



MuJeR

Financial Inclusion for Young Rural Women- Paraguay

CASE LEARNINGS

Young rural women are fundamental to socioeconomic dynamics across the South American countryside. But this diverse collective has a long history of invisibility and underrepresentation in public policy and development programs in the region.

With support from the International Fund for Agricultural Development (IFAD), from 2017 to 2019 Fundación Capital ran the program MuJeR: Financial Inclusion for Young Rural Women. The goal of this initiative, implemented in Mexico, Colombia and Paraguay, was to help rural youth—and especially women—access and use financial services tailored to their needs, capabilities and characteristics. Such services allow them to build, improve and protect their assets, setting in motion a virtuous cycle to overcome poverty in a sustainable way.

The MuJeR Project in Paraguay

At the crucial stage in life when rural youth are facing decisions like what to study, what personal and family goals to set or how to enter the labor force, financial products offer ways to help them reach their goals. This is why it is important for young people to know about available financial products and services, gain access to them and make the right decisions for their life plans.

The MuJeR project targeted rural youth in their final year of secondary school and university students on government scholarships, seeking to build their financial capabilities and improve access to and use of financial products. The project aimed to reach youth during the phase in life when they **begin to make important financial decisions and choose financial services** to meet their individual needs. We joined forces with public and private institutions to offer youth a range of financial products to choose from.

Work was carried out with male and female students and a **transformative gender-based approach was strictly followed** throughout. The purpose of this was to raise awareness about the obstacles faced by half the youth population simply because they are women, and to demonstrate how to overcome these obstacles. Building leadership among female students was another objective of the project, which came to be known in Paraguay as Jahasa, a Guarani word meaning “take the next step” or “make it to the next level.”

We partnered with the **Ministry of Education and Science** (Spanish acronym MEC) to develop the financial capabilities of **5,200 youth** from 200 rural public schools and bring them into the financial system. The group was made up of 17- and 18-year-olds in their final year of secondary school and included 2,650 young women. In 2019, we worked with the **National Secretariat of Youth** (Spanish acronym SNJ) to build financial capabilities and deepen the financial inclusion of **4,000 participants** of its program Becas Juventud (Youth scholarships), 2,630 of which were young women.

One of the most significant achievements of the project was its effect on Paraguay's education policy: the MEC approved the teacher training plan developed by the project and implemented it in teacher training institutes across the country. Training was given to 39 instructors so that this new financial education methodology could be passed on to other teachers as of 2020.

Main Characteristics of the Project

Schools and teachers as a channel for furthering financial inclusion among youth

The project identified schools as the most effective channel for bringing rural youth, and particularly women, into the financial system and improving financial habits on a broad scale. The public school curriculum already included courses in economic and financial education and finance and management, providing evidence of a pre-existing interest in building financial capabilities among youth. Teachers are respected by students and have a significant influence on them, meaning their advice carries a great deal of weight.

These factors inspired us to enter a partnership with the MEC so that we could take the project to rural schools and gain the potential to scale up the initiative and improve financial habits and inclusion among youth across the country. We were also looking to incorporate a transformative gender-based approach to raise awareness and inspire behavioral changes in both men and women.

An innovative methodology for economic and financial education in schools

Jahasa took advantage of the courses in economic and financial education and finance and management already present in the curriculum to reach youth in their final year of secondary school. To make the training more effective and inspire youth to change their financial habits, we proposed a new training methodology using storytelling.

Storytelling was used to relate financial topics to students' daily life through characters that they themselves created, in a process aimed not only at building knowledge but also inspiring students to reflect. This methodology made it easier to apply the lessons to daily life and take a gender-based approach by addressing women's issues in the stories. The obstacles that women often encounter when pursuing their goals and dreams came to light, but were accompanied by solutions. Because the exercise was carried out in co-ed classrooms, both male and female students became aware of these situations and could participate in finding solutions.

Three training workshops were held to transfer the new methodology and educational tools to teachers responsible for giving the finance and management and economic and financial education courses. They were also given a teachers' guide to help them lead the six sessions on economic and financial education, a video and comic book on the story of Juana and worksheets and aids for the classroom.

This training strategy was recognized as one of the most innovative teacher training methods at the regional level by the Regional Program for the Development of the Teaching Profession in Latin America and the Caribbean (PRELAC), coordinated by the Andean Development Corporation (CAF), the Organization of American States (OAS), the Organization of Ibero-American States (OEI) and the World Bank.



Using various channels for training secondary school students

Financial capability building was done during classroom sessions led by teachers trained in the storytelling methodology and by using social media.

The topics covered in classroom sessions were: goals, planning, saving, the financial ecosystem, credit and investment. Topics were addressed through stories and a forum was provided for group analysis and debate, making it easier to apply the content to daily life.

To reinforce classroom work, various digital aids like memes, mini videos and flyers were created for each one of the topics and shared with students over WhatsApp, Facebook and Instagram. WhatsApp was mainly used to share mini videos, graphics, charts and challenges to encourage students to put into practice what they had learned about saving, recording income and expenses and other elements of finance. Posts on Facebook and Instagram prioritized humor over content, using memes about current events and fostering interaction through trivia, slogans and contests.

Other digital tools were provided to help youth better manage their finances. These included the following apps: Tus Cuentas (Your accounts) for tracking income and expenses, Tu Ahorro (Your savings) for setting savings targets and tracking progress, Tu Deuda (Your loans) for calculating the actual cost of a loan and Tu Capacidad de Pago (Your repayment capacity) for calculating manageable debt amounts.



Electronic wallets as tools of financial inclusion for youth

Identifying a financial product that would respond to the needs of school-aged youth was an important element of the project. We established partnerships with Tigo and Personal, mobile network operators covering nearly 80% of the national market and that offer their clients the option to activate electronic wallets. This option was well received by the youth as electronic wallets fulfill many of their needs; for example, they can top up their mobile phone balance regularly—something they often need to do their homework—from home at no extra cost. For the many youth living away from home whose parents periodically send money to support them, electronic wallets let them receive this money at a lower cost. Lastly, they can be used for saving and even offer the possibility of a planned saving. Besides, youth perceive them as tools for encouraging saving because not having all their money in cash helps limit spending.

Another factor that encouraged youth to use electronic wallets was that unlike traditional financial products, they are easy to obtain and do not require transactions to be carried out in person—a significant challenge for people living in rural areas.



Furthering financial inclusion among scholarship students

The SNJ is responsible for Becas Juventud (Youth scholarships), a program that grants 4,000 scholarships to low-income youth each year so that they can go to university. At least 70% of these youth are women. Scholarships are transferred to students using Banco Nacional de Fomento (BNF) basic savings accounts, which have a debit card associated with them. We discovered, however, that students would withdraw all their money as soon as they received it and would not use the account or debit card again. In December 2018, a collaboration agreement was made with the SNJ to familiarize scholarship students with the uses and benefits of the savings account and debit card and improve their financial knowledge and skills for better resource management.

We took advantage of the information sessions organized by the SNJ to offer training on saving and managing resources, showing students the other uses and benefits of their savings account and associated debit card. Social media campaigns were used afterwards to reinforce this training. Different WhatsApp groups were created for the participants of each session and were used to share mini videos, graphics, charts and challenges to encourage students to put into practice what they had learned about things like saving and tracking expenses. They were also invited to join Facebook and Instagram groups. These forums served to clear up any confusion among university students about BNF accounts but also ended up encouraging them to use electronic wallets thanks to exposure to information targeted primarily at secondary school students.

Results



250

teachers received training



39

teacher trainers received training



5.200

secondary school students built financial capabilities



231

secondary school students now have an electronic wallet



4,000

scholarship students now use their BNF savings account



1.315

scholarship students now have an electronic wallet

Lessons Learned

Partnerships with relevant players

Partnerships with the MEC and the SNJ proved key to reaching the target population effectively, giving us the opportunity to work with 9,200 youth over the course of the two-year project. Working with the MEC means we can continue building financial capabilities among youth for years to come. The teacher training plan developed by the project for the courses in economic and financial education and finance and management has been approved by the MEC and implemented in teacher training institutes across the country, where as of 2020 the new methodology will be passed on to other teachers.

Our partnerships with Tigo Money and Personal, which together are responsible for 98% of electronic wallet transactions, and with BNF, the sole provider of savings accounts for SNJ scholarship students, helped us solve problems and answer many of the questions that arose on social media about the use of this products.

The importance of strengthening teachers' financial skills

During the design and testing phase for the new financial education methodology, teachers brought up their own need for personal finance management training as high levels of debt had been recorded among public school teachers in the previous years. In response, we took the new classroom methodology training sessions as an opportunity to advise teachers to use EFI, a financial education app developed by Fundación Capital that provides tools to enhance financial decision making. This allowed teachers to better manage their finances and then teach from personal experience.

Combining on-site efforts with digital tools for greater effectiveness

A combination of on-site work and digital tools designed for each target group was the basis for all training, whether it was for teachers, secondary school students or university students on scholarships.

On-site workshops for teachers made it possible to transfer new educational tools more effectively. To complement these activities, the EFI app helped teachers manage their finances and made it possible for them to teach from experience.

The on-site training using storytelling allowed secondary school and university students to analyze and debate the various topics in class, helping them to absorb the content. Topics were then reinforced over social media. These channels were also used to encourage students to practice what they had learned and to maintain a continuous flow of communication for answering their questions about personal finance and financial products.

The importance of a holistic and gender-based approach to financial health and life plans

Jahasa demonstrated the importance of taking a holistic approach within the broader concept of financial health and life plans before promoting access to and use of financial products, and electronic wallets in particular. Prior to addressing financial products and services directly, motivational work needed to be carried out to help secondary school students realize the importance of having a life plan and setting attainable targets to be achieved through saving. Only then were they informed about products and services available on the market and the advantages of formal saving.

A transformative gender-based approach was introduced to encourage reflection and inspire attitudinal and behavioral shifts among male and female students alike. The concept of financial independence was introduced to female students, resulting in significant changes in them.

The importance of using appropriate language for reaching youth effectively

Language and tone of communication proved to be an important factor in the success of the social media strategy. The decision was made at the start of the project to use different kinds of messages depending on the social media platform. Communications over WhatsApp would center on concepts while Facebook and Instagram messages would appeal to participants' sense of humor. However, participants were more receptive to lighthearted messages with clear information and a humorous edge, and as a result we chose to begin sending both formal and informal communications over all three platforms.

Content and message length also proved to be a key factor. Early flyers and memes contained a great deal of information and text in Guaraní, making it difficult for students to grasp the topics. After looking at participant feedback, we began synthesizing only the most concrete ideas and focusing on a single topic per flyer. We also began using more Spanish with only a few words or phrases in Guaraní.

The same was done for videos, initially up to three minutes long to give time to delve into the topics. They were cut down to 30 seconds each and modified to transmit only the main messages, prompting more reactions on social media.

It became clear that messages needed to be sent repeatedly. Participants can't necessarily read all the messages due to their differing class schedules and household responsibilities and when they do go online, they may miss some of them. We chose to send the same messages several times in different formats in order to improve content recall.

Lastly, messages mentioning the weather or current events were added to each post as a way to build a friendlier relationship with participants.

These changes succeeded in increasing traffic on social media platforms and prompted more responses and reactions to the messages, especially on WhatsApp groups. The number of WhatsApp groups reached 186 with a total of 5,300 participants. Followers on Facebook and Instagram reached about 7,000 and our posts were viewed by more than 5 million people.



Scale-ups and Future Implementations

The methodology and training tools developed by the project are now part of the educational resource package provided by the MEC to all teachers over its digital platform. In a joint effort with the MEC, at the end of 2019 we trained 39 instructors from teacher training institutes across the country, providing them with the new teacher training plan for the courses in economic and financial education and finance and management. This means that starting in 2020, the Jahasa methodology will be a part of teacher training throughout the country and can be applied in every school.

Our experience with the SNJ scholarship program revealed the need to improve the financial knowledge of students who are to receive scholarships via savings accounts so that they may make better use of this tool. An opportunity to work with other scholarship programs in Paraguay has been identified, as more students need information on the financial products they are given for receiving their stipends and personalized communication channels for getting answers on how to use them.

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