The CHANCEN Story

Arlette Mugisha

Batya Blankers
8% Africa

49% EU & USA
51% of youth aged 18–24 do not have financial means to pay for their tuition in higher education & skills training.

2 Trillion USD missing in education finance.
How do we bring the ecosystem together?

- Youth
- Education Providers
- Employers
How do we close this supply and demand gap?

**SUPPLY:**
High quality education Institutions

**DEMAND:**
Student
Solution | Fair & Ethical Finance

Requires:

- Study now and pay later approach
- No financial collateral
- Financing for high quality education
- Graduates may not be over indebted
Solution  Income Share Agreements (ISA)

CHANCEN raises funds from social & impact investors.

Partner institutions who offer labour market relevant education are vetted and selected.

Excluded youth can sign up for an ISA from CHANCEN, agreeing to repay this money after attaining gainful employment following their graduation.

Our algorithm calculates the repayment % and period. The CHANCEN platform manages all of our students and graduates.

We re-invest these repayments in the next generation or repay our investors, thereby closing the funding circle.
## How are ISA’s Different

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<th>Loan</th>
<th>Scholarship</th>
<th>ISA</th>
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<td>Capped repayments</td>
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<td>Community based</td>
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<td>Adjusts based on income</td>
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<td>Low default rate</td>
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<td>Covers indirect costs</td>
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<td>No collateral / credit score needed</td>
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<td>Tailored risk assessment</td>
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<td>Ethical &amp; fair</td>
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Arlette’s ISA

Diploma in Business: 1 500 $

Repayment: 9% for 8 Years
1461 Students | 450 Graduates | 89% Repayment Rate

83% Women | 50% Rural
Creating a new asset class

Proof points

- Pilot ✔
- Subsidised Funding ✔
- Blended Finance
- Patient Capital
- Repayment Data & Risk classifications
- Asset Class recognised
The Future of Work Fund (FWF)

MISSION

Focus Countries are
- Rwanda
- Kenya
- South Africa

OBJECTIVES

Finance 10,000 Students

70% Gender Split

20% come from 2$ a day households

Partner with 10 Education Institutions that meet our quality criteria

Focus Countries are
- Rwanda
- Kenya
- South Africa
21 M USD | Special Purpose Vehicle Domiciled in Rwanda

**Senior Debt:**
- 5% / 5 - 7 Years
- 12 Million Committed

**First Loss covered by Partner Education Institutions**

**Equity: 4.3 M USD Available**
- Class A: Chancen International → 800k USD Committed
- Class B: Chancen Members have ownership → 1 M USD Committed
- Class C: PREFERENCE SHARES with target 8% IRR → 3 M USD Committed
Thank You

“When I heard about the Income Share Agreement from CHANCEN, which could allow me to study now and pay later, I was so happy. It was a dream coming true-”

Arlette Mugisha
CHANCEN Member & Akilah Alumnae