



World Council

Financial Literacy Tool



WOCCU's financial education Curriculum focuses on teaching **3 key concepts**:

Budget, Savings & Credit¹, as well as Insurance and Entrepreneurship.

- Generates a sense of solidarity among participants by openly discussing and learning about financial issues within a supportive group setting
- Leverages digital channels
- Promotes financially sound habits, increases savings & reduce their delinquency rates on loans
- Designed to suit the most vulnerable
- Engages staff at financial institutions to sustain the program
- Adaptable to different ages, socio-economic & cultural environments

¹ Note: the implementation and level of sophistication with which the concepts are presented vary depending on the audience. The methodology presented below is for a less financially sophisticated audience which constitutes the majority of WOCCU's participants and those who have greatest need.



The Innovative Methodology

DIGITAL DELIVERY - WHERE IT IS NEEDED

- Field Officers (see field officer banking tool) who offer both financial services and courses in rural areas
- Trained staff at field financial institutions



PRACTICAL AND ADAPTED CURRICULUM

1 Budget



- Participants go through the simple but rigorous process of measuring their income and expenses. Staff then helps participants identify “leaks”, less expensive ways to achieve similar outcomes and non-essential items that could help save money.
- Participants gain clarity on their financial situation and improve it.

2 Saving



- Defines what savings are and their importance to reach financial goals and manage unforeseen expenses as a regular, planned habit.
- Introduced via the use of stories, group discussions and visual supports, participants follow illustrative posters with various scenarios about financial decisions faced by a fictional local couple.

3 Credit



- Discusses key concepts around loans including interest, credit, formal vs. informal and consumptive vs. productive loans. Participants acquire a better understanding of the risks (financial, reputational) and benefits (faster access to capital) of taking on debt.
- Participants study a variety of loan types and scenarios, are given a simple payment schedule example and have a chance to discuss whether a loan makes sense for them.



Impact Snapshot

Colombia



Colombia Banca de las Oportunidades program – reaching 100,000+ people who had never used financial services.

From Q3 2016 to Q1 2019, the combination of field banking officer outreach and financial education yielded promising results below.

By the Numbers



Institutions participating:

20 credits
+ **2** banks



Area served:

7
departments
bordering Venezuela



Brand new saving
accounts opened: over

103,400
people opened savings
accounts who previously
had never opened one



Increased activity in savings
accounts: Participating
institutions saw their
percentage of active accounts

X2

on average (Participating
institutions, such as Banco
Agrario de Colombia, had as
little as 23% of their accounts
active prior to the program.)



Decreased delinquency
on loans: (micro) loan
programs that are
combined with financial
education averaged a

2%

delinquency rate while the
national average is 7%



Financial Institution
employees trained:

1,144

Credit union employees

700

other financial
institution employees



Additional Outreach:

131

Financial Fairs were
organized during this
period which had an
average of 5 participating
financial institutions.

Over

70,000

people participated in
these to learn more about
financial services.

