

FINANCIAL EDUCATION CAMPAIGN – FACTSHEET

Financial Education Campaign	SCBF FEW-08: Financial education in AMFIM
Country	Myanmar
Partner Financial Institution	Alliance for Microfinance in Myanmar (AMFIM)
Grantee	Financial Systems Development Services AG (FIDES)
Overall Budget	CHF 194'740, adjusted to CHF 193'400 (29% self-contribution),
SCBF Contribution	CHF 136'700, adjusted to 136'500 (71% SCBF funding share)
Date of Approval	16.12.2014, 16.08.2016
Duration	01.2015 until 12.2015, extended to 04.2017
Context	<p>Myanmar is an emerging market for inclusive finance. The majority of the population still does not have access to formal financial services. There is a huge un-served demand for financial services. Less than 10% of adults have access to bank accounts as per a recent report of CGAP. UNDP has estimated that demand for microfinance in Myanmar is in the range of USD 400 and 600 million. Despite some initiatives since the middle of 1990s, the industry has remained underdeveloped and growth has been insignificant.</p> <p>The low education level and the only recent exposure of clients to formal financial services is the first reason why AMFIM has identified the need to design a financial education program that will be an integrated part of its approach.</p>
Current Status of the MFI	<p>Alliance For Microfinance in Myanmar (AMFIM) is a new MFI that has started operation in autumn 2014 in the Mandalay region. The project is building on previous and ongoing capacity building efforts of FIDES and BASIX who have built the AMFIN team and who are sustaining the management of the institution on an ongoing basis in other fields than financial education under UNCDF funding and self-contributions.</p> <p>AMFIM targets three segments of clients:</p> <ul style="list-style-type: none"> • Microbusiness clients: predominantly women who will get access to loans, and in a second step savings, through a group lending methodology. • Small Business clients: individuals, registered business groups etc. who have existing business operations. • Farmers to meet cultivation expenses for various crops and for purchase of agriculture implements besides financing of diversification. <p>Given the limited previous exposure of clients to formal financial services, the new financial education effort under SCBF is expected to have a considerable impact on how clients will use financial services to finance their business and household strategies.</p>
Objective and Main Activities	<p>The idea behind this pilot project is to design a system where financial education will be an integrated part of the usual work of the AMFIM team members and will not depend on the access to external fundings after an initial phase of development. Based on this philosophy, low cost approaches like the integration of FE subjects in the group meetings will be privileged beside approaches based on video and SMS.</p> <p>Upon completion of the financial education campaign, financial education will be implemented on a permanent basis (initial training for new clients and regular refresher courses for existing clients), be part of investment in expansion and consolidation. The financial education effort and the related structured dialogue with clients will help the institution to better understand household needs and will facilitate product development efforts.</p>