

Young Americas Financial Education Initiative

The Young Americas Business Trust (YABT) is looking for financial institutions to collaborate in the development of a program of practical financial education targeted to improving the money management skills of young people under age thirty-five in Latin America and the Caribbean.

The program will draw upon existing educational materials developed by financial institutions internationally. The long term goal is to distribute such a program in the four official languages of the OAS, and make it widely available through the Internet and additional on-site training, as part of YABT's on-going entrepreneurial training initiatives. The educational materials will focus on general financial education and money management, aimed at young entrepreneurs and young people with business potential.

Introduction

Learning sound financial management skills is fundamental to success in life and business. Even for people with modest incomes, learning how to budget, save, and invest are essential to raising their standard of living. In this way they can secure a future asset base for a home, family, and / or business. Because young people under age 30 comprise and average of 57% of the population of the Americas, their economic education will have a significant impact on the development potential of OAS Member States. Financial institutions also have an interest customer money management since it can minimize risk, reduce losses, and increase income.

Entrepreneurial training and microcredit programs often focus on training young people and adults to become borrowers. In reality, they also need strong financial management skills and saving habits to achieve sustainable business and personal success. Educational materials are readily available in developed countries for this purpose, but in Latin America and the Caribbean, they are not widespread. This is the gap that YABT aims to fill with this initiative.

The Young Americas Business Trust is an international non-profit corporation established in 1999, affiliated with the General Secretariat of the OAS. It is recognized by the US IRS as a 501 (c) (3) organization. YABT develops and operates innovative programs for young people to create employment opportunities through self-employment and entrepreneurship, giving priorities to leadership and corporate social responsibility, practical training, technology, and strategic alliances. A program of financial education for YABT's entrepreneurs and training program participants is a natural and logical complement aimed to improve the likelihood of success of young people in business or who have potential as entrepreneurs.

YABT is expanding on-line entrepreneurship education content from existing sources. As this grows, it will be an ideal platform to offer a program of financial education to young people throughout Latin America and the Caribbean and provide a foundation to distribute programming to individuals, schools, organizations and businesses.

There are available information and materials from several banking agencies and organizations and similar agencies in Canada, the U.S., the Latin America and the Caribbean, including banks and credit card companies. These materials would form a base for adaptations in the Americas.

Young Americas Financial Education Project

Objectives

- Research existing printed and on-line financial educational materials to determine their availability and appropriateness and prepare a pilot version of the longer-term program.
- Adapt, as necessary, existing materials for use in Latin America and the Caribbean, including pilot-testing on-site in a variety of settings, e.g.: The Bahamas.
- Make adapted materials available via the Internet in English, Spanish, French, and Portuguese to educational agencies, YABT's training programs and national chapters.
- Work with financial and educational institutions to deliver on-site training of young people and training of trainers using the revised materials.

Activities

- Conduct research of existing materials and programs of financial education, e.g., practical money skills available through educational organizations, banks, and other sources in OAS Member States.
- Select materials, consult with owners of intellectual property rights to obtain permissions for use, and identify potential needed adaptations.
- Consult with agencies and organizations to identify potential national and other international partners and participating organizations, e.g.: credit card companies.
- Outline a tentative plan for completion of dissemination of consolidated materials and strategies for pilot testing materials on-site and in-country.
- Conduct focus groups in selected countries with institutions to pilot test materials and set local strategies for full program implementation, including timetables, scope of materials, and long-range plans.
- Prepare full implementation plan and long-term strategies after focus group evaluation to make final materials available on-line to both end-users and participating institutions and trainers, in selected countries and plan for expansion.

Benefits and Results

- YABT will have an exemplary and innovative program of financial education to complement its young entrepreneur programs across the Americas.
- Participating organizations will have access to a wider range of training materials that are locally appropriate and available on-line to expand financial education and business skills training, targeted to young people in the Americas.
- Participating Agencies and the materials developed will gain wide visibility in the Americas through effective program of financial education that will improve the participants' skills in practical money management.
- Participating banks will gain positive exposure and identify good customers in a dynamic, growing market segment of young people interested in business, thereby establishing themselves favorably in the market for future customers.
- Participating banks, small businesses, and individuals will realize a reduction of risk in their loans and credit cards; entrepreneurs can learn savings skills that will improve their long-term survivability.

Young Americas Financial Education Project

Available Resources

- Existing material to be adapted and made more widely available through YABT's network of entrepreneurs and businesses and other networks, e.g. IDB Youth.
- YABT has a network of enterprising young people with businesses or with potential business ideas that are ideal target markets for the program and for future financial development initiatives that are necessary for their enterprises to grow and succeed.
- YABT's related programs of young entrepreneur development, including its Business Labs project, Internet platform (www.myybiz.net) and follow-up training that will reinforce the program of financial education and be strengthened by it.

Needed Resources

The Young Americas Business Trust relies on contributions of technical cooperation and financial contributions from both the public and private sectors to formulate its international programs and to offer national training and related services. YABT needs the following to make this initiative a reality:

- Program staff to provide technical services to fully plan the program, review the existing materials,
- Adaptations of existing materials, promotional materials for the initiative, and delivery the content on-site and on-line to potential customers and clients.
- Additional web programming services and Internet portal development to facilitate the delivery of the materials to participating sites and integration with YABT's on-going programs of training and entrepreneur networks.
- Because the Young Americas Business Trust is housed at the OAS General Secretariat, management and general overhead are provided by the OAS, enabling YABT to focus its project-related income directly on program activities.

Timetable

- Startup phase of the project would begin in April 2006.
- Full implementation would be completed by December 2007.

Sponsors / Collaborators

- YABT seeks technical collaborators and financial sponsors for the development and implementation of the program in OAS Member States.
- In addition to recognition in materials, promotions, and events associated with the program, sponsoring financial institutions will be able to use the materials in organizing and conducting training by their staff for participating young people, thereby identifying well-prepared potential clients and future customers.

For more information, contact

Young Americas Business Trust

Roy Thomasson, CEO, rthomasson@oas.org

Luis Viguria, Program Director, ybiz42@oas.org

Valerie Lorena, Program Manager, Financial Education, ybiz5@oas.org