

FINANCIAL EDUCATION CAMPAIGN – FACTSHEET

Financial Education Campaign	FEW-15: Financial education training for the clients of OXUS Afghanistan
Country / Region	Afghanistan
Partner Financial Institution/s	OXUS Afghanistan
Grantee	Business & Finance Consulting GmbH
Overall Budget	CHF 165,965 (35% self-contribution)
SCBF Contribution	CHF 107,370 (65% SCBF funding share)
Date of Approval	27.11.2017
Duration	02.2018 until 08.2019
Context	<p>The vast majority of Afghans fall into the unbanked category, with only 3% to 5% using formal banking services. Unfamiliarity with a functioning banking system, limited access to banks and objections to interest-based practices have led many Afghans to rely on money service providers (hawalas) to access finance. Moreover, Afghanistan has an adult illiteracy rate of 86%, contributing to very poor financial literacy in the country and hindering many Afghans from efficiently evaluating their business in terms of financial management and risks.</p> <p>OXUS Afghanistan is working to reach a broader range of potential and existing clients by filling gaps left due to the low penetration of commercial banks in rural areas and the lack of other microfinance institutions. OXUS Afghanistan has also paid particular attention to reaching out to often underserved segments, especially in terms of gender and age.</p>
Current Status of the MFI	<p>OXUS Afghanistan is an affiliate of the OXUS Group and was created in 2007. It currently has over 400 staff serving more than 22,000 clients throughout its network of 24 branches. They have a gross loan portfolio of EUR 11.1 million, making them the third largest microfinance institution in the country in terms of loan portfolio.</p> <p>OXUS Afghanistan seeks to increase financial knowledge, awareness and inclusion in Afghan communities through a financial education (FE) campaign. The FE program will help enhance initiatives and access to knowledge while also raising awareness of opportunities available in microfinance. There are no other such FE initiatives in the country at this time.</p>
Objective and Main Activities	<p>The FE campaign will be implemented over a period of 18 months and will consist of 5 main phases: (1) design of the FE campaign (including a needs assessment based on interviews and research), (2) development of educational materials, (3) capacity development of OXUS staff (to identify and train OXUS FE trainers as well as perform a training of trainers, ensuring continued FE after the project's end), (4) launch of a pilot FE campaign in 5 OXUS branches and (5) launch and monitoring of the full FE campaign.</p> <p>The campaign includes training on 5 broad areas of knowledge (subject to adaptations after the needs assessment): (1) unnecessary expenses, (2) business planning, (3) savings (including for emergencies), (4) personal and business budgeting and (5) credit management.</p> <p>By project completion, 4,000 Afghans will have been trained. This includes both general financial knowledge training addressed to OXUS' existing clients (both men and women) as well as finance and business workshops specifically designed for female entrepreneurs and another set of workshops targeting youth who wish to set up a business. Moreover, OXUS Afghanistan will be in a position to continue FE trainings well after the project has been concluded.</p>