Social and Financial Education and Access for Children
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

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

Aflatoun has over 595,000 current students

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.
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 healthcare\(^1\)

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

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

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

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

Reach 100 million children worldwide with social and financial education and access to financial products and services.
How do we get there?

**Child labor**

- Number of ratifications of Child Rights Conventions 138 and 182 by year

**Microfinance**

- Total people served
- Sum of MF fund assets: Mln $

**Polio vaccination**

- Number of cases
- Immunization coverage (World without Europe and Americas)
- Number of polio cases worldwide

**Since 1988:**
- more than 2.000.000.000 children immunized
- Virtually all countries (194)
- 20 million volunteers
- Total international investment > US$ 5 billion

**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

**Accelerator initiative**

**SOURCE:** WHO, UNICEF, MicroCredit Summit, ILO
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:

A. Education (Literacy and Capability)
- Child Social and Financial Education
- Includes Money & Sustainable Investment Management
- Books
- Reaching parents

B. Access
- Child Friendly Banking
- Savings accounts
- Banking access at schools/birth (phone, web, banking corner)
- Debt Reduction

C. Reach/Media
- (Social) media strategy
- Global unifying Character
- International year for ChildFinance
- ChildFinance week

D. Regulation & Policy
- Regulation (e.g., child account at birth)
- Policy reform
- Advocacy (e.g., G20, OECD)
- Index or country ranking

E. Organization
- Annual multi-stakeholder meeting
- Network of academics, financial institutions, bilateral and multilateral organizations, and NGOs working in cooperation instead of competition
- Capacity development for partner organizations

Research
- Determine key indicators of impact
- Theory-building
- Identify & diffuse best practices
- Develop research-agenda
**Working Groups**

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

<table>
<thead>
<tr>
<th>Access:</th>
<th>Regulation &amp; Policy:</th>
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</thead>
<tbody>
<tr>
<td>Experts from the financial sector as well as practitioners from various NGOs that are dealing directly with this issue</td>
<td>Experts in the field of regulatory and policy reform, and professionals from the financial sector</td>
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<table>
<thead>
<tr>
<th>Research:</th>
<th>Education:</th>
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</thead>
<tbody>
<tr>
<td>Experts involved in academia, and researchers doing field work for civil society organizations</td>
<td>Experts and practitioners in social, financial and entrepreneurship education</td>
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<table>
<thead>
<tr>
<th>Media:</th>
<th>Organization:</th>
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<tbody>
<tr>
<td>A diverse group of stakeholders within the ChildFinance movement</td>
<td>Professionals from the academic sectors, but also many from various NGOs</td>
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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:

- Proactive access of services to all children
- Custodial safeguards protect children’s ownership
- Accounts should have governmental guarantee

Core Principles of Providers offering Child Friendly financial products:

- 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

<table>
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<tr>
<th>Role</th>
<th>Description</th>
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<tr>
<td>Giving back to the community</td>
<td>By providing safe and trustworthy products and services for children, banks create important long-term relations with their communities, clients and stakeholders.</td>
</tr>
<tr>
<td>Spearheading financial innovations for children and youth in countries</td>
<td>Through the creation and offering of safe financial products and services for children.</td>
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<tr>
<td>Advocating for financial inclusion and access for children</td>
<td>Through advocacy and awareness campaigns, such as ChildFinance Weeks.</td>
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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

**Task forces**

- **Overall program**
  - Central bank
  - The national council
  - Aflatoun

- **Child soc. & financial education**
  - Ministry of education
  - INGOs
  - Aflatoun

- **Child savings account**
  - Deposit taking
  - Financial institutions

- **Child finance week**
  - Country NGOs

**Participants**

- **Task forces**
  - Support advisory committee
  - Track progress
  - Prepare overall communication

- **Overall program**
  - Create new contextualization of materials
  - Implement CSFE in Dutch schools
  - Track progress and update program

- **Child soc. & financial education**
  - Research and prepare product
  - Co-ordinate with banks to implement
  - Link to mobile phone banking
  - Communicate savings scheme via website and media

- **Child savings account**
  - Prepare finance week activities
  - Engage with schools, banks and media
  - Prepare and communicate overall branding
## Child Finance Week - Ideas for activities

<table>
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<tr>
<th>Personal understanding and exploration</th>
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<td>Rights and responsibilities</td>
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<td>Planning and budgeting</td>
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<tr>
<td>Child social and financial enterprise</td>
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### Activities

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

- **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**

- **Classroom events, Visits to retail banks**

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

- **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!