazon Smiles campaign.

1. Sharing information with EDO Implementing Partners (IPs) – This would include identifying current private sector engagement activities, mapping where PPPs are occurring in the education sector and highlighting who the partners are, what the impact their PPPs are having, and how can these types of PPPs be replicated among EDO IPs);
2. Coordinating actions among EDO IPs, Government of Honduras, national private sector, international private sector and Non-Governmental Organizations – As key areas for PPPs are identified, actions should be taken to promote high impact PPPs with one or more EDO partners. The focus would be on creating multiple partner PPPs that can leverage significant resources on a national and international level.



3. Publicizing success and promoting greater participation – Actions would be taken to highlight successful PPPs through the convening power of the US Embassy and USAID. High level events would be held periodically to provide awards accompanied by Embassy Public Affairs and USAID Honduras communications to promote more wide spread adoption of effective PPPs to support the education sector.

In order to establish an overarching PPP between USAID, Amazon, key NGOs that have operations in both the US and Honduras – e.g., World Vision, Save the Children, Catholic Relief Services (CRS), and the Government of Honduras, the following actions should be taken:

- (1) Conduct a planning conference of all potential stakeholders in Honduras to obtain feedback and identify priority areas in the education sector for mutual coordination and cooperation;
- (2) Identify how the AmazonSmile platform and interaction with the Amazon Smiles Foundation should be established and managed – this would include understanding how an outreach campaign to the Honduran diaspora would be designed, funded and implemented;
- (3) Draft narrative describing each initiative under the PPP in terms of the specific activities that will be addressed in the education sector and how those activities will be self-financing (either with private donations or GOH budget resources) by 2022;
- (4) Clarify USAID’s support activities for the PPP in terms of communicating, sharing information, highlighting best practices and coordinating activities among the USAID EDO Implementing Partners and the other participants in the PPP.
- (5) Establish a USAID PPP Coordination Mechanism to manage this initiative and facilitate a hand off all EDO activities by 2022 to other than USAID funded entities.

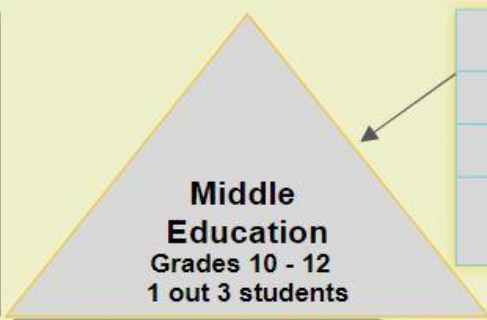
As stated previously, the overall objective is to develop a mechanism that can support the Honduran education system without foreign assistance. Engaging the Honduran diaspora and others in the US to support education sector initiatives could create a critical model for USAID’s efforts to promote self-reliance and an end to US foreign assistance.

For some illustrative examples of targeting of Honduran diaspora communities in the US see Attachments Four and Five.

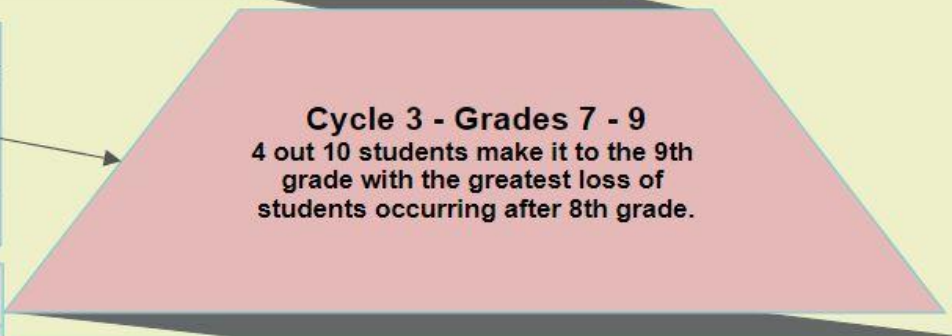
## Education Efficiency Pyramid Honduras 2003 - 2014

Source: Informe de Progreso  
Educativo de Honduras Año 2017  
Fundación para la Educación Ricardo Ernesto  
Maduro Andreu  
(FEREMA)

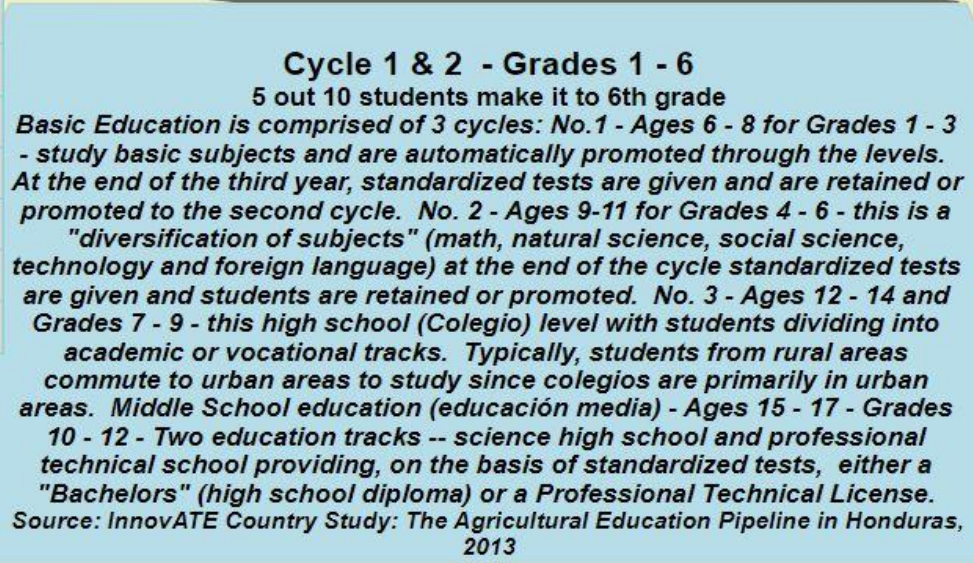
Year	Grade	No. of Students	% Access
2014	12th	89,682	30%
2013	11th	105,352	36%
2012	10th	105,893	36%



Year	Grade	No. of Students	% Access
2011	9th	118,998	41%
2010	8th	139,295	48%
2009	7th	151,459	52%

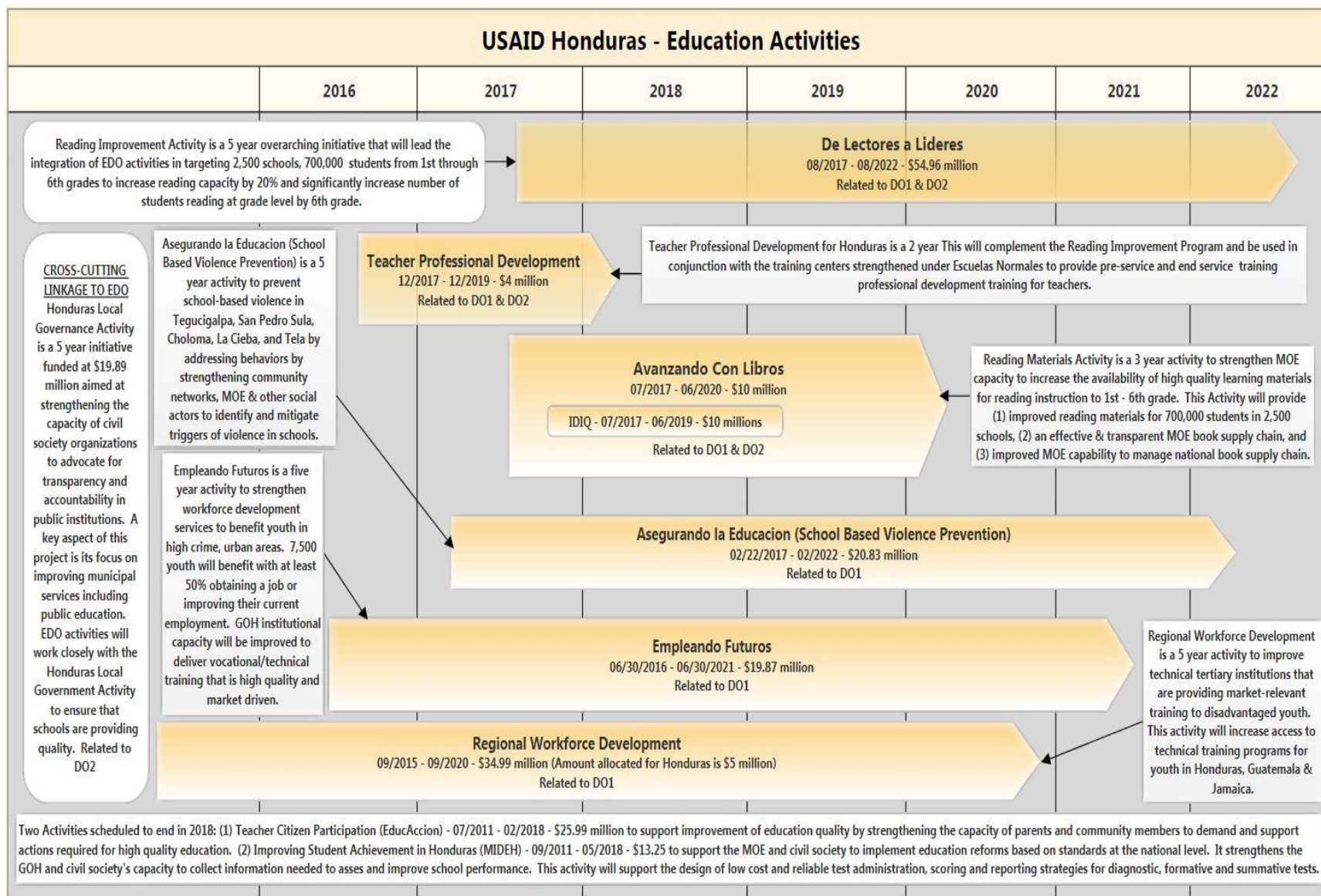


Year	Grade	No. of Students	% Access
2008	6th	159,159	55%
2007	5th	175,961	60%
2006	4th	195,008	67%
2005	3rd	206,372	71%
2004	2nd	239,925	82%
2003	1st	290,776	100%
2002	Pre-Basic	74,456	



According to the Informe Nacional de Rendimiento Académico 2015 for Honduras, page 40, graph no. 1 & no. 2, only 38% of 6th graders were proficient in Spanish reading and only 7% in math.

Attachment Two





## Attachment Three

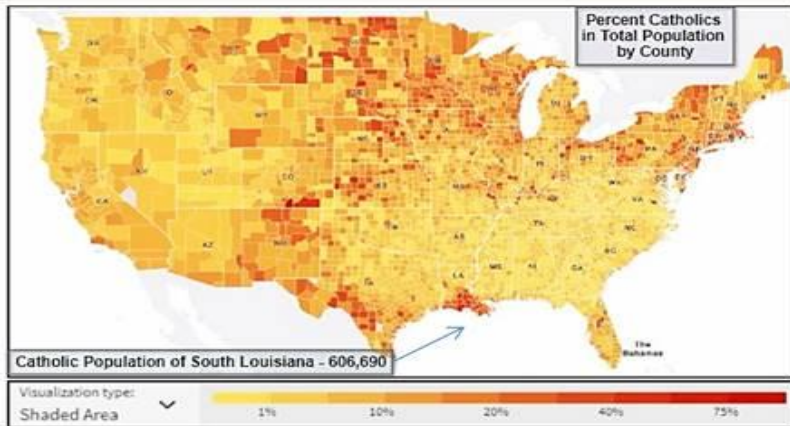
The following is a short summary of each activity:

- De Lectores a Lideres – This “reading improvement activity” is a 5-year comprehensive initiative that will lead the integration of EDO activities in targeting 2,500 schools, 700,000 students from 1st through 6th grades to increase reading capacity by 20% and significantly increase number of students reading at grade level by 6th grade. Total funding for this activity is \$55 million.
- Avanzando Con Libros – This “quality reading materials activity” is a 3-year, \$10 million initiative to strengthen Ministry of Education (MOE) capacity to increase the availability of high quality learning materials for reading instruction to 1st - 6th grade. This activity will provide (1) improved reading materials for 700,000 students in 2,500 schools, (2) an effective & transparent MOE book supply chain, and (3) improved MOE capability to manage national book supply chain.
- Asegurando la Educación – This “school-based violence prevention” activity is a 5 year, \$21 million effort to prevent school-based violence in Tegucigalpa, San Pedro Sula, Choloma, La Ceiba, and Tela by addressing violent behaviors by strengthening community networks and efforts by the MOE and other social actors to identify and mitigate triggers of violence in schools.
- Teacher Professional Development - A two year, \$5 million effort aimed at strengthening the professional development of teachers through the National System for Teacher Training (SINAFOD). The goal is to help the Government of Honduras create and promote a model for national teacher training incorporated into national education annual budget.
- Empleando Futuros – This initiative is a five-year, \$20 million activity to strengthen workforce development services to benefit youth in high crime, urban areas. 7,500 youth will benefit with at least 50% obtaining a job or improving their current employment. GOH institutional capacity will be improved to deliver vocational/technical training that is high quality and market driven.
- Avanza – This regional workforce development effort is a 5-year activity to improve technical tertiary institutions that are providing market-relevant training to disadvantaged youth. This activity will increase access to technical training programs for youth in Honduras, Guatemala & Jamaica. Approximately \$5 million is dedicated to Honduras.

Attachment Four

An example of targeting of Honduran diaspora for US based communication campaign. Catholic Relief Services reaching out to Catholic communities in high density Honduran diaspora populations. South Louisiana has a convergence of both populations.

**US Catholic Population versus Honduran Origin Population**  
 Source: US Census American FactFinder & Social Explorer



Metropolitan Area	Honduran Origin	Total Population	Honduran Origin as % of Population
New Orleans-Metairie LA	28,842	1,239,697	2.33%
Harrisonburg VA	2,024	129,173	1.57%
Miami-Ft. Lauderdale-West Palm Beach, FL	89,103	5,861,000	1.52%
Houston, TX	66,756	6,346,653	1.05%
Atlantic City - Hammonton	2,527	275,376	0.92%
Durham-Chapel Hill NC	4,442	534,154	0.83%
Hilton Head Island-Bluffton-Beaufort SC	1,529	197,969	0.77%
Charlotte-Concord-Gastonia NC	14,316	2,338,792	0.65%
Bridgeport-Stamford-Norwalk	5,786	939,983	0.62%
NY-Newark-Jersey City	114,769	19,979,950	0.57%
Cape Coral-Fort Myers FL	3,292	661,675	0.50%
Austin-Round Rock TX	9,304	1,889,094	0.49%
Baton Rouge, LA	3,565	819,861	0.43%
Raleigh NC	5,065	1,216,711	0.42%
Los Angeles-Long Beach-Anaheim CA	54,273	13,154,457	0.41%
Dallas-Ft. Worth-Arlington TX	25,420	6,813,420	0.37%
Baltimore-Columbia-Towson	10,246	2,769,818	0.37%
Orlando-Kissimmee-Sanford, FL	8,289	2,277,816	0.36%
Atlanta-Sandy Springs-Roswell	19,836	5,535,837	0.36%
Boston-Cambridge	15,194	4,694,564	0.32%
Tampa-St. Petersburg-Clear Water, FL	8,494	2,888,458	0.29%

**Catholic Population in Louisiana** - Source US Census American FactFinder 2016 & Social Explorer US Census 2010

Parish	Total Population	Catholic as Percent of Total Population	Catholic Population
Acadia Parish, Louisiana	62,372	39%	24,325
Allen Parish, Louisiana	35,615	14%	3,587
Assumption Parish, Louisiana	22,979	44%	10,108
Avoyelles Parish, Louisiana	41,252	28%	11,551
Calcasieu Parish, Louisiana	197,233	17%	33,530
Cameron Parish, Louisiana	6,798	27%	1,820
East Baton Rouge Parish, Louisiana	445,937	17%	75,767
Evangeline Parish, Louisiana	39,790	51%	17,220
Iberville Parish, Louisiana	73,799	54%	39,851
Iberville Parish, Louisiana	33,159	22%	7,295
Jefferson Parish, Louisiana	433,204	17%	73,985
Jefferson Davis Parish, Louisiana	31,399	28%	8,792
Jefferson Parish, Louisiana	234,963	32%	75,188
LaFourche Parish, Louisiana	57,688	30%	29,306
Pointe Coupee Parish, Louisiana	22,366	40%	8,946
Rapides Parish, Louisiana	132,373	13%	17,208
St. Bernard Parish, Louisiana	44,091	6%	2,645
St. Charles Parish, Louisiana	52,708	16%	8,433
St. James Parish, Louisiana	21,581	53%	11,438
St. John the Baptist Parish, Louisiana	43,888	28%	12,289
St. Landry Parish, Louisiana	83,699	39%	32,641
St. Martin Parish, Louisiana	51,185	42%	22,422
St. Mary Parish, Louisiana	53,053	25%	13,261
Terrebonne Parish, Louisiana	113,099	27%	30,537
Vermilion Parish, Louisiana	59,524	41%	25,995
West Baton Rouge Parish, Louisiana	29,017	36%	9,006
<b>Total</b>	<b>2,446,286</b>	<b>25%</b>	<b>606,690</b>



Attachment Five

Honduran origin communities in the US.

