




Financial Education

Linking Clients to Financial Institutions

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Microfinance Opportunities
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Where does Financial Education fit?


- Linking supply and demand
 - microinsurance
 - remittances




  




Why is Financial Education Important for the Poor?

- Better understand financial options
- Use financial resources more effectively
- Build self-esteem and confidence
- Shift from reactive to pro-active decisions







  



What is Financial Education?

Financial education provides people with skills to manage their money more effectively. Participants who receive financial education acquire the information and tools to make better financial choices and work towards their financial goals to enhance their economic well-being.






What Financial Education is Not?


Financial education is about

BEHAVIOR CHANGE

not

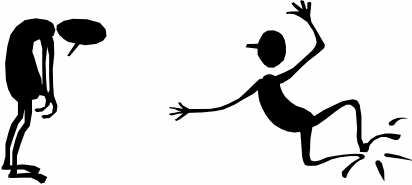
information transfer




  



Financial Education Objectives

Current Behaviors → Desired Behaviors



Financial Education

How was the Financial Education Curriculum Developed?

The Process

- Conduct market research
- Design and pilot test learning sessions
- Measure outcomes

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Financial Education

How was the Financial Education Curriculum Developed?

The Partners

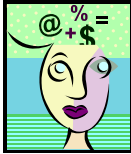
- India – SEWA Bank
- Philippines – CARD Bank
- South Africa – Teba Bank
- Morocco – Al Amana
- Bolivia – Pro Mujer
- Poland – The Microfinance Centre

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Curriculum: Modules

- Budgeting- Use Money Wisely
- Debt Mgmt.- Handle with Care
- Savings- You Can Do It!
- Banking Services- Know Your Options
- Financial Negotiations- Communicate with Confidence

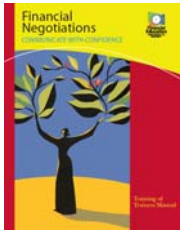


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Curriculum: Components

- Trainers' Guides
- Training of Trainers Manuals
- Content Notes
- Implementation Guidance



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Channels of Delivery

Volume of Outreach ↑

- Campaign
- Radio Show
- Soap Opera
- Classroom Training
- Credit and Savings Group-based
- Individual Counseling

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Financial Education

Modes of Delivery

- Parallel** – Two or more programs or departments in same organization
- Linked** -- Two collaborating but independent organizations (e.g. training NGO and MFI)
- Unified** – Integrated services delivered by same staff in an organization

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Financial Education Providers

Financial Education Provider	Institutional Mission
Corporation/trade association	Industry wide education
MFI: Marketing and Promotion	Improved performance
Training Provider (Fee for service)	Training services for low income households
Community Development Program (social program)	Financial management for community members







Challenges

- Literacy levels
- Adaptation to market segments











Financial Education for the Poor: Next Steps

DISSEMINATION

- Training of Trainers
- In-country Training and TA









Financial Education for the Poor: Next Steps

- INNOVATIONS
 - Micro-insurance
 - Remittances
 - Youth
 - Risk management
 - Consumer Education
 - Bank Cards










For More Information

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