

Social and Financial Education and Access for Children



Child Social & Financial Education

Aflatoun provides a social and financial education programme

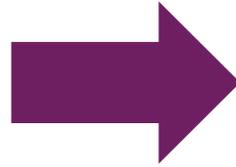


The **five core elements** of the Aflatoun Social & Financial Curriculum are:

- Personal Exploration and Understanding
- Rights and Responsibilities
- Saving and Spending
- Planning and Budgetting
- Child Social and Financial Enterprise

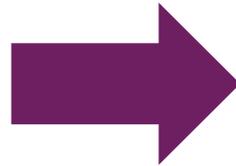
Aflatoun Across the world: Promoting a culture of Saving

Aflatoun is live in schools in **51 countries** around the world



Aflatoun has over 595,000 current students

EUR 2.6 mio saved in 2009 by children doing the Aflatoun program

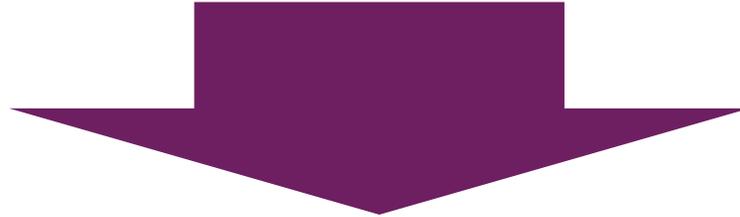


This is an average of EUR 0,56 per month per child

Most of the saving is still done informally; through saving at home, or at school.

Looking forward; combining education with access

While social and financial education for children is very important



Research shows that it achieves **maximum impact** when the lessons learned can be **applied in practice**.

Habits like saving and visiting your local bank are **best-developed** from an early age

Social & Financial Education + Access

It informs children and makes them responsible, during their youth but also when they are adults

It gives them a chance to understand the basics of banking at an early age

It provides them protection from future economic crises through prevention



Children will be better informed and better prepared, not only while they are young but also when they grow up.

Most of all, they are given a choice.

Children's financial education and access is very relevant now

Financial systems have yet to recognize children as important stakeholders whose financial safety must be ensured.

A prominent example has been the major yet little-documented **effect of the financial crisis** on children.



Children have experienced **higher school drop-out rates**, lower nutritional intake, and decreased healthcare¹

ChildHelpline International has reported a **higher number of distress calls** by children attributed to the recent economic hardships.

¹ <http://www.wfp.org/stories/financial-crisis-pushes-poor-families-deeper-into-hunger>

Introducing ChildFinance

Child

“A child means every human being below the age of **eighteen** years unless under the law applicable to the child, majority is attained earlier.”

- UN Convention on the Rights of the Child

*For ChildFinance, in exceptional circumstances, the age can be extended to up to 25 years old

ChildFinance

“The creation and strengthening of systems, structures and policies which provide children with choices, informs them of their rights, instills in them values, empowers them to make sound financial decisions, build their assets and invest in their own futures”

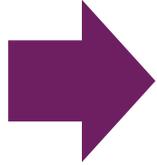
Finance

“The science that describes the management of money, banking, credit, investments, and assets.”

“The study of money and how it is used. Finance considers the relationship of money to time and risk.”

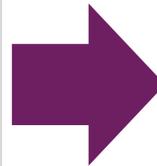
ChildFinance will be a multi-stakeholder movement

Multi-stakeholder



ChildFinance will consist of experts from financial institutions, policy makers, researchers and NGOs

Movement



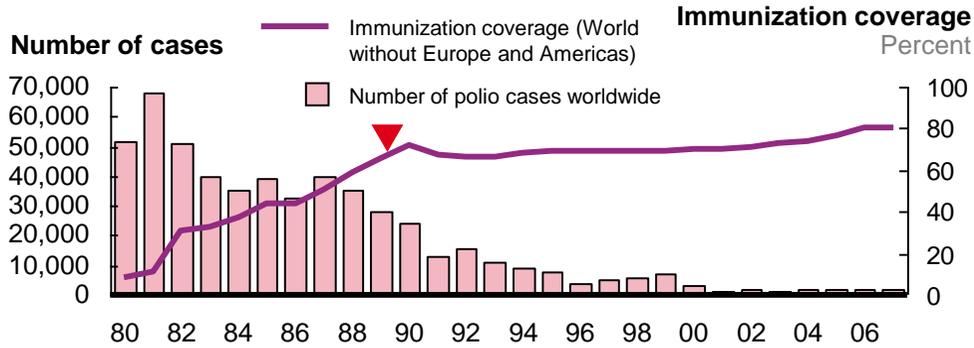
To become a regular topic on the agendas of global policymakers and opinion leaders



How do we get there?

▼ Accelerator initiative

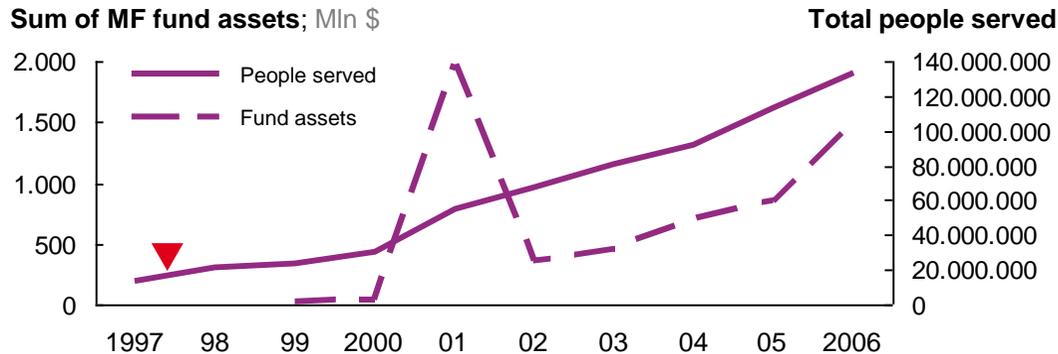
Polio vaccination



Since 1988:

- more than 2.000.000.000 children immunized
- Virtually all countries (194)
- 20 million volunteers
- Total international investment > US\$ 5 billion

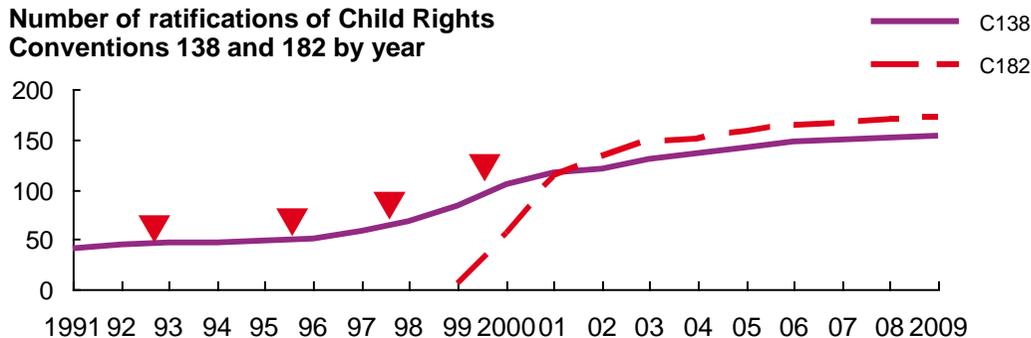
Microfinance



Currently:

- more than 130.000.000 people served with credit loans
- more than 3.500 active Micro Finance institutions world wide
- Total international investment > US\$ 8 billion from 2001 - 2009

Child labor



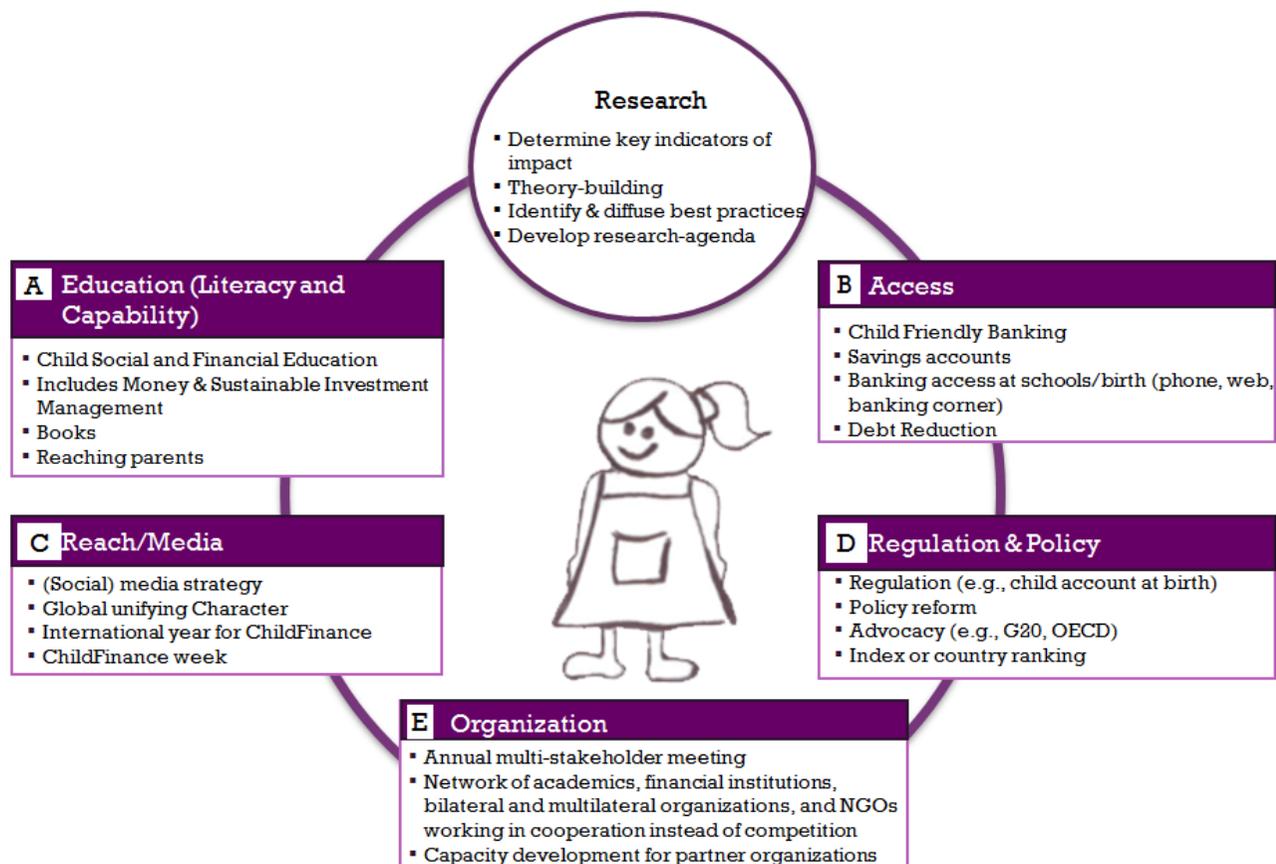
Currently:

- 154 countries have ratified convention 138 (minimum age)
- 171 countries have ratified convention 182 (worst forms of child labor)
- IPEC aims to eliminate all worst forms of child labor by 2016

The strategic pillars of ChildFinance

To further explore the steps forward for ChildFinance over 130 experts met in June 2010, representing 40 countries, and over 100 organizations including banks, governments, non-profits, academia and media.

They have defined five strategic pillars for the movement:



Working Groups

Financial institutions are vital in creating the ChildFinance movement. Their input is especially useful in the “Access” and “Regulation & Policy” working groups

Access:

Experts from the financial sector as well as practitioners from various NGOs that are dealing directly with this issue

Research:

Experts involved in academia, and researchers doing field work for civil society organizations

Media:

A diverse group of stakeholders within the ChildFinance movement

Regulation & Policy:

Experts in the field of regulatory and policy reform, and professionals from the financial sector

Education:

Experts and practitioners in social, financial and entrepreneurship education

Organization:

Professionals from the academic sectors, but also many from various NGOs

Child-Friendly Banking & Minimum Standards

The Regulation and Access working groups contributed to the creation of the following minimum standards for Child-Friendly banking:

Core Principles of Child Friendly financial products:

Core Principles of Providers offering Child Friendly financial products:

- Proactive access of services to all children
- Custodial safeguards protect children's ownership
- Accounts should have governmental guarantee
- Child-friendly communication on transparency and disclosure
- Costs and fees should be relative to the size of the account
- The minimum age cannot be higher than that prescribed by country law
- Current accounts cannot be overdrawn
- Saving accounts require minimal initial and ongoing deposits



Role of Financial Institutions

Giving back to the community

By providing safe and trustworthy products and services for children, banks create important long – term relations with their communities, clients and stakeholders.

Spearheading financial innovations for children and youth in countries

Through the creation and offering of safe financial products and services for children

Advocating for financial inclusion and access for children

Through advocacy and awareness campaigns, such as ChildFinance Weeks

Financial institutions can also help spreading the word

Currently “money weeks” are being organized in some countries. Their goal is to involve teachers, parents and children in banking and saving. **Financial institutions play a pivotal role in their success.** ChildFinance wants to expand these weeks globally.

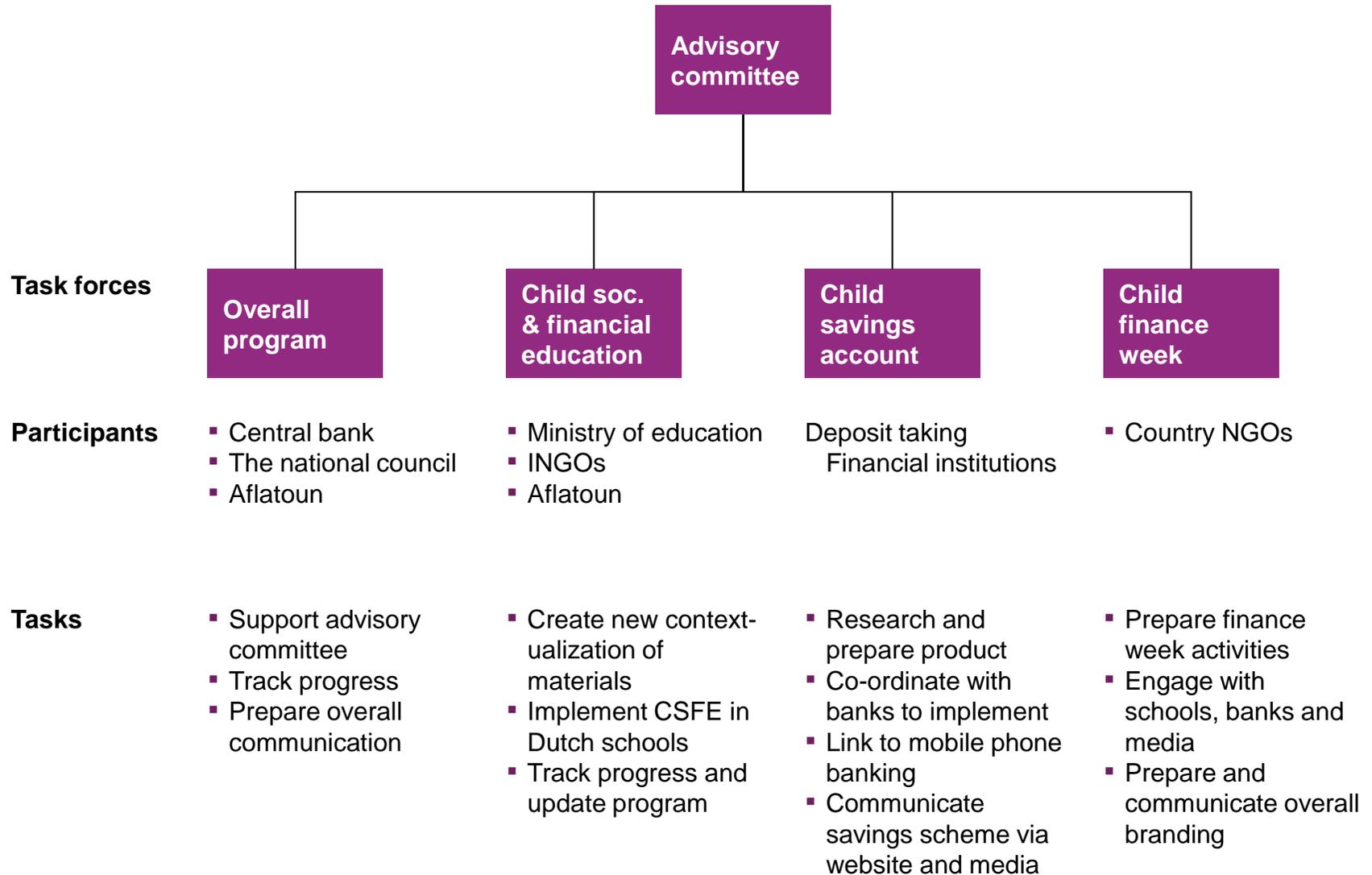
A recent example is the “Week van het Geld” (week of the money) in the Netherlands.

By involving ambassadors like Princess Maxima, and Nout Wellink -head of the Dutch central bank- they managed to create a national movement around finance for children.

The Federal Reserve Bank of Chicago organizes similar weeks.



Possible structure for implementing Child Friendly Banking in countries



Child Finance Week - Ideas for activities

Personal understanding and exploration

Activities

- Cultural events
- Facts day: Teenagers research and break existing stereotypes

Rights and responsibilities

- art (exhibition on child rights issues)
- Debate on child rights issues in the country, culminating in meeting with e.g. minister of Youth and Families to discuss these issues

Saving and spending

- Classroom events, Visits to retail banks

Planning and budgeting

- Discuss local/municipal/national budget in schools, Budgeting exercises,
- Children Meeting Finance Minister

Child social and financial enterprise

- Children plan their own enterprises (bake sales etc)
- Business Plan preparation for innovative projects the most innovative ones could be presented on TV/Radio

Together we will build a movement!

