

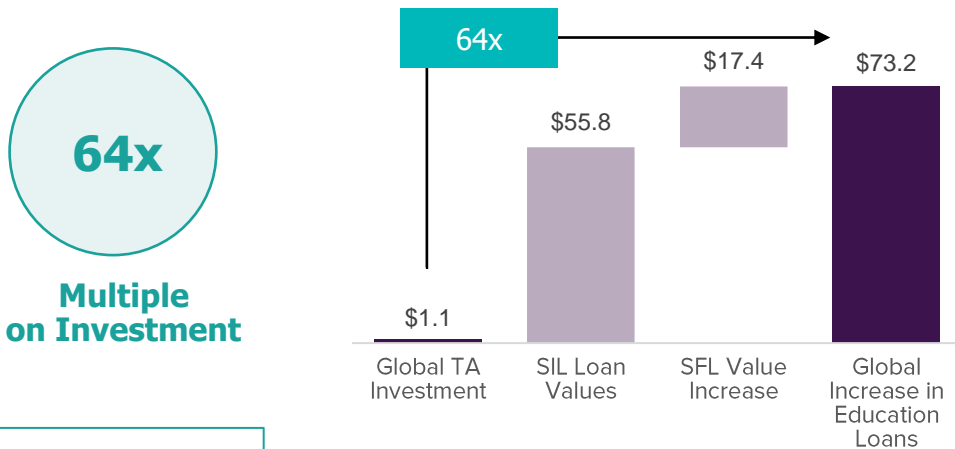
Key Insight: EduFinance model leverages donor funds for investment in education

Analysis finds spend on EduFinance technical assistance leverages limited resources to provide greater child impact through education lending.

Key finding #1 - Multiple on Investment

A **\$1.1 million** investment in technical assistance enabled financial institutions to leverage their capital, disbursing **\$73.2 million** in education loans over the following 6-months. **This increase is a 64x multiple on investment.**

Technical Assistance Investment & Loan Output (US\$ million)



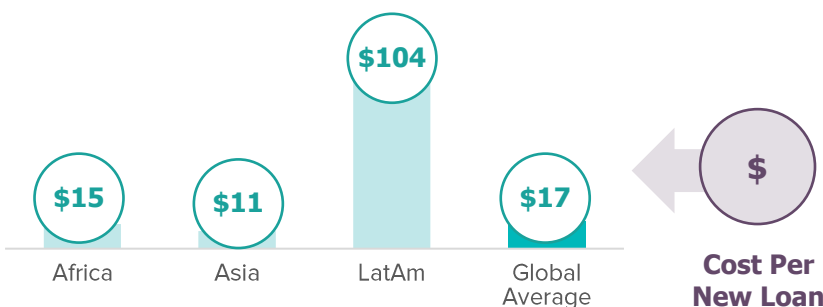
Key finding #2 – Value for Money

Asia returns the highest value for money multiples at **\$112 worth of loans for every \$1 invested**, followed by Africa with \$50 and Latin America \$35



Key finding #3 Cost per New Loan

The cost per new loan invested is also **lowest in Asia at \$11**, while in Africa it is \$15 and Latin America \$104



Assessing Technical Assistance Value for Money

Technical Assistance Projects

Between 2017-19, EduFinance tracked 44 Technical Assistance projects we executed with 29 financial institutions, spending an estimated US\$ 1.1 million

Use of Funds

Rather than investing in loan funds for financial institutions to on-lend \$1.1 million in education loans, EduFinance spent the funds as technical assistance. This enabled financial institutions to leverage their own capital, empowered with new knowledge of the EduFinance lending market, well-designed education loan products and trained staff.

Outcomes

Analysis found that in the 6-month period following the technical assistance project by EduFinance, financial institutions disbursed \$56 million in new School Improvement Loans and \$17.4 million in new School Fee Loans, for a total of 67,322 new loans disbursed during this 6-month period.*

67K



**New
Education Loans**

\$17.4M



**School
Fee Loans**

\$56M



**School
Improvement Loans**

Scope & Methodology.

The scope of the study covers the below Opportunity EduFinance Technical Assistance Facility Interventions:

- Market Research
- Product Development and
- Staff Training

The value of cumulative portfolio for the financial institution partners included in the study is over USD 189 million (65% of the EduFinance global cumulative portfolio value). The analysis was conducted over a period of 3 years (Jan 2017 to Dec 2019)

*Financial institutions continue to lend education loan products. However, the scope of this analysis was limited to the immediate 6-month period following the completion of the technical assistance project.