



Delivering Quality Education through **DIGITAL FINANCIAL INCLUSION**

264 million children who should be in school are not.1

THE OPPORTUNITY

Digital finance can make education expenses more manageable for lower-income households and help schools and national education systems improve their financial management. This can free up resources for teachers, materials, and technologies that improve education outcomes.





The **financial cost of education** is a barrier for households in low-income countries.

Education costs can take up to ⅓ of low-income household revenue, whereas in high-income countries it's ⅓ of household revenue.²

Collecting pay in cash often causes **teachers to miss critical time in the classroom**. For example, in the Solomon Islands, teachers often miss several days of work to collect wages due to lack of easily accessible financial services.⁴

In low- and middle-income countries, 82% of school fees are paid in cash⁶ which can involve **long wait times and incur hidden fees** for parents and **unpredictable revenue streams** for schools due to late payments.⁷

Flexible digital saving and loan products

designed to help parents manage education expenses can keep children in school and learning.³

Digital payment channels eliminate the need for teachers to take time out of teaching to collect their pay.

Digital payments mean **safer, faster, and more reliable wages for teachers.**⁵

Digital payments make it easier for households to save and pay for education costs, giving schools and governments better **visibility and predictability of cash flows and more sustainable business models** for providers.⁸



"Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all."

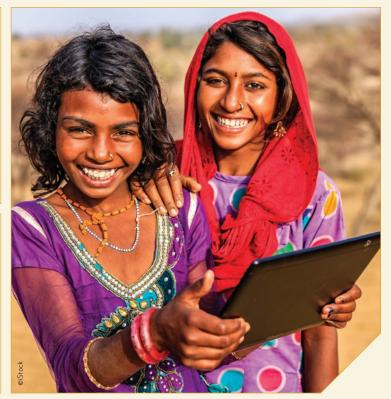
KENYA An experiment providing access to a digital savings account to Kenyan households in 2015 boosted high school enrollment by 5%-6%, one-third higher than those without such access.9

NEPAL

Households headed by women **increased education spending by 20%** when given access to digital savings accounts.¹⁰ **LIBERIA** Digitizing teacher salary payments **saved teachers 13.5 hours per paycheck on average**, and cut the cost of collecting wages by 92%, from \$25 per paycheck to \$2. Less time collecting cash wages means more time that teachers can spend in classrooms.¹¹

UGANDA A flexible education loan using mobile wallets and a "payas-you-go" business model helped parents to start paying school fees at the beginning of term and keep their children in school. In households using this product, only 15% of students missed a day of school for nonpayment, compared to 24% for those not using the product.¹²

AFRICA Mobile payments enable pay-as-you-go e-learning, allowing vulnerable or remote populations to access educational content digitally and more affordably. Eneza Foundation's mobile education platform has over 3 million unique users across Africa, 70% of which are from rural areas.^{13,14}



 * These represent only a few of the many important challenges and solutions. They should not be read as an exhaustive list.







