

Kiva Innovating in the Field of Education by Microlending To Students Around the World

Join the Global Movement for Women's Empowerment and Education by Directing a \$25 Loan for Free at Kiva.org/women

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August 15, 2012 -- While those in the developed world live in the age of the information revolution, millions of the world's poor are still unable to receive even a basic education. It's estimated that a billion people entered this century unable to read a book or sign their own name.

Access to education sits at the crux of poverty and economic development. With a more educated population we nourish a more robust and dynamic workforce, stronger civic engagement and home-grown innovations solving regional problems. Without access to education, progress comes to a stand still. Not surprisingly the countries with the most out-of-school children are also some of the world's poorest.

Outside the United States, student loans are rare. For too many young people, no matter how bright and gifted they may be, access to higher education can be near impossible without the necessary financial resources. These student loans are not widely available because there is no track record of repayments that banks and international lenders can use to assess risk. Without that track record, banks and international lenders are unwilling to develop a loan product and without a loan product there can be no loans. It's the classic "chicken or egg" paradox and someone has to be willing to take the next step.

Kiva.org aims to break this dilemma by proving that higher education students are good loan candidates, so that banks and other lending organizations will take notice and create student loan programs in their regions. Kiva successfully deployed a similar strategy for developing small business microloans in several regions where previously there were none, they now enjoy a 98.9% repayment rate across their portfolio. A high repayment rate among students will have a huge demonstration effect and can help to revolutionize access to higher education for students across the globe.

Each of us can be a part of making the vision of access to education a reality for women and girls around the world. By helping a woman gain education, you are helping to start a ripple effect of change for her, her family and her community. The promise of education access and women's empowerment around the world is not just in the hands of governments and

humanitarian organizations. The power to help create change is in all of our hands and Kiva is one way to do it. In partnership with Kiva, Dermalogica's joinFITE program is funding a \$100,000 free trials, enabling new users of Kiva to direct a \$25 loan to the woman borrower of their choice. Simply visit www.kiva.org/women

Visitors to www.Kiva.org/women can browse through the stories and profiles of borrowers and select one they want to support. As the loan is repaid, they receive updates and notes from the borrower on how the funds were used and how they are doing. After a new user tries Kiva for free, they can then decide if they want to lend their own money to another borrower on the site.

Kiva's Education Partners (for full list visit: [Kiva goes back to school with education loans around the world](#))

Earlier in 2012, Kiva began working with Strathmore University in Kenya, a private non-profit university bridging the country's gap in education for low-income students. Last year a third of accepted Strathmore applicants were unable to enroll because of tuition costs. Now, thanks to funding from Kiva lenders, Strathmore University can offer education loans for more students with high academic standings and who come from low-income families.

Another of Kiva's education partners, Colfuturo in Columbia, is a leader in promoting higher education as a tool for advancing national development. As a non-profit public service institute, Colfuturo helps Columbia's most promising students pursue post-graduate degrees abroad by providing financing for their tuition fees and living expenses. To lure these bright minds back to Columbia, Colfuturo offers to waive 50% of loan debt for graduate students and 25% of MBA students. In 2006, Colfuturo launched its Semillero (seed planter) scholarship to students from lower-income and socially marginalized populations. This three year long program helps students pursue post-graduate degrees who would not have the opportunity otherwise. These efforts have resulted in 3,000 students attending some of the best universities in the world who are returning to their home country.

Women and Girls' Education as a Force for Global Change

Creating equal access to education is a worldwide initiative, with a top priority to get more women in the classroom. While more women are educated today than ever before, many parts of the world parts of the world have seen little progress. In Chad, boys are three times more likely than girls to complete the six grade and in Mali, the rate of school enrollment for girls 5 to 19 years old is equal to those in the US in 1810.

Narrowing the gender gap in education is especially important because it has a direct effect on a country's social and economic development:

-for every additional year a girl stays in school she yields a 20% increase in her future earning potential.

- Studies have shown that investing in education for girls **can move the needle on national GDPs.**

- **Girls who receive at least 7 years of education** marry 4 years later and have 2.2 fewer children.

- Women tend to invest 70% of their incomes in their children's health, well-being and school.

-Children of women who have completed just primary school are **40% less likely to die before age 5.**