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Ministry of Foreign and European Affairs

Directorate for Development Cooperation
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Press Release

Fundación Génesis Empresarial, Kashf Foundation, and Opportunity Bank of Uganda announced as Finalists for 7th European Microfinance Award on Access to Education

- Three finalists demonstrating different and innovative solutions to increase access to education
- Fundación Génesis Empresarial from Guatemala, recognised for higher education credit facility for low-income families and vocational support model
- Kashf Foundation from Pakistan, recognised for finance of low-cost private schools and training of teachers and owners
- Opportunity Bank of Uganda, recognised for financial products for low-income families to help with education costs and support for low-cost schools
- Winner to be announced at Ceremony at European Investment Bank on 17th November 2016
- 30 applications from 19 countries evaluated against comprehensive criteria by two selection committees before three finalists go to High Jury stage

26th of September 2016

Luxembourg

FOR IMMEDIATE RELEASE

On Wednesday 21st September 2016, the Selection Committee for the 7th European Microfinance Award, on “Microfinance and Access to Education”, composed of members of the Ministry of Foreign and European Affairs, European Microfinance Platform (e-MFP) and Inclusive Finance Network Luxembourg (InFiNe.lu), chose the three finalists who will go on to compete for the €100,000 prize: Fundación Génesis Empresarial from Guatemala; Kashf Foundation from Pakistan; and Opportunity Bank of Uganda. This year, the Award recognises the role of microfinance in enabling access to education for children and/or skill-training for youth and adults to enhance their employment and self-employment opportunities.

Education is by far the largest determinant of future economic status and self-reliance and in a world where 75 million young people are currently without jobs, one of its benefits is the lower risk of unemployment. The social and economic

benefits that come from ensuring access to quality education for children and adults are massive, yet governments have struggled to develop effective responses and there is often insufficient public funding for education. Microfinance institutions can play an important role in addressing issues of cost and access, reducing the number of out of school children and young adults without skills.

In tackling this globally recognised problem, the three finalists have developed fascinating and varied approaches which may ultimately inspire or be replicated by other organisations around the world.

Fundación Génesis Empresarial, Guatemala. With just 13% of young Guatemalans completing higher education, Fundación Génesis offers customised loans for university studies and post-secondary vocational training. These are provided to students from low-income families and are complemented with additional services, such as job-placement fairs, career mentoring, financial education and job placement via strategic partners. Since its launch in 2014, this innovative program has helped 685 students gain access to higher education that otherwise would have been unaffordable.

Kashf Foundation, Pakistan. In an environment where over half the state schools have no toilets and no water and 18% of teachers are absent every day, Kashf provides loans to low-cost private schools, along with pedagogical training for teachers to improve teaching practices and specialised school management courses for school owners to improve the school infrastructure and their financial and operational administration. Since 2014, Kashf has worked with 850 schools, serving over 150,000 students.

Opportunity Bank of Uganda. Facing an underfunded public education system and with only 25% of children completing primary school, Opportunity Bank of Uganda helps children stay in school by extending loans to their parents to cover school fees, providing savings and insurance to families to build a safety net for their children's education, and giving credit to low-cost private schools to cover cash-flow and other financing needs – along with professional development and a school support network to facilitate exchanges for school owners. Since 2012, Opportunity's education programme helped 315,000 students.

The three finalists have been selected over a multi-month evaluation process, since applications opened in April, which attracted 30 applications from 19 countries. This original field was reduced to a list of semi-finalists, which included Cantilan Bank from the Philippines; Crystal Microfinance from Georgia; FUNDAPEC from the Dominican Republic; National Rural Support Programme (NRSP) from Pakistan;

ProCredit Bank from the DRC; Sinapi Aba Savings and Loans of Ghana; and TrustCo Finance from Namibia.

The winner will be chosen from the three finalists and announced by the President of the High Jury, Her Royal Highness The Grand Duchess of Luxembourg, on 17th November 2016, at a ceremony hosted at the European Investment Bank in Luxembourg, during European Microfinance Week.

After the announcement of the three finalists, the Luxembourg Minister for Development Cooperation and Humanitarian Affairs, Mr. Romain Schneider said: “We know that increasing access to quality education for children and adults can have tremendous developmental impact, including on health, women’s empowerment, and growing prosperous middle classes and knowledge economies in low income countries. Education and vocational training are essential tools to provide opportunities for youth in general and for girls in particular which will allow them to manage their lives more independently. But this means we have to increase both the *level* of access and *quality* of education among low-income populations, and these three finalists are worthy examples of what others can try to emulate”.

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The European Microfinance Award was launched in October 2005 by the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs, to support innovative thinking in the microfinance sector. Awarded for the first time in 2006, it is jointly organised by the Luxembourg Ministry of Foreign and European Affairs, the European Microfinance Platform (e-MFP) and the Inclusive Finance Network Luxembourg (InFiNe.lu) in cooperation with the European Investment Bank.

See www.european-microfinance-award.com/

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