

## Executive Summary for D2Development

*"The fate of empires depends on the education of youth."* (Aristotle)

Empowering students, enabling change. This is what **Wedu**

[www.wedufund.org](http://www.wedufund.org)

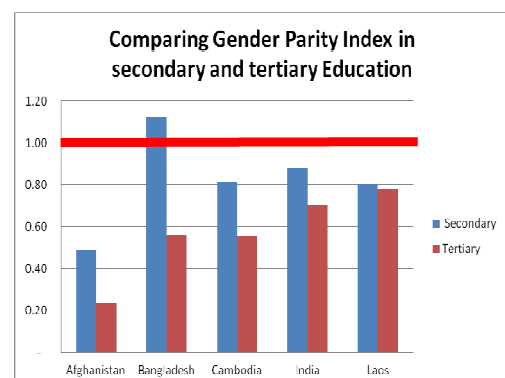
**Wedu empowers student leaders, especially girls, from Least Developed Countries (LDCs) to become masters of development in their home communities. We do so by providing financial and non-financial support, helping them access quality higher education and networks necessary to achieve and share their full potential in professional and personal life.**

### *The Problem*

Providing access to education has been and continues to be a major development goal. Although most developing countries have made considerable progress in reducing the gender gap in school enrollment, significant gender gaps remain both at secondary and tertiary level education. More than 20% of low- and middle-income countries are seriously off-track from meeting the education Millennium Development Goal of empowering women and girls by achieving gender parity in education.

There are countless benefits to educating girls. An extra year of secondary school adds 15% to 25% to girls' eventual wages. Girls who stay in school for seven or more years typically marry four years later, have two fewer children than girls who drop out, and can take better care of their children's health. Women reinvest 90% of their income to their families, compared to 30% to 40% by men. While a chief economist at the World Bank, Larry Summers wrote "Investment in girls' education may well be the highest-return investment available in the developing world," huge challenges remain in obtaining gender parity in education in developing countries.<sup>1</sup>

Studies indicate that many girls tend to drop out during secondary school due to reasons including poverty, high opportunity costs (as girls are also required to do housework), and unsupportive families, amongst other cultural and social factors. The female gross enrolment ratio radically decreases from secondary education to tertiary education, resulting in a significant level of gender inequality in LDCs especially at tertiary education (see graph<sup>2</sup>).



<sup>1</sup> "To Fight Poverty, Invest in Girls", Time Magazine, 14 February 2011.

<http://www.time.com/time/magazine/article/0,9171,2046045,00.html#ixzz1ZFt8Sil4> (Accessed 27 Sept 2011).

<sup>2</sup> Figures are from 2009 (Afghanistan), 2008 (Bangladesh, India, Laos) and 2007 (Cambodia); UNESCO Institute of Statistics, <http://www.uis.unesco.org/Pages/default.aspx> (Accessed 29 Sept 2011). India, which is not an LDC, is used as a benchmark.

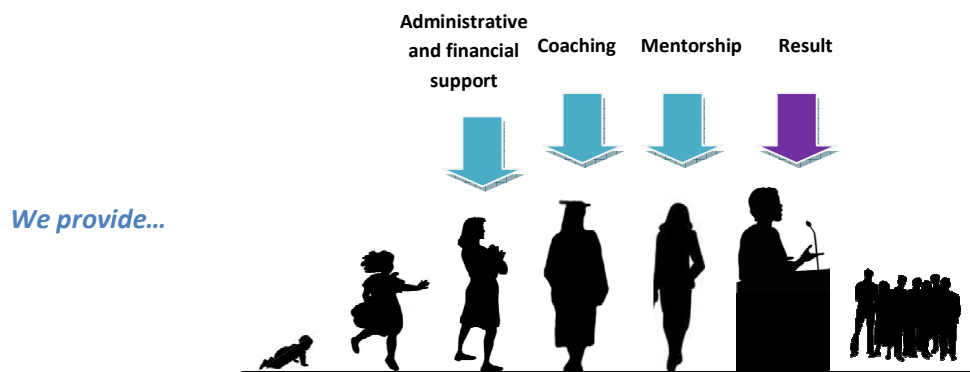
### What do Wedu?

Wedu's solution to the above problem is to support powerful individuals from LDCs by giving them access to finance quality higher education and the network to have a strong social impact in their communities. We do so by providing a crowd-sourcing tool for financial, and most importantly, non-financial support to students in LDCs. Although we are open to all genders, we believe that having a strong focus on girls is not only the right thing to do, but it is also a smart investment.

Our innovative financing options and a portfolio approach allow donors to personalize their financial product according to their preferences on combining the desired level of financial return and social impact. Administrative assistance before starting university, mentorship and community platform are designed to support the lifelong development of local leaders, leveraging the knowledge and connections of current development practitioners and social entrepreneurs to help students acquire a diverse set of skills.

### How do we do it?

The leadership development of student starts with higher education. We reach out to the students, assist them with the application process for university, provide financial support to complete their higher education (scholarships, student loans, quasi-equity investments) and connect them with mentors and networks that can help them achieve their full potential and promote social change.



### We provide...

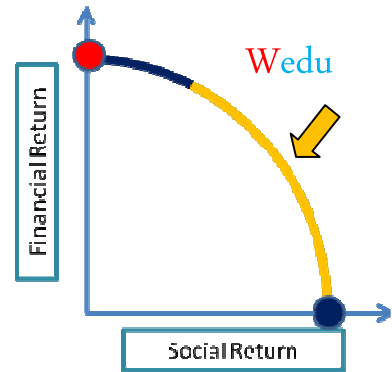
We are developing a network of people who want to make this change happen. We call these people *Education Angels*. Anyone can become an Angel by providing capital or mentorship to students. Each Angel chooses if and how to contribute financially by selecting the combination of social and financial return that they prefer: from a full scholarship to a profitable quasi-equity investment in students.

### The web platform project

We are creating a platform that allows Education Angels to decide how they want to support a student, stay in touch after university and mentor them. Over the years we have realized that development practitioners (*YOU!*) in the field come across incredible candidates! That is the spark moment when the practitioner can become an Angel. Using the Wedu platform a practitioner can recommend a student to the online community and start the ripple effect.

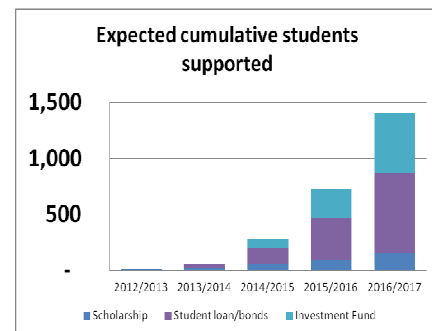
### Main innovations

1. The web platform is designed to enable investors to offer both capital and mentorship support to students by choosing the level of social return and financial impact that they want to achieve. No other organization online allows choice between these kinds of returns. With this innovation we expect to be able to mobilize capital that has not yet been reached.
2. Collaborating with development specialists in the field for the selection of students by creating an infrastructure that enhances connectivity, ease of use and fully integrated access through social networks (facebook, Google+, twitter, etc).
3. Stressing the importance of mentorship and creation of social capital rather than focusing solely on financial transactions.
4. Promotion of a large diffusion of financial products, e.g. currently underutilized forgivable loans.
5. Our platform fosters the creation and collateralization of social capital, the social bonding inside the community, like in microfinance.



### Sustainability and impact

Wedu collects small fees on the capital invested in education. We aim to complete the implementation of the web platform by April 2012, then exponentially grow the community and refine the financial products up to 2014. We expect to reach over 1,000 students in the first five years of activity involving countries such as Afghanistan, Bangladesh, Cambodia, the UK and Thailand.



### The Team

Wedu's team consists largely of DESTIN/ID alumni committed to increasing access to education in LDCs and providing a complementary set of skills to the vibrant start up. Mario Ferro, MSc Development Management, co-founder and team leader, brings innovation and experience in social entrepreneurship. He is currently a Senior Advisor for Energy Investments for Greenpeace and a former Senior Consultant for PwC Advisory as well as Acumen Fund Fellow. Mari Sawai, MSc Political Economy of Late Development (PELD), co-founder and Communications Manager, has experience working with disadvantaged youth in Peru and the UK. She is currently working with the United Nations in Thailand. Shane Heywood, MSc Development Studies, is a management consultant at Bain and Acumen Fund Fellow; he brings finance expertise to the team. Michael Kaethler is our Monitoring & Evaluation expert, with his extensive field experience from Afghanistan and Sudan. Liana Simmons, MSc Development Management, is our gender expert and has previously worked with World Food Programme developing gender-sensitive guidelines for field staff. Soon Kyu Choi, MSc PELD, leads our market researches.

**Do you want to change the world? Wedu, one student at a time**

