

KIVA U Microfinance & Education



When Kiva borrowers around the world are asked what they intend to do with the increased income their loan will provide, a common response is that the money will go to paying for their children's education.

Education does not necessarily put food on the table, or provide immediate access to clean water or secure shelter. Why then, is education one of the most desired resources for people all around the world?

For many people, education equals hope and the promise of a better future.

How Microfinance & Kiva Support Access to Education:

- When parents are able to get the capital they need to start or grow their business, the family as a whole thrives. One of the first things most families tell us they will do as their businesses prosper is to pay their children's school fees. Steady and sustainable income helps ensure that students can stay in school longer.
- Children around the world often miss school because they stay home to help their families with the family business. As a business grows, the owner may be able to afford hiring an employee to help instead.
- There are loans on Kiva that support communities, educators, and individuals who want to build or make repairs to schools, buy supplies, or pay for teacher training.
- In addition, there are now Kiva loans that go directly to university students to help them pay for their tuition, as well as for parents who are asking for loans to finance their children's school fees. These school loans have low interest rates, and long-term repayment schedules so the student has the flexibility to pay back the loan over an extended period of time, and not until after they have finished school.
- As individuals, families, and communities become more economically stable, they are able to better invest in the infrastructure needed to ensure that young people have access to quality education.



“Microcredit is the first step... you build up step by step many other things, like insurance programs, savings programs, many other programs around it. We have encouraged the borrowers of Grameen Bank to send their children to school, because they themselves are illiterate, their husbands are illiterate, their parents are illiterate... We thought, let’s break that circle here, so that your children will be educated.”

– Dr. Muhammad Yunus, Nobel laureate & founder of Grameen Bank

Microfinance is not the only solution to ensuring that people have access to education, but it is a great tool and can have a significant impact. Our hope is that it also ensures that more and more young people, especially girls who are often denied access to education in certain places, have the opportunity to expand their knowledge and become the next generation of change-makers who will help lift their communities out of poverty.